

O-288-16

TRADE MARKS ACT 1994

**IN THE MATTER OF TRADE MARK APPLICATION 3104646
BY TRULY SUMPTUOUS SWEETZ AND TREATZ LTD
TO REGISTER THE FOLLOWING TRADE MARK IN CLASS 30:**



AND

**OPPOSITION THERETO (NO. 404830) BY
GARTONA LTD**

Background and pleadings

1. This dispute concerns whether the following trade mark should be registered in respect of fudge in class 30:



2. The mark was filed on 19 April 2015 by Truly Sumptuous SweetZ and TreatZ LTD (“the applicant”) and it was published for opposition purposes on 8 May 2015.

3. Gartona Ltd (“the opponent”) oppose the registration of the mark under section 5(2)(b) of the Trade Marks Act 1994 (“the Act”), claiming that there is a likelihood of confusion with four earlier trade marks it owns. It also opposes under section 3(6) of the Act. The details of the four earlier marks are as follows:

<i>oooh!</i>
UK trade mark registration 2609146 for the mark: CHOCOLATA
The mark was filed on 3 February 2012 and registered on 11 May 2012. It is registered for the following goods in class 30:
Coffee, tea, cocoa, sugar, rice, tapioca, sago, artificial coffee; flour and preparations made from cereals, bread, pastry and confectionery, ices; honey, treacle; yeast, baking-powder; salt, mustard; vinegar, sauces (condiments); spices; ice; sandwiches; prepared meals; pizzas, pies and pasta dishes



UK trade mark registration 3089922 for the mark:

The mark was filed on 18 January 2015 and registered on 10 April 2015. It is registered for the following goods in class 30:

Confectionery chips for baking;Ice confectionery;Boiled confectionery;Chocolate confectionery; Confectionery bars; Confectionery chocolate products;Ice confectionery in the form of lollipops;Ice cream confectionery;Non-medicated confectionery products;Confectionery made of sugar;Baking powder;Baking spices;Baking soda;Biscuits containing chocolate flavoured ingredients;Cake decorations made of candy;Cake mixtures;Cake icing;Chocolate truffles;Truffles [confectionery];Natural flavourings for use in ice cream [other than etheric essences or essential oils];Natural sweeteners in the form of fruit concentrates;Natural sweetening substances;Chocolate fudge;Fudge;Sweets (non-medicated-) in the nature of fudge;Biscuit products;Almond cake;Cake mixes;Cake decorations made of candy;Chocolate cake;Fruit cake snacks;Chocolate coated nougat bars;Sweets (non-medicated-) in the nature of nougat;Nougat;Turkish delight;Toffee;Sugarfree sweets;Gum sweets (non-medicated-);Mint based sweets [non-medicated];Mint flavoured sweets (non-medicated-);Non-medicated sweets;Sweets (non-medicated-);Sweets (non-medicated-) in the nature of sugar confectionery



UK trade mark registration 3007557 for the mark:

The mark was filed on 28 May 2013 and registered on 6 September 2013. It is registered for the following goods in class 30:

Beverages with a chocolate base;Beverages with a cocoa base;Biscuits;Biscuits containing chocolate flavoured ingredients;Biscuits having a chocolate

coating;Boiled confectionery;Boiled sugar confectionery;Candies (non-medicated-);Candies (non-medicated-) with honey;Candy with cocoa;Cereal bars;Chocolate;Chocolate bars;Chocolate based products;Chocolate biscuits;Chocolate cakes;Chocolate candy with fillings;Chocolate chips;Chocolate coated biscuits;Chocolate confectionery containing pralines;Chocolate confectionery having a praline flavour;Chocolate confectionery products;Chocolate confections;Chocolate covered biscuits;Chocolate decorations for christmas trees;Chocolate decorations for confectionery items;Chocolate flavoured beverage making preparations;Chocolate for confectionery and bread;Chocolate for toppings;Chocolate-based ready-to-eat food bars;Chocolates;Chocolates in the form of pralines;Christmas tree decorations [edible];Christmas tree [edible];Cocoa;Cocoa based creams in the form of spreads;Cocoa beverages;Cocoa beverages with milk;Cocoa extracts for human consumption;Cocoa for use in making beverages;Cocoa mixes;Cocoa powder;Cocoa preparations;Cocoa preparations for use in making beverages;Cocoa products;Cocoa [roasted, powdered, granulated, or in drinks];Cocoa-based beverages;Confectionery;Confectionery chocolate products;Confectionery for decorating Christmas trees;Confectionery in the form of tablets;Drinking cocoa paste;Drinks based on chocolate;Drinks based on cocoa;Drinks containing chocolate;Drinks containing milk flavouring;Drinks flavoured with chocolate;Foods with a cocoa base;Foodstuffs containing chocolate [as the main constituent];Foodstuffs containing cocoa [as the main constituent];Foodstuffs in the form of snack foods;Foodstuffs made from cereals;Frozen dairy confections;Frozen yoghurt [confectionery ices];Frozen yogurt [confectionery ices];Frozen yogurt confections;Ice beverages with a chocolate base;Ice beverages with a cocoa base;Ice confectionery;Ice confectionery in the form of lollipops;Ice confections;Ice cream;Ice cream bars;Ice cream confectionery;Ice cream confections;Ice cream desserts;Ice cream drinks;Ice cream gateaux;Ice cream mixes;Ice creams;Ice creams containing chocolate;Ice lollies;Ice lollies being milk flavoured;Ice lollies containing milk;Ice milk [ice cream];Ice, natural or artificial;Ice-cream;Ice-cream cakes;Ice-cream confections;Iced cakes;Iced confectionery (non-medicated-);Iced lollies;Ices and ice cream;Ices and ice creams;Imitation chocolate;Imitation custard;Imitation ice cream;Marshmallow

confectionery;Marshmallow filled chocolates;Marshmallow topping;Marzipan;Microwave popcorn;Milk chocolate;Milk chocolate bars;Milk chocolate teacakes;Mixtures for making ice creams;Mousse (sweet);Mousses (Chocolate -);Mousses (Dessert -) [confectionery];Natural flavourings for use in ice cream [other than etheric essences or essential oils];Non-medicated chocolate;Non-medicated chocolate confectionery;Non-medicated confectionery;Non-medicated confectionery candy;Non-medicated confectionery containing chocolate;Non-medicated confectionery containing milk;Non-medicated confectionery for use as part of a calorie controlled diet;Non-medicated confectionery products;Non-medicated flour confectionery;Non-medicated flour confectionery coated with chocolate;Non-medicated flour confectionery coated with imitation chocolate;Non-medicated flour confectionery containing imitation chocolate;Non-medicated flour confectionery containing with chocolate;Nut confectionery;Ornaments for christmas trees [edible];Petit fours;Preparations for making beverages [chocolate based];Preparations for making beverages [cocoa based];Prepared cocoa and cocoa-based beverages;Prepared desserts [chocolate based];Prepared desserts [confectionery];Puddings for use as desserts;Ready-made sauces;Sauces for ice cream;Shortbread part coated with chocolate;Snack bars consisting of chocolate;Snack bars containing a mixture of grains, nuts and dried fruit [confectionery];Snack bars containing dried fruits [confectionery];Snack bars containing grains [confectionery];Snack bars containing nuts [confectionery];Snack food (Cereal-based -);Snack food products consisting of cereal products;Snack food (Rice-based -);Snack foods consisting principally of confectionery;Sorbets;Spreads made from chocolate and nuts;Sugar confectionery;Sugar confectionery (non-medicated-);Sugarless sweets;Sweeteners (natural-);Sweets (non-medicated-) in the nature of sugar confectionery;Toffees;Vanilla.

Ooh!
SWEETIE

UK trade mark registration 3089217 for the mark:

The mark was filed on 13 January 2015 and registered on 3 April 2015. It is registered for the following goods in class 30:

Boiled sweets;Candies [sweets];Gum sweets;Sugarfree sweets;Chocolate sweets;Foamed sugar sweets;Sweets (non-medicated-) in the nature of caramels;Sweets (non-medicated-) in the nature of chocolate eclairs;Sweets (non-medicated-) in the nature of fudge;Sweets (non-medicated-) in the nature of nougat;Sweets (non-medicated-) in the nature of sugar confectionery;Sweets (non-medicated-) in the nature of toffees;Sweets [candy];Peppermint sweets.

4. It should be noted that none of the earlier marks were registered more than five years prior to the date of publication of the applicant's mark. The consequence of this is that there is no requirement for the opponent to prove that its earlier marks have been used and it may, therefore, rely on them for their specifications as registered; section 6A of the Act refers.

5. In its statement of case, when explaining why there is a likelihood of confusion, the opponent states that the application was filed shortly after the opponent had contacted the applicant to alert it to the similarity between the respective trade marks, after both had attended the same trade exhibition. The opponent states that the filing was to "try to confer legitimacy upon his trading name". In relation to the marks, the opponent states:

"I am objecting to the use of the word "Oooh!" and its association with a specific confectionery item. We make and market over 140 confectionery products all branded using the word "Ooh". Our mark has acquired a good and growing reputation and level of recognition within the marketplace. Through the registration of several trade marks, we have sought to protect our intellectual property, brand names and reputation and have invested a great deal in so doing. The proposed trade mark, the main aural aspect of which resembles our own trade marks would, if granted, weaken the protection we currently have. It would also dilute the distinctiveness that our marks have acquired in the area of confectionery."

6. In relation to section 3(6), the opponent states:

“The applicant does not own the exclusive rights to the proposed trade mark, a fact that would have been known to the applicant at the time the application was made. The trade mark is the result of customisation of a design that can be purchased online under a non-exclusive license. This non-exclusive license stipulates that the purchased design, if customised, cannot be trademarked. The applicant supplied the image in editable format to interested designers as part of an online contest to create his branding. They were instructed to use the image to create the logo which he is now seeking to register.”

7. Attached to the statement of case are a number of documents. No commentary is provided in relation to them, but they appear to be a print from the website of graphicriver.net showing a logo which contains a very similar (although not identical) graphic element to the graphic element in the applied for mark. The logo additionally contains the words “Chocolate Liquid Logo”. I assume this to be the design that can be purchased on-line. The page also includes some text, with the following being highlighted by the opponent: “Single, non-exclusive logo..”. There is also text headed “Things you can’t do with the Logo template” where it is stated:

“7. You can’t claim any exclusive right to use the Logo Template or Final Logo, which includes not claiming trade mark rights or copyright in the Final Logo and not applying to register the Final Logo as a trade mark anywhere.”

8. Also attached to the statement of case are prints from the website 99designs.co.uk relating to a competition to create “labels/branding for a new Fun Premium Fudge Brand”. The brand is identified as “Oooh!... FUDGE”. Reference is made to the existence of an “AI¹ image” on which work is required to make it stand out. The final pages attached to the statement of case show variations of the applicant’s trade mark, some of which have a graphic element which appears to be identical to the graphic element in the design shown on the Graphic River website, and, also, another which shows the applied for mark. It is not clear where these images have come from.

¹ Later evidence shows that this is an acronym for Adobe Illustrator

9. It should be noted that the opponent's claim under section 3(6) is an amended claim. Initially, the opponent pleaded under section 5(4)(b) on the basis of breach of copyright, however, the opponent was advised that such a claim was not permissible because the opponent was not the owner of the claimed copyright work. The claim was then amended to that summarised above.

10. The applicant filed a counterstatement denying the claims. In relation to the claims under section 5(2)(b), whilst accepting that the goods are similar, it considers the marks to be dissimilar and that there will be no likelihood of confusion. It also considers that the distinctiveness possessed by the common element ooh/oooh to be low as it is either laudatory or descriptive. Earlier in its counterstatement, the applicant explained that its mark was selected after a customer exclaimed: "ooh! fudge" in response to encountering its fudge products. In relation to the section 3(6) claim, I note that at the beginning of its counterstatement the applicant explains that the mark was created from a "rough design of a logo" which contained a licensed swirl graphic intended to portray the pouring of fudge. A professional designer was commissioned to create a more professional version of the logo with an adapted version of the swirl graphic. It considers the bad faith claim to be speculative and just an attempt to introduce a copyright claim by the back door. It considers that the issue is a private matter between the applicant and the owner of the original swirl design and is of no concern to the opponent. It is also stated that the application was not filed to prevent third parties from using the word "OOOH!".

11. The opponent has represented itself throughout the proceedings. The applicant has been professionally represented by Spearing Waite LLP. Both sides filed evidence. Neither side asked to be heard. The applicant filed written submissions in lieu of a hearing, the opponent did not.

The opponent's evidence

12. This comes from Ms Ruth Yard, the opponent's company secretary. In relation to the opponent's marks, Ms Yard states that they have been used for three years and that in excess of 750,000 products have been sold. She states that the two parties operate in the same sector and that there is a likelihood of confusion. She notes that

in the applicant's counterstatement it states that its trading name is "Oooh! Fudge sooo Sumptuous". Ms Yard considers this to be an incorrect assertion as its trading name is "Oooh! Fudge" and that "sooo sumptuous" is a tagline. In support of this she provides a copy of the competition instructions (as mentioned in the counterstatement) in which it is stated "Company Name – Oooh! FUDGE, Tag Line – Sooo! ...Sumptuous".

13. Ms Yard refers to the applicant's mark being filed two days after she made contact with it to alert it to the similarities between the marks. Ms Yard is concerned that the timing of the filing is indicative of the applicant seeking rights to the name "Oooh! Fudge". Ms Yard accepts that the applicant's mark also contains a swirl device and a strapline, but the former is not the applicant's to register (see below) and the latter is not distinctive. She adds that the only part which is of any real use or relevance in terms of trade mark protection is the words "Oooh! Fudge" which conflicts with the opponent's marks.

14. In relation to the section 3(6) claim, the following is provided:

- Exhibit GART2, which is described as the logo template purchased by the applicant from GraphicRiver.net, part of the website envato.com. Ms Yard states that the logo template consists of a swirl and two lines of text as follows:



- Exhibits GART3/4 consists of the instructions (which I have already touched upon when summarising the opponent’s statement of case) for the competition to create the applicant’s mark which were posted on the website 99designs.co.uk along with an editable AI file. The image in the AI file, which I assume was created using the logo template above, looks like this:



- Exhibit GART5 contains the winning design, a design which mirrors the applied for mark as follows:



- Exhibit GART6 consists of an email from “Thinish P” in response to an enquiry Ms Yard made through the Envato website. The details of the enquiry are not provided but the response reads:

“Thanks for your email. If the logo was indeed purchased from Graphic River, the following rule will apply:

“You can’t claim any exclusive right to the use of the Logo Template or Final Logo, which includes not claiming trade mark rights or copyright in the Final Logo and not applying to register the Final Logo as a trade mark anywhere”

- Exhibit GART7 contains a statement (translated from Indonesian) from a person identified as Hendri Nguriana who states that he is the designer and copyright holder of the liquid chocolate logo which he sells on the Envato market which consumers buy with a non-exclusive licence. The logo has been sold 27 times. He did not give permission for the application, which is based on his logo, to be registered. He states that the registration of the mark will damage his licence as an author and copyright holder.

15. Mr Yard states that the statement of Mr Nguriana in GART7 undermines the applicant’s point that this is a matter between it and the copyright holder and she highlights that the copyright holder has clearly not given permission for the mark to be filed.

The applicant’s evidence

16. This comes from Mr Mark Johnson, the applicant’s managing director. The following emerges from his evidence:

- Mr Johnson initially traded as a sole trader under the name “Truly Sumptuous Sweets”, selling hand-made fudge. He initially traded online from an eBay shop, but from mid-2012 he traded at small events, stalls and through a gift shop called Cherry Tree Gifts in Leicester.
- Mr Johnson decided that a brand name was required. He recounts how a number of people exclaimed “Oooh! Fudge” when they encountered his product. In an article from *C&W In Business* from May/June 2014 (Exhibit MIJ1), this story is recounted. Since October 2012 the name Oooh!...Fudge was used to sell the fudge products.

- In September 2013, the applicant company was incorporated (Exhibit MIJ3) through which all subsequent trade was conducted. That same month, Mr Johnson appointed Jaypeg Creative, a web design consultancy, to build a website for the business. The website was launched in late September 2013. Domain names were registered (oooh-fudge.co.uk and oooh-fudge.com). An invoice to Jaypeg relating to this is provided in Exhibit MIJ2.
- In relation to the design of the applied for mark, much of what Mr Johnson states is in line with the evidence of Ms Yard. He accepts that he used the website graphicriver.net to produce what he describes as a “good starting point to show a designer what I had in mind for the Applicant’s new logo”. After paying \$29 he was sent the file “with which to create my rough logo design”.
- Mr Johnson states that he tinkered with the design himself, adding the trading name “Oooh!...Fudge” and introducing the words “sooo sumptuous”. He accepts that what he describes as the “rough logo” is as per Ms Yard’s Exhibit GART 3.
- Mr Johnson also accepts that a competition to create the applicant’s logo was run on 99 Designs (as per Ms Yard’s Exhibit GART4.). Two entries were received in response, one from a Ms Naomi Gordon, the other from “Michailo”. The entries are shown in Exhibit MIJ4 which show variations of the design. He states that Ms Gordon made two entries using the original swirl as inspiration to create an original swirl of her own. He states that it had a different shape, thickness and curve. The entry then went through some revisions until he was content with it. The competition ended in November 2013 with Ms Gordon’s design (as per the application) being the winner. The design rights in Ms Gordon’s design were then assigned to him (Exhibit MIJ5).
- The applied for logo has been used on various materials including on packaging, flyers, business cards etc. (Exhibit MIJ6). Exhibit MIJ7 contains invoices from 99 Designs relating to the work of Ms Gordon in producing such materials and Exhibit MIJ8 contains invoices relating to printing costs. Twitter posts showing the mark in use at food markets etc. are provided at Exhibit MIJ9.

- Shortly before attending The Farm Shop and Deli Show at the NEC Birmingham in April 2015, Mr Johnson received an email from the opponent (which he cannot find) which he describes as aggressive and threatening. Mr Johnson states that the opponent had seen the applicant's use and demanded that it stop using its mark because it owned a monopoly in the word "Oooh!".
- Mr Johnson was surprised by the above because OOOH is a basic expression and commonly used (he refers to the reason for coining his mark). Exhibit MJ10 contains definitions from a number of dictionaries which show various meanings including an exclamation of surprise, a word used for showing a reaction such as surprise, excitement, pleasure etc.
- When Mr Johnson received the email from the opponent, he was not aware of them, the opponent was just one of many small-scale independent operators in the confectionery industry. He states that he is not aware of any confusion ever having arisen.
- Whilst he had previously considered registering the mark, the "hostile nature" of the opponent's email prompted him to file it in order to protect the applicant's "goodwill and rights in the logo". He says that he did not file it in order to block or interfere with any third party. He does not consider that any single business has a monopoly in the use of the words OOH or OOOH.
- In terms of the Graphic River design, Mr Johnson states that his understanding was that he was able to adapt the imagery, which is why the artwork was provided in editable format. He says, in any event, that it was merely used for inspiration and that it was acceptable to commission a different and new version.
- In response to the statement of Hendri Nguriana, Mr Johnson subsequently contacted him and they have now agreed a written licence document in which he consents to, and authorises, the applicant's use and registration of the trade mark.

The opponent's reply evidence

17. This comes, again, from Ms Yard. Much of her evidence is akin to submission, in the form of various criticisms of the applicant's evidence. The following emerges:

- That the use and coining of the applicant's trading name is not relevant.
- That Ms Gordon's design is simply an adaptation so is not original, hence she cannot assign anything to the applicant.
- Ms Yard provides the email that Mr Johnson could not find. I did not find it aggressive. It highlights the existence of the opponent's mark, suggests that the applicant's trading name is similar and suggests that the matter be discussed to resolve the situation "hopefully without recourse to legal action".
- That it is pertinent that the applicant filed the trade mark when it became aware of the opponent.
- That the agreement with Mr Nguriana is not logical. Ms Yard questions how can he consent to the registration of the mark yet go on to allow others to use his design. This is said to be contradictory as those others will be in breach of the applicant's mark. She adds that Mr Nguriana made his statement on her behalf for free and represents his true view, as opposed to being paid by the applicant. She states that the fact remains that 26 other people [those who also purchased the logo template] will be effected. She also highlights that there is an agreement between Mr Nguriana and Envato.com which stipulates that sales via the website must be non-exclusive.

Section 3(6) –bad faith

18. Section 3(6) of the Act states that:

"A trade mark shall not be registered if or to the extent that the application is made in bad faith."

19. In *Red Bull GmbH v Sun Mark Ltd & Anr* [2012] EWHC 1929 and [2012] EWHC 2046 (Ch) ("*Sun Mark*") Arnold J summarised the general principles underpinning section 3(6) as follows:

"Bad faith: general principles

130 A number of general principles concerning bad faith for the purposes of section 3(6) of the 1994 Act/ Article 3(2)(d) of the Directive/ Article 52(1)(b) of the Regulation are now fairly well established. (For a helpful discussion of many of these points, see N.M. Dawson, "Bad faith in European trade mark law" [2011] IPQ 229.)

131 First, the relevant date for assessing whether an application to register a trade mark was made in bad faith is the application date: see Case C-529/07 *Chocoladenfabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH* [2009] ECR I-4893 at [35].

132 Secondly, although the relevant date is the application date, later evidence is relevant if it casts light backwards on the position as at the application date: see *Hotel Cipriani Srl v Cipriani (Grosvenor Street) Ltd* [2009] EWHC 3032 (Ch), [2009] RPC 9 at [167] and cf. Case C-259/02 *La Mer Technology Inc v Laboratoires Goemar SA* [2004] ECR I-1159 at [31] and Case C-192/03 *Alcon Inc v OHIM* [2004] ECR I-8993 at [41].

133 Thirdly, a person is presumed to have acted in good faith unless the contrary is proved. An allegation of bad faith is a serious allegation which must be distinctly proved. The standard of proof is on the balance of probabilities but cogent evidence is required due to the seriousness of the allegation. It is not enough to prove facts which are also consistent with good faith: see *BRUTT Trade Marks* [2007] RPC 19 at [29], *von Rossum v Heinrich Mack Nachf. GmbH & Co KG* (Case R 336/207-2, OHIM Second Board of Appeal, 13 November 2007) at [22] and *Funke Kunststoffe GmbH v Astral Property Pty Ltd* (Case R 1621/2006-4, OHIM Fourth Board of Appeal, 21 December 2009) at [22].

134 Fourthly, bad faith includes not only dishonesty, but also “some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined”: see *Gromax Plastics Ltd v Don & Low Nonwovens Ltd* [1999] RPC 367 at 379 and *DAAWAT Trade Mark* (Case C000659037/1, OHIM Cancellation Division, 28 June 2004) at [8].

135 Fifthly, section 3(6) of the 1994 Act, Article 3(2)(d) of the Directive and Article 52(1)(b) of the Regulation are intended to prevent abuse of the trade mark system: see *Melly's Trade Mark Application* [2008] RPC 20 at [51] and *CHOOSI Trade Mark* (Case R 633/2007-2, OHIM Second Board of Appeal, 29 February 2008) at [21]. As the case law makes clear, there are two main classes of abuse. The first concerns abuse vis-à-vis the relevant office, for example where the applicant knowingly supplies untrue or misleading information in support of his application; and the second concerns abuse vis-à-vis third parties: see Cipriani at [185].

136 Sixthly, in order to determine whether the applicant acted in bad faith, the tribunal must make an overall assessment, taking into account all the factors relevant to the particular case: see *Lindt v Hauswirth* at [37].

137 Seventhly, the tribunal must first ascertain what the defendant knew about the matters in question and then decide whether, in the light of that knowledge, the defendant's conduct is dishonest (or otherwise falls short of the standards of acceptable commercial behaviour) judged by ordinary standards of honest people. The applicant's own standards of honesty (or acceptable commercial behaviour) are irrelevant to the enquiry: see *AJIT WEEKLY Trade Mark* [2006] RPC 25 at [35]-[41], *GERSON Trade Mark* (Case R 916/2004-1, OHIM First Board of Appeal, 4 June 2009) at [53] and *Campbell v Hughes* [2011] RPC 21 at [36].

138 Eighthly, consideration must be given to the applicant's intention. As the CJEU stated in *Lindt v Hauswirth*:

“41. ... in order to determine whether there was bad faith, consideration must also be given to the applicant's intention at the time when he files the application for registration.

42. It must be observed in that regard that, as the Advocate General states in point 58 of her Opinion, the applicant's intention at the relevant time is a subjective factor which must be determined by reference to the objective circumstances of the particular case.

43. Accordingly, the intention to prevent a third party from marketing a product may, in certain circumstances, be an element of bad faith on the part of the applicant.

44. That is in particular the case when it becomes apparent, subsequently, that the applicant applied for registration of a sign as a Community trade mark without intending to use it, his sole objective being to prevent a third party from entering the market.

45. In such a case, the mark does not fulfil its essential function, namely that of ensuring that the consumer or end-user can identify the origin of the product or service concerned by allowing him to distinguish that product or service from those of different origin, without any confusion (see, inter alia, Joined Cases C-456/01 P and C-457/01 P *Henkel v OHIM* [2004] ECR I-5089, paragraph 48).”

20. Whether the trade mark was applied for in bad faith must be assessed at a particular point in time. As stated in the *Sun Mark* case, the relevant date is the date of the application to register the trade mark. The relevant date is 19 April 2015.

21. One argument made by the opponent relates to the timing of the trade mark application, with it being made shortly after the opponent sent the applicant an email highlighting its concern over the similarity of the applicant's trading name to the opponent's trade marks. Whilst this gives rise to knowledge of the opponent's trade marks on the part of the applicant (specifically Mr Johnson), it is clear from the case-law that mere knowledge of another trader's marks/business is not, in and of itself,

fatal. It is clear from the evidence that the applicant's mark has been in use for some time before the application. Whilst the contact from the opponent may have prompted the application being made, I am satisfied that this was motivated by a desire to protect its own business interests as opposed to interfering with the rights of others. This strikes me as a prudent course of action not an act of bad faith.

22. The second argument relates to the applied for mark being based upon the logo template created by Mr Nguriana which was sold on envato.com. In its written submissions the applicant states that this is an unusual claim because the alleged bad faith is not against the opponent. However, even if this is unusual, it is not fatal. In the *Dawaat* case, Mr Hobbs QC, sitting as the Appointed Person stated:

“108. Whilst it might be possible to interpret Article 3(2)(d) and Section 3(6) restrictively so as to confine their operation to matters arising between applicants and the Registrar, I do not think it would be right to limit the operation of the objection in that way.”

23. The question is whether the conduct complained of would be regarded by experienced people in the relevant field as falling below the standards of acceptable commercial behaviour. In terms of the knowledge upon which that assessment is to be made, it is clear that Mr Johnson paid for the logo template produced by Mr Nguriana and then adapted that template to include the words “oooh!..Fudge” and, below those words, “sooo sumptuous”. Mr Johnson call this his “rough” design, a design which was then used as part of the competition instructions to create a final logo for the applicant's business. While Mr Johnson does not say whether he was aware that the logo template and the rough logo he went on to create was subject to a non-exclusive licence (and a rule of non-registration), it is reasonable to assume that he was. However, it is not reasonable to assume that Mr Johnson would have known that other businesses in the UK had purchased the logo template.

24. The opponent makes an argument based upon the impact on other businesses who may have also purchased the logo template. Mr Nguriana states that it has been sold 27 times. However, it is not stated whether this is in the UK, nor whether the logo is in use in the UK by any other business. In any event, I have already stated that Mr

Johnson would not have known whether any other business in the UK had purchased the logo. This argument is therefore rejected. The next submission is, essentially, that filing the application for a logo which is based upon the logo template design is an act of bad faith because of the non-exclusive nature of the logo and the rule relating to non-registration. However, whilst I accept that the version of the logo created by Ms Gordon is clearly inspired by the logo template, or, more specifically, the “rough” version modified by Mr Johnson, I accept that in circumstances where the logo was subsequently altered, no issue arises. Whether the design created by Ms Gordon for the applicant would breach any copyright in the logo template is not an issue. The only relevance a copyright claim would have had is if the owner of the copyright made a claim themselves. Whilst Mr Nguriana was initially not happy (as per his statement provided by Ms Yard), an agreement has now been reached and it does not matter if Ms Yard considered it to not be a sensible one. **I reject the ground of opposition under section 3(6).**

Section 5(2)(b)

25. Section 5(2)(b) of the Act states that:

“5.-(2) A trade mark shall not be registered if because – ..

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

26. The following principles are gleaned from the judgments of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia*

Sales Germany & Austria GmbH, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P.

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a greater degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

(k) if the association between the marks creates a risk that the public will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Average consumer and the purchasing act

27. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer*, Case C-342/97. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

“60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

28. The relevant goods are types of confectionery. Such goods are neither expensive nor irregular purchases. They are, generally speaking, casual purchases. The

applicant suggests that the purchase of fudge involves a higher degree of care and attention than the norm. It submits that fudge is an occasional treat and care will be taken during selection given that the average consumer will wish to select a type of fudge that matches his or her individual tastes and preferences. The applicant cites the decision of the General Court in *Milanowek Cream Fudge* (Case T 623/11) where it was held that even if an average consumer were to make an impulse purchase of sweets in certain circumstances, this would not be the case as a matter of course. Whilst I accept that fudge can be brought from a confectioner's counter, so reducing the casualness of the purchase, this would not in my view represent anything more than an average level of care. However, the fact remains that fudge can still be purchased casually off the shelf from a supermarket or other store.

29. The goods will most often be self-selected from the shelves of physical stores (although online purchases are also possible) or from other outlets, including those at markets etc. Although the aural impact of the marks will not be ignored completely, what I have said so far suggests a process where their visual impact will take on more importance.

Comparison of goods

30. The applicant accepts that the goods are similar. However, it is important to record that one is not dealing with similarity, but, instead, identical goods. Two of the earlier marks list fudge in their specifications. The other two cover fudge, even if it is not specifically listed, because the marks are registered for confectionery at large². The goods are identical.

Comparison of marks

31. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its

² Even if goods are not worded identically, they can still be considered identical if one term falls within the ambit of another, as per the judgment in *Gérard Meric v OHIM*, Case T-133/05

various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

“.....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

32. It would be wrong, therefore, to artificially dissect the trade marks, although, it is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks. For reasons that will become apparent, I will focus on a comparison between the applicant’s mark:



and the following two earlier marks:

oooh!
CHOCOLATA and *oooh!*

33. In its written submissions, the applicant makes a detailed analysis of the overall impressions of each of the marks and a detailed assessment of the similarities and differences. I bear all the submissions in mind. There are two points I should flag up now before making the comparisons, points on which I agree with the applicant. First, the applicant's mark must be considered in totality. It matters not what the applicant's trading name may be. What matters is a notional assessment of the applied for mark and an assessment of what the average consumer will take from it (in terms of overall impression and similarity with the opponent's marks). Second, I agree that the assessment must be made against the earlier marks individually. As I will come back to later, the opponent's evidence does little to show what impact its use will have had on the average consumer, so the opponent cannot rely on a family of marks argument.

34. In terms of the overall impression of the applicant's mark, I agree with the applicant that the swirl device dominates the mark, fairly strongly so. The other elements are not, though, negligible so must be taken into account. ooh!...FUDGE has less significance than the swirl, but slightly more than the words sooo sumptuous. In terms of the earlier mark ooh! CHOCOLATA, the applicant submits that the word CHOCOLATA is the dominant element on account of it being bigger and, also, more distinctive (being a misspelling of the word chocolate). I do not agree. Neither word materially dominates the other (despite the size difference) and it will be seen as a word combination, hanging together as a unit. In terms of the earlier mark OOh!, the applicant submits that the double Os and the slanting stylisation dominate the mark. I do not agree. The mark is dominated by the word itself, although the stylisation is not negligible.

35. Visually, that all of the marks contain the word OOh/OOOh, both followed by an exclamation mark, creates a point of similarity. There are, though, a number of obvious visual differences. Bearing this in mind, together with my assessment of the overall impressions, I come to the view that there is only a low degree of visual similarity, regardless of which earlier mark is being considered.

36. Aurally, there is less of a difference because the swirl will not be articulated. The applicant's mark will be articulated as ooo-fudge-soo-sump-tuous. The opponent's

mark's as ooo-choc-o-lat-a and ooo, respectively. I consider that there is a moderate level of similarity (between low and medium) with the applicant's mark.

37. Conceptually, the swirl in the applicant's mark is, in my view, somewhat imprecise. Whilst it may have been intended to represent chocolate/fudge being poured, without explanation, this would not be apparent to the average consumer. I do not consider that the swirl will play any part in the conceptual meaning of the applied for mark. Instead, its concept will be based upon the words, words which are based upon the exhortation OOOh FUDGE and an indication of scrumptuousness. The earlier marks will be based upon the exhortation OOh CHOCOLATA or OOh. I consider that there is some conceptual similarity. In relation to OOh CHOCOLATA, there is a reasonably high degree of conceptual similarity on account of the same type of exhortation applying to an item of confectionery. There is a medium degree of conceptual similarity with the exhortation alone.

Distinctive character of the earlier mark

38. The degree of distinctiveness of the earlier mark must be assessed. This is because the more distinctive the earlier mark, based either on inherent qualities or because of use made, the greater the likelihood of confusion (see *Sabel BV v. Puma AG*, paragraph 24). In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated that:

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not

contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

39. Although the opponent’s evidence touches on the use made, it is so lacking in objective detail that it is not possible to ascertain what impact, if any, the use would have had on the average consumer. Consequently, the opponent must rely on the earlier marks’ inherent characteristics in terms of their distinctive character. I will, again, focus on the following two earlier marks:

ooh!
CHOCOLATA and *Ooh!*

40. In its counterstatement, the applicant stated that the OOh element of the earlier marks is low in distinctiveness because it is either laudatory or descriptive. In its written submissions it refers to the meaning of the word OOh and, also, the derivation of the applicant’s mark (a person who said ooh FUDGE when encountering the products) as further proof of how the word will be viewed. It accepts that as registered marks, the earlier marks are presumed valid and must be considered to possess at least a minimum degree of distinctiveness. However, it considers that any distinctiveness must lie in their stylisation. The applicant points out that the opponent previously filed the marks: “ooh! Chocolate” and “ooh chocolat” which were refused on the basis of being devoid of distinctive character under section 3(1)(b) of the Act because they would be seen as laudatory exclamations of delight. The applicant refers to the judgment of Arnold J in *Starbucks (UK) Ltd v British Sky Broadcasting Group Plc & Others* [2012] EWHC 1842 in which he stated:

"..it appears to me that [the applicant] only succeeded in obtaining registration of the [mark] because it included figurative elements. Yet [the applicant] is seeking to enforce the [mark] against signs which do not include the figurative elements or anything like them... Trade mark registries should be astute to this consequence of registering descriptive marks under the cover of a figurative figleaf of distinctiveness, and refuse registration of such marks in the first place".

41. Of course, the statement of Arnold J represents more of a warning about registering trade marks upon the basis of so-called fig-leaves of distinctiveness. What is perhaps more relevant in an assessment of the distinctive character of earlier marks in the context of section 5(2(b)) are the comments of Mr Iain Purvis QC (as the Appointed Person) in *Kurt Geiger v A-List Corporate Limited*, BL O-075-13:

"38. The Hearing Officer cited *Sabel v Puma* at paragraph 50 of her decision for the proposition that 'the more distinctive it is, either by inherent nature or by use, the greater the likelihood of confusion'. This is indeed what was said in *Sabel*. However, it is a far from complete statement which can lead to error if applied simplistically.

39. It is always important to bear in mind what it is about the earlier mark which gives it distinctive character. In particular, if distinctiveness is provided by an aspect of the mark which has no counterpart in the mark alleged to be confusingly similar, then the distinctiveness will not increase the likelihood of confusion at all. If anything it will reduce it.'

40. In other words, simply considering the level of distinctive character possessed by the earlier mark is not enough. It is important to ask 'in what does the distinctive character of the earlier mark lie?' Only after that has been done can a proper assessment of the likelihood of confusion be carried out".

42. I think that it is sufficient in these proceedings to proceed upon the basis of the following assessment of the two earlier marks I am considering:

ooh!

- CHOCOLATA is a mark of, in my view, a moderate (between low and medium) level of inherent distinctiveness. Had it not been for the misspelling of CHOCOLATE I would have pitched the level of distinctiveness as low on account of the strong suggestive connotation residing in the words.

- *Ooh!* is a mark of, in my view, a low degree of inherent distinctiveness. The stylisation may add very slightly to the distinctiveness, but not such to have materially elevated that degree. The exhortation of surprise/pleasure etc. creates a suggestive, quasi-laudatory feel.

Likelihood of confusion

43. The factors assessed so far have a degree of interdependency (*Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17), a global assessment of them must be made when determining whether there exists a likelihood of confusion (*Sabel BV v. Puma AG*, paragraph 22). However, there is no scientific formula to apply. It is a matter of considering the relevant factors from the viewpoint of the average consumer and determining whether they are likely to be confused. Confusion can be direct (which effectively occurs when the average consumer mistakes one mark for the other) or indirect (where the average consumer realises the marks are not the same, but puts the similarity that exists between the marks/goods down to the responsible undertakings being the same or related).

44. In terms of direct confusion, whilst it is important to bear in mind the concept of imperfect recollection, it is highly unlikely that the respective marks will be mis-remembered or mis-recalled as each other. At the very least, the dominant swirl device in the applicant's mark, and its absence from the earlier marks, will be recalled. There is no likelihood of direct confusion.

45. Indirect confusion was dealt with by Mr Iain Purvis QC, sitting as the Appointed Person, in *L.A. Sugar Limited v By Back Beat Inc*, Case BL-O/375/10 where he noted that:

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: “The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark.

17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

(a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right (“26 RED TESCO” would no doubt be such a case).

(b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as “LITE”, “EXPRESS”, “WORLDWIDE”, “MINI” etc.).

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension (“FAT FACE” to “BRAT FACE” for example).”

46. The applicant points to the differences that exist between the marks together with the low level of distinctiveness of the common element. On this latter point, the applicant highlights the judgment of Arnold J in *Whyte & MacKay Ltd v Origin Wine UK Ltd and Dolce Co Invest Inc* [2015] EWHC 1271 (Ch)

“...It is not necessary for present purposes to go further into these questions, for what can be said with confidence is that, if the only similarity between the respective marks is a common element which has low distinctiveness, that points against there being a likelihood of confusion.”

47. The point of similarity is in my view low in distinctiveness. Further, in the context of the applicant’s mark, the words oooh!..FUDGE play only a minor role and a role which is more likely to be seen as some form of promotional/marketing puffery as opposed to being seen as any form of sign indicative of trade origin. There is no likelihood of indirect confusion. The ground under section 5(2) is dismissed.

Conclusion

48. The opposition fails. Subject to appeal, the application may proceed.

Costs

49. The applicant has succeeded and is entitled to a contribution towards its costs. In its written submissions the applicant requests costs above the scale due to what it considers as unreasonable conduct by the opponent in pursuing the ground under section 3(6). The submissions were copied to the opponent, who made no response to the request. The applicant considers the ground to have been untenable from the outset (I note that towards the end of the proceedings the applicant asked for summary judgment of this ground). It will also be recalled that the pleading was initially made under section 5(4)(b).

50. The ground itself was ambitious. Whilst I may not go so far as to say it was untenable, it ought to have been dropped when the copyright holder gave his consent to the registration of the mark, even though Ms Yard felt that this was not a sensible agreement for the copyright holder to reach. Any issues between the copyright holder and Envato is a matter for them. I consider it appropriate to reflect this in an above scale award in respect of the applicant’s preparation of written submissions to deal with the section 3(6) ground, but no more than that. The other aspects of the costs award will be assessed on the scale.

51. The applicant provided a copy of its legal bill in connection with these proceedings to justify its off scale costs request. For its written submissions, the applicant's actual costs were £3250, of which £1750 was estimated to deal with the 3(6) ground. Whilst this expenditure is noted, this seems excessive and I consider that the applicant's submissions could have been prepared in a more measured way, particularly bearing in mind that it felt the ground was untenable. The scale costs for written submissions are capped at £500. I award a figure of £1000, £250 (on scale) costs towards the general submissions relating to the case and the 5(2)(b) ground, and £750 (above scale) costs towards the section 3(6) ground. This, together with the rest of my assessment, is reflected below:

Preparing a statement and considering the other side's statement - £300

Filing and considering evidence - £1000

Written submissions - £1000

Total - £2300

52. I order Gartona Ltd to pay Truly Sumptuous SweetZ and TreatZ LTD the sum of £2300 within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 15th day of June 2016

Oliver Morris

For the Registrar

The Comptroller-General