

TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK APPLICATION m 2038020  
BY CARLSBERG-TETLEY BREWING LTD  
TO REGISTER THE TRADE MARK  
**LEMONHEAD**

AND

IN THE MATTER OF OPPOSITION  
THERE TO UNDER OPPOSITION m 44959 BY  
FERRARA PAN CANDY CO INC

TRADE MARKS ACT 1994

IN THE MATTER of trade mark application  
m 2038020 by  
Carlsberg Tetley Brewing Ltd.

5 and

IN THE MATTER of opposition  
thereto under opposition m 44949 by  
Ferrara Pan Candy Co. Inc.

DECISION

10 Carlsberg Tetley Brewing Ltd. applied on 23 September 1995 to register the trade mark  
LEMONHEAD in classes 32 and 33. Following examination, the application was advertised  
for opposition purposes for the following goods:

‘Alcoholic beverages, all containing or being flavoured with lemon; lemonade.’  
(Class 32)

15 and

‘Alcoholic beverages, all containing or being flavoured with lemon; alcoholic lemonade’  
(Class 33).

The application is opposed by Ferrara Pan Candy Co. Inc. Their grounds of opposition are:

20           Ž       Section 5, in that the mark applied is identical to a registered mark of the  
Opponent’s, and is to be registered for certain goods such that there exists a  
likelihood of confusion on the part of the public by association with the earlier  
mark.

25           Ž       Section 5 - in that the Opponent’s mark has been used in the UK and has  
acquired a reputation thereby, so that registration of the mark applied for would  
take unfair advantage of the repute and distinctive character of the Opponent’s  
mark.

30           Ž       As registration of the mark would offend the provisions of the Trade Marks Act,  
it should be refused in the exercise of the discretionary powers vested in the  
Registrar.

The Opponent has registered the following mark:

| <b>MARK</b> | <b>m .</b> | <b>CLASS</b> | <b>GOODS</b>  |
|-------------|------------|--------------|---|
| LEMONHEAD   | 1563066    | 30           | Sweets, confectionery, chocolate, chocolates, chewing gum and bubble gum, all containing or flavoured with lemon, all included in class 30. |

5 In response, the Applicant filed a counterstatement admitting the existence of the Opponent's prior registration, but denying each of the grounds pleaded. The Applicant submitted no evidence in support of their case.

Both parties ask for an award of costs in their favour.

10 Neither party has requested a hearing; accepting instead that the Registrar should make his decision on the basis of the submitted, written evidence. Acting on the Registrar's behalf and after a careful study of all the papers, I now give this decision.

#### The Evidence

15 The Opponent's evidence takes the form of a Statutory Declaration dated 28 April 1997 from Louis John Buffardi who is the Vice President of the Ferrara Pan Candy Co. Inc. Mr Buffardi refers to the above registration, stating that this mark has been used continuously since 1993 in the UK on confectionery. He says that the retail value of sales represented by this use amounts to an average of £12,800 each year during the first three years of trading. Because the goods are of low cost (20-25p) he regards this as amounting to a large number of individual sales.

20 Mr Buffardi refers to copies of five invoices, included in evidence, showing sales of the LEMONHEAD product to a UK distributor. He says that retail sales have been made throughout the UK including such stores as Woolworth, Nurdin & Peacock, Bookers' and Martin Retail.

25 Each of these invoices are addressed to 'Hannah of Johnstone, Walkinshaw Street, Walkinshaw Works, Johnstone, Renfrewshire, PA5 8A5.' The invoices are dated 29 December 1993, 1 September 1994, 26 May 1994, 22 February 1994 and 31 March 1995. The total cost of the LEMONHEAD product is \$25,638.6 (~£16,000).

30 An advert in what I take to be a trade magazine, the CNT Retailer, is also produced in evidence. This depicts the LEMONHEAD product, amongst a range of other products produced by Ferrara Pan Candy Co. Inc., marketed by 'Hannah's of Johnstone'. The date of the advertisement is 27 May 1994.

Also included in evidence are two specimen wrappers of the LEMONHEAD product. Mr Buffardi says that this product is known in many countries and worldwide sales of confectionery sold under the mark total approximately \$6,000,000 during 1995, and \$7,500,00 during 1996.

5 Finally, he concludes: 'Children who are used to buying confectionery under the Opponent's mark would recognise the Trade Mark and if they saw it on bottles of drink would assume such drink to be associated with the confectionery they already know. As the goods sold by the Applicant are alcoholic drinks it is particularly dangerous for any confusion to occur....The Opponent's reputation will suffer because the popular perception will be that the Opponent  
10 has "allowed" its well-known Trade Mark to be used on goods wholly unsuitable for its usual customers, namely children'.

This completes my summary of the evidence. As stated above, the Applicant has chosen to submit no evidence in reply.

15 Considering the last statement of ground given by the Opponent first, that is, for the Registrar to refuse the application in the exercise of his discretion, it should be noted that the Registrar now has no power under the 1994 Act to refuse a trade mark which meets the requirements for registration. Consequently, I need say no more about this ground of opposition.

20 The Opponent neglects to make explicit in his statement of grounds which part of section 5 of the Act forms the basis for further grounds of opposition. However, the references to 'confusion' and 'association' lead me to believe they are referring to section 5(2)\* and, when referring to 'reputation', to section 5(3).

Taking section 5(2) first, this reads:

'(2) A trade mark shall not be registered if because -

- 25 (a) it is identical with an earlier trade mark and is to be registered for goods or services similar to those for which the earlier trade marks is protected, or  
(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.'

30 The marks at issue are identical so sub-section 5(2)(a) must be the decisive provision in respect of this ground of opposition. However, for this section to apply the goods for which the Applicant's mark is to be registered must be regarded as similar to those for which the 'earlier mark' is registered. It is this point I now wish to consider.

35 According to Jacob J in TREAT (1996) RPC 9, page 296, line 35ff, the following factors are relevant when deciding whether there is, or is not, similarity between goods and services:

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\* Section 5(1) is also excluded as the goods in question are not identical.

- ‘(a) The respective uses of goods or services;
- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;
- 5 (d) The respective trade channels through which the goods or service reach the market;
- (c) In the case of self-serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- 10 (d) The extent to which the respective goods or services are competitive. This inquiry may take in to account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.’

15 It is instructive to observe how Mr Justice Jacob applies these principles in the TREAT case, comparing a liquid dessert syrup and a sweet spread:

20 ‘In the present case the two products to some extent have the same use, but broadly in practice have different uses. They are hardly in competition and consumer will find them in different places in supermarkets. Their physical nature is somewhat different.....Moreover it seems that for the purposes of market research the two products are regarded as falling into different sectors. Taking all these things together, I think the spread is not to be regarded as *similar* to the dessert sauces and syrups of the registration.’

25 The products in this case, based on the classes cited, are alcoholic drinks and lemonade for the Applicant, and solid sweets for the Opponent. If the latter are compared with alcoholic drinks, all that Mr Justice Jacob has stated above applies, except that these products are further apart in character than the items he compares. For example, they do not have ‘to some extent... the same use’ and the difference in their physical nature is significantly more pronounced than that between a liquid dessert syrup and a sweet spread.

30 The situation is less clear when comparing lemonade with sweets. It may be argued that these products have to some extent the same use, and they may be purchased for similar reasons - that is a ‘treat’ for children; it also possible that they may appear in close proximity in the smaller confectionary (though not in supermarkets). In spite of these comments, based on the deliberations in TREAT quoted above, and in particular Jacob J’s finding that a syrup is not similar to a spread, I do not believe these products can be regarded as similar.

35 In the light of the lack of similarity between the goods in question, the risk of confusion or association between the marks is highly unlikely and therefore the opposition on section 5(2)(a) fails.

Turning now to section 5(3), this reads:

‘(3) A trade mark which -

- (a) is identical with or similar to an earlier trade mark, and
- (b) is to be registered for goods or services which are not similar to those for which the earlier trade mark is protected,

shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom...and use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.’

In the matter of Application No 2012470 by Oasis Stores Limited to register a trade mark (EVERY READY) in Class 10 (specifically, ‘condoms’) and opposition thereto by Ever Ready plc the Hearing Officer, on behalf of the Registrar, concluded that it is not necessary to establish a likelihood of confusion in order for an opposition under section 5(3) to succeed. The Hearing Officer also made the following statement:

‘In RBS Advanta v Barclays Bank plc 1996 RPC P307, Laddie J. considered the meaning of the proviso to Section 10(6) of the Act which deals with comparative advertising. The second half of the proviso contains wording identical with the wording in Section 5(3) of the Act. Laddie J. expressed the following view on the meaning of the above words in that context:

“At the most these words emphasise that the use of the mark must take advantage of it or be detrimental to it. In other words the use must either give some advantage to the defendant or inflict some harm on the character or repute of the registered mark which is above the level of de minimis.”’.

Each of these aspects were then considered in turn under the headings ‘Unfair Advantage’, ‘Detrimental to Distinctive Character’ and ‘Detrimental to Repute’. I do not believe such detail is required here. In my view the key phrase in section 5(3) relevant to this ground of opposition is ‘..the earlier trade mark has a reputation in the United Kingdom.’; the other aspects become pertinent when this is established. This requires a significant level of public awareness of the Opponent’s mark. Evidence relevant to the latter shows only that the Opponent has supplied rather small amounts (given the size of the confectionery market) of his product bearing the trade mark LEMONHEAD to one wholesaler in the UK and there is no indication given as to the extent of sales. This suggests to me rather limited commercial activity and a commensurate low level of public awareness of his mark. I do not share Mr Buffardis’ opinion that the mark is ‘well known’. Though the Opponent’s mark is distinctive and unique in the market place, based on the evidence I have before me, I believe its reputation to be so small that section 5(3) cannot apply.

In view of this, the objection under this ground also fails, and the Opponent is unsuccessful in his opposition to this application.

The Applicant, having been successful in these proceedings, is entitled to a contribution towards the costs of defending the application. I therefore order the Opponent to pay to the Applicant the sum of **£235**.

**Dated this day of 7 October 1998**

5 **Dr W J Trott**  
**Principal Hearing Officer**  
**For the Registrar, the Comptroller-General**