

O-074-11

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No 2505668
BY SPORK LIMITED TO REGISTER A SERIES OF TWO TRADE MARKS:**

IS-GLACIER WATER

AND

IS GLACIER WATER

IN CLASSES 32, 33 AND 35

**AND IN THE MATTER OF OPPOSITION
THERE TO UNDER NO 99519
BY ISKLAR AS**

TRADE MARKS ACT 1994

**IN THE MATTER OF application No. 2505668
to register a series of two trade marks
IS-GLACIER WATER and IS GLACIER WATER
in Classes 32, 33 and 35**

and

**IN THE MATTER OF Opposition thereto under No. 99519
by Isklar AS**

BACKGROUND

1) On 2 January 2009, Spork Limited applied under the Trade Marks Act 1994 for registration of the following series of two marks:

IS-GLACIER WATER

IS GLACIER WATER

2) The application is in respect of the following goods and services:

Class 32

Beers; mineral and aerated waters and other non-alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages.

Class 33

Alcoholic beverages (except beers).

Class 35

Advertising; retail services relating to drinks; retail services relating to non-alcoholic drinks; retail services relating to water; information and advisory services relating to the aforesaid.

3) The application was subsequently assigned to Spork SARL (hereafter "Spork"), 16 rue L'Aveugle, Luxembourg, L-1148.

4) The application was advertised in the Trade Marks Journal on 12 June 2009 and on 10 September 2009, Isklar AS (hereafter "Isklar") of Rosenkratzgt 22, 0160 Oslo, Norway filed notice of opposition to the application. It relies upon two

grounds of opposition. Firstly, that the application offends under Section 5(2)(b) of the Act because it is similar to two of Isklar’s earlier marks and is in respect of identical or similar goods and services. The relevant details of Isklar’s two earlier marks are:

Relevant Details	List of Goods & Services
2431830 ISKLAR Filing date: 5 September 2006 Registration date: 9 March 2007	Class 32: <i>Water; aerated and carbonated water; still water; bottled water; treated water; spring water; water derived from glaciers; flavoured water; water flavoured with fruits; fruit drinks and fruit juices</i>
Community Trade Mark (CTM) 6172051 ISKLAR Filing date: 6 August 2007 Registration date: 27 May 2008	Class 32: <i>Mineral and aerated waters and other non-alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages</i>

5) Secondly, Isklar also claims that the application offends under Section 5(4)(a) by virtue of its earlier rights in the word ISKLAR and a word and device mark as shown below:



These were first used in the UK in 2008 in respect of *mineral water*. The signs are protected under the law of passing off.

6) The applicant subsequently filed a counterstatement denying the opponent’s claims.

7) Both sides filed evidence in these proceedings and also written submissions. Both sides ask for an award of costs. The matter came to be heard on 14 February 2011 when Isklar was represented by Mr Chris McLeod for Squire, Sanders & Dempsey LLP and Spork represented by Mr Julius Stobbs for Ipulse (IP) Ltd. Mr Helge Valeur of Isklar attended for cross examination.

Opponent's Evidence

8) This was originally provided in the form of a witness statement by Peter Krogh, CEO of Isklar at the time. He subsequently left the company and, as he was also required for cross examination, Isklar was permitted to replace this evidence with a witness statement, dated 20 January 2011, by Helge Valeur. This statement concerns the same facts as the earlier statement and, as Mr Valeur is equally well placed to provide these facts, he made himself available for cross examination in place of Mr Krogh.

9) Mr Valeur states that Isklar has sold mineral water in the UK, since at least as early as Spring 2008, under the word mark ISKLAR and the word and device mark shown in paragraph 5 above. At Exhibit PK2, Mr Valeur provides an extract from Isklar's website www.isklar.no providing press coverage of the launch in the UK in 2008. This consists of two corporate news items announcing the launch stating that the "premium still Norwegian Glacial Natural Mineral Water" will be available from selected retailers from 14 April 2008 with recommended retail prices ranging from 79p for a 70cl sports bottle to £3.79 for a pack of 1.5 litre bottles. The first item also announces that a company called Euro RSCG Biss Lancaster has been appointed the UK PR agency. The contact details provided at the bottom of both these articles is for a London telephone number and an email address for an individual at Biss Lancaster.

10) At Exhibit PK3, Mr Valeur provides a further extract from Isklar's Norwegian website, providing information regarding the source of ISKLAR mineral water. It is sourced from a region of Norway renowned for its pristine and remote landscape. It is described as a "glacial wilderness" that has, at its heart, "the imposing Folgefonna glacier".

11) Mr Valeur claims that ISKLAR mineral water has established a significant reputation in the UK. He highlights three awards received at the Water Innovation Awards 2008 for best overall concept, best environmental initiative and best newcomer. At Exhibit PK4 are further extracts from Isklar's website illustrating news items relating to these awards.

12) Mr Valeur also states that the ISKLAR brand has achieved listings "in all major UK retailers stocking mineral water, including Waitrose, Ocado, Tesco, Sainsbury, Boots, Whole Foods and Harrods. He provides news items from Isklar's website relating to some of these. This consists of six items all obtained from the website on 8 March 2010. No other date indication is present. The first announces that ISKLAR mineral water "can now be bought on Ocado, the award winning online supermarket in partnership with Waitrose". The second announces that it has secured listing in Boots stores nationwide. Later in the same article is the following text:

“Launched in the UK last Spring with a £2.5 million marketing campaign, Isklar continues to go from strength to strength and will continue its investment in 2009.”

13) The remaining four articles report similar listings with Tesco, from July 2009, with Whole Foods (described as the world’s largest retailer of natural and organic foods), with Harrods and with Sainsbury’s.

14) Mr Valeur claims that the fame of the mark in the UK is underlined by the fact that British fashion designer, Giles Deacon, developed and launched a limited edition ISKLAR tote bag in the UK. At Exhibit PK6 are further Internet extracts, the first of these, bearing a copyright notice of 2009 is a page appearing on the website gilesdeaconisklar.com promoting the tote bag. The second is another news article from Isklar’s website. Reading these two extracts together it is clear that “only 100 of the bags are ever to be made” and that they cost £95 each.

Applicant’s Evidence

15) This is in the form of a witness statement by Geoffrey Weller, Registered Trade Mark Attorney at Ipulse (IP) Limited, Spork’s legal representatives in these proceedings. Mr Weller provides exhibits in support of the contention that there is no likelihood of confusion. Exhibit GW1 consists of copies of extracts, bearing a 2009 copyright notice, from the website norwegianglacierwater.com promoting bottled water called ISBRE. The contact details in the UK are provided. The supporting text includes the following statement:

“As Isbre, we’ve searched far and wide to find the world’s purest water.

We found it at a sub-Artic glacier in a remote, exceptionally pristine region of Norway. Since Isbre means “glacier” in Norwegian...”

16) A second extract in the same exhibit is copies from the website iceniwaters.co.uk. This provides information about an “English Natural Mineral Water” and states that it is available nationally in supermarkets and retailers from March 2008.

17) At Exhibit GW2, Mr Weller provides a number of extracts in support of the contention that the word “glacier” is commonly used to refer to the source of water. The first of these is an extract from glacierwatersystems.com, being the UK supplier of “glacier water filters”. A second extract is from the website glacierwaterglobal.com (no indication from UK), a third extract, with a Swiss contact address, but a UK contact telephone number, promoting “Lipobelle Glacier”, a cosmetic “based on pure Swiss glacier water...”. Two further extracts, from online retailers illustrate two different shower gels for sale, both promoted as containing glacier water.

18) Mr Weller accepts that the extracts in Exhibits GW1 and GW2 are dated after the relevant date but contends that the position would not have been any different at the relevant date.

19) At Exhibit GW3, Mr Weller provides a copy of a decision of the OHIM Opposition Decision because he believes it has resemblances with the current case. Identical goods to those of the current proceedings are involved and the respective marks being considered were VIQUA and VIR AQUA. The relevant consumer was identified as being in Germany. The text communicating the decision on likelihood of confusion is missing, but it is clear from the costs award that it concluded that there was no likelihood of confusion.

20) Mr Weller's statement also includes a number of submissions that I will not record here, but I will keep in mind.

Cross Examination

21) As mentioned earlier, Mr Valeur attended the hearing for cross-examination. I will begin by giving my assessment of him as a witness. Mr Valeur struck me as an honest witness who answered the questions posed to him in a straightforward and direct manner. He did not obfuscate in any way. He was a good witness. Mr Stobbs' lines of questioning focused on the extent of Isklar's goodwill and reputation in the UK.

22) Mr Valeur explained that Isklar currently have ten employees in the UK and whilst he could not give the precise number at the relevant date in January 2009, he estimated that it had about six or seven employees.

23) Mr Stobbs questioned Mr Valeur on the nature of the awards Isklar's *mineral water* had won. Mr Valeur explained these were awarded at a ceremony in Frankfurt and that the awards are international in nature and were open to anyone in the bottled water industry. The awards would have received coverage in the UK in trade magazines.

24) Mr Valeur explained that the reported £2.5 million marketing campaign related to television and print advertising and included a national television advertising campaign in June, July and October 2008.

25) Mr Valeur also explained that the bottled water market in the UK amounted to 1.6 billion litres of water per year, half of which is in respect of branded products and half in respect of supermarket own-branded products. Isklar sold about one million litres in the seven or eight months between its UK launch and the relevant date. There are approximately 250 brands of bottled water on the UK market and ISKLAR is currently ranked in the top 10. However, he conceded that at the relevant date in January 2009, it was not so well established.

DECISION

Section 5(2)(b)

26) Section 5(2)(b) reads:

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

(a) ...

(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.”

27) An earlier mark is defined in section 6 of the Act, the relevant parts of which state:

“6.-(1) In this Act an “earlier trade mark” means –

(a) a registered trade mark, international trade mark (UK), Community trade mark or international trade mark (EC) which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks.”

28) Of potential relevance to a ground of opposition under Section 5(2) are the provisions that relate to proof of use. Section 6A(1) details the circumstances where these provisions apply:

“6A Raising of relative grounds in opposition proceedings in case of non-use

(1) This section applies where –

(a) an application for registration of a trade mark has been published,

(b) there is an earlier trade mark of a kind falling within section 6(1)(a), (b) or (ba) in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and

(c) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication.”

29) Isklar relies upon two earlier rights, both of which are registered and therefore qualify as earlier marks as defined by Section 6 of the Act. The registration procedure for both marks was completed less than five years before the publication of Spork's marks and, therefore, the proof of use provisions do not apply.

30) In my consideration of a likelihood of confusion, I take into account the guidance from the settled case law provided by the Court of Justice of the European Union (CJEU) in *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] FSR. 77, *Marca Mode CV v Adidas AG & Adidas Benelux BV* [2000] ETMR 723, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH* C-120/04 and *Shaker di L. Laudato & C. Sas v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* (OHIM) C-334/05 P (LIMONCELLO). It is clear from these cases that:

- (a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v Puma AG*,
- (b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel BV v Puma AG*, 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; *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel B.V.*,
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v Puma AG*,
- (d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel BV v Puma AG*,
- (e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*,
- (f) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either *per se* or because of the use that has been made of it; *Sabel BV v Puma AG*,

(g) in determining whether similarity between the goods or services covered by two trade marks is sufficient to give rise to the likelihood of confusion, the distinctive character and reputation of the earlier mark must be taken into account; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*,

(h) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v Puma AG*,

(i) further, 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; *Marca Mode CV v Adidas AG and Adidas Benelux BV*,

(j) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*.

(k) assessment of the similarity between two marks means more than taking just one component of a composite trade mark and comparing it with another mark; the comparison must be made by examining each of the marks in question as a whole, which does not mean that the overall impression conveyed to the relevant public by a composite trade mark may not, in certain circumstances, be dominated by one or more of its components; *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*

(l) it is only when all other components of a complex mark are negligible that it is permissible to make the comparison on the basis of the dominant element; *Shaker di L. Laudato & C. Sas v OHIM (LIMONCELLO)*

Comparison of goods

31) In assessing the similarity of goods, it is necessary to apply the approach advocated by case law and all relevant factors relating to the respective goods and services should be taken into account in determining this issue. In *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* the CJEU stated at paragraph 23:

‘In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, *inter alia*, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary.’

32) Other factors may also be taken into account such as, for example, the distribution channels of the goods concerned (see, for example, *British Sugar Plc v James Robertson & Sons Limited (TREAT)* [1996] RPC 281).

33) For ease of reference, the respective goods and services being considered are:

Isklar's goods	Spork's goods and services
<p>Class 32: <i>Water; aerated and carbonated water; still water; bottled water; treated water; spring water; water derived from glaciers; flavoured water; water flavoured with fruits; fruit drinks and fruit juices</i></p> <p>Class 32: <i>Mineral and aerated waters and other non-alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages</i></p>	<p>Class 32: <i>Beers; mineral and aerated waters and other non-alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages.</i></p> <p>Class 33: <i>Alcoholic beverages (except beers).</i></p> <p>Class 35: <i>Advertising; retail services relating to drinks; retail services relating to non-alcoholic drinks; retail services relating to water; information and advisory services relating to the aforesaid.</i></p>

Spork's Class 32 goods

34) It is self evident that Spork's *mineral and aerated waters, other non-alcoholic drinks, fruit drinks and fruit juices* and *syrups and other preparations for making beverages* are all identical to Isklar's goods as the corresponding terms also appear in one or both of Isklar's earlier marks.

35) In respect of Spork's *[b]eers*, these are clearly not identical to any of Isklar's goods, however, Isklar's *non-alcoholic drinks* includes *non-alcoholic beers* and as such there is a high level of similarity between the respective goods. These goods will share the same trade channels, with brewers producing both types of goods and making them available through the same retail outlets, bars and other locations where beer is purchased by the consumer. Their nature, whilst not identical, is very similar as they are both beer products and in both cases they are intended to be drunk by the consumer in similar situations.

Spork's Class 33 goods

36) Spork's *[a]lcoholic beverages (except beers)* has no corresponding identical goods in Isklar's earlier marks. However, they do have some similarities with Isklar's Class 32 goods. They are all beverages for consumption and they are often made from the same ingredients such as fruit. Whilst they are often sold in

close proximity to each other in retail outlets they are generally on different shelves. However, they may also appear side-by-side on drinks menus in restaurants and bars. They can, therefore, share the same end consumer. Generally though, alcoholic beverages are not drunk to quench thirst in the way that Isklar's goods are and as a result they are not in competition with each other. Neither can they be said to be "complementary" in the sense articulated by the General Court (GC) in *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs)* (OHIM) Case T-325/06. They are not indispensable or important for the use of each. Taking all these points into account, I conclude that the respective goods share some similarity, but that this is on the low side.

Spork's Class 35 services

37) Firstly, I turn to consider Spork's *retail services relating to drinks; retail services relating to non-alcoholic drinks; retail services relating to water*. Isklar's earlier marks do not include any services and I am therefore required to consider the degree of similarity between Isklar's goods and the retail of the same. I obtain guidance on the level of similarity between goods and the retail of those goods from the CJEU in *Praktiker Bau- und Heimwerkermärkte* C-418/02. At paragraph 34 the court identified that the objective of the retail trade is the sale of goods to consumers and that this includes, in addition to the legal sales transaction, all activity carried out by the trader for the purpose of encouraging the conclusion of such a transaction. Further, the General Court (GC) in *Oakley, Inc v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* (OHIM) Case T-116/06, when considering goods in Class 18 and Class 25, and the retail of the same, stated:

“54 Clearly, in the present case, the relationship between the retail services and the goods covered by the earlier trade mark is close in the sense that the goods are indispensable to or at the very least, important for the provision of those services, which are specifically provided when those goods are sold. As the Court held in paragraph 34 of *Praktiker Bauund Heimwerkermärkte*, paragraph 17 above, the objective of retail trade is the sale of goods to consumers, the Court having also pointed out that that trade includes, in addition to the legal sales transaction, all activity carried out by the trader for the purpose of encouraging the conclusion of such a transaction. Such services, which are provided with the aim of selling certain specific goods, would make no sense without the goods.”

38) With the comments in mind, it is clear to me that the principle that the goods are indispensable, or at least important, for the provision of the retail service holds good in respect of goods in Class 32. As such, I find that there is a reasonably high level of similarity between the highlighted goods in that class of Isklar's earlier registrations and Spork's retail services.

39) Turning to Spork's *[a]dvertising*, it is not immediately obvious to me that there is any similarity to Isklar's goods. It is true that a company providing advertising may devise an advert and marketing strategy for such goods as covered by Isklar's registrations. However, this is not a reason to find similarity. The nature of the respective goods and services are very different being beverages on the one hand, and services related to promotion of goods and services on the other. As a result, it is clear that their intended purpose and methods of use are also different. The provider of the respective goods and services will also be different as are the intended consumers and, as such they are not in competition with each other. Neither are they "complementary". It is clear that they are not important or essential for the other. In summary therefore, I conclude that there is no similarity between *advertising* and Isklar's various goods.

40) Finally, I turn to consider Spork's *information and advisory services relating to the aforesaid*. The provision of information relating to beverages may have some similarity with the beverages themselves in that the beverage provider may also provide information services related to beverages more generally. Nonetheless, the nature, intended purpose and methods of use are all different, so if there is any similarity it is only on the very low side.

The average consumer

41) As matters must be judged through the eyes of the average consumer (*Sabel BV v. Puma AG*, paragraph 23) it is important that I assess who the average consumer is for the goods and services at issue. Nearly all of Isklar's goods are identical to Spork's goods and it therefore follows that the respective average consumer is the same for both.

42) The average consumer of the relevant goods, namely non-alcoholic beverages will be the general public, who will be reasonably, but not excessively circumspect. As Isklar points out in its written submissions, the purchasing act associated with these goods does not involve a particularly well considered process. They are mainly purchased either by ordering over a bar or selecting from a shop shelf. The purchasing act will therefore be aural in some circumstances but visual in others. The purchaser will be relatively discerning, but as the goods concerned are low value consumer goods, this discernment will not be of the highest level.

43) The average consumer in respect of the retail of beverages will be the same consumer as identified above and I do not find that the nature of the purchasing act will be appreciatively more or less considered than in respect of the goods themselves.

Comparison of marks

44) For ease of reference, the respective marks are:

Opponent's mark	Applicant's marks
ISKLAR	IS-GLACIER WATER and IS GLACIER WATER

45) When assessing the extent of similarity between the respective marks, I must do so with reference to their visual, aural and conceptual similarities bearing in mind their distinctive and dominant components (*Sabel BV v. Puma AG*, para 23). Isklar argues that, because of its descriptive character, the word WATER in Spork's marks should be disregarded so that the comparison is between ISKLAR and IS GLACIER. In considering this point, I am mindful of the comments in *Sabel BV v. Puma AG* and those of the GC in *CM Capital Markets Holding, SA v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-563/08*. The latter commented as follows when considering a comparable issue:

"39. ... Owing to their weak, or even very weak, distinctive character, descriptive elements of a trade mark are not generally regarded by the public as being dominant in the overall impression conveyed by that mark, That does not mean, however, that the descriptive elements of a mark are necessarily negligible in the overall impression conveyed by that mark. It is necessary, in particular, to examine whether other elements of the mark are likely to dominate, by themselves, the relevant public's recollection of that mark

45 ..., as regards the word element of the earlier marks, it must be observed that although ... the expression 'capital markets', which is descriptive of the services covered by the earlier marks, is not generally likely to dominate the overall impression conveyed by the earlier marks, it is nevertheless a relevant element for the purposes of a comparison of the signs at issue because, inter alia, it is as prominent, visually, as the graphic element."

46) In Spork's marks, the word WATER is part of the phrase GLACIER WATER with the word GLACIER operating as an adjective giving an attribute to the word WATER. To artificially dissect the mark as Isklar suggests would change the conceptual identity of the mark when it is considered as a whole. The concept of "glacier" is somewhat different to the concept of "glacier water". One relates to a large, slow moving ice flow, the other to water obtained from such an ice flow. As such, the word WATER is not negligible in the overall impression conveyed by the mark. To ignore the word would be contrary to the guidance provided by the courts in both *Sabel BV v Puma AG* and *CM Capital Markets*.

47) Further, Isklar argues that the first five letters of the respective marks (namely ISKLA and IS GLA) are phonetically identical and visually very similar. I also dismiss this argument as to do so amounts to an artificial dissection of the marks and such an approach is not consistent with the principle set down in *Sabel BV v. Puma AG*. I, therefore, intend to consider the relative similarities based upon the marks viewed as a whole.

48) From an aural perspective, Isklar's mark will be pronounced as the two syllables ISK-LAR, ISS-KLAR or IZ-KLAR. Spork's mark will be pronounced as I-S-GLASS-EE-ER-WAT-ER, IZ-GLASS-EE-ER-WAT-ER or as ISS-GLASS-EE-ER-WAT-ER. Spork make the point that the letters IS are in fact a Norwegian word meaning "ice" and may be pronounced in the same way as "ice" by consumers with some knowledge of the language. However, the average UK consumer does not have such knowledge and as it is spelt in an identical way to the English word "is" this pronunciation will dominate, assuming that it is seen as a word at all and not the combination of the individual letter "I" and "S". Isklar's best case lies with an assumption that the IS element will be pronounced as ISS and therefore aurally identical to the first part of its mark. I intend to proceed with my comparison using this assumption. Therefore, the first syllable of both Spork's and Isklar's marks are identical. However, when pronouncing Spork's mark, the UK consumer will naturally place a break between the first and second syllables because the second forms part of the known word GLACIER and will naturally be elided with the third and fourth syllables in order to pronounce this word. Spork's marks also include the additional word WATER. Taking all these points into account, I conclude that the respective marks share only a very low level of aural similarity.

49) The first of Spork's marks also includes a dash/hyphen between IS and the word GLACIER. I do not see this as being significant in influencing the pronunciation of the mark, but it further heightens my view that there will be a natural break between the first syllable on the one hand and the second, third and fourth syllables on the other.

50) From a visual perspective, Isklar's marks are seen as a single six letter word. Spork's marks, on the other hand, present themselves as the two letters IS and the two words GLACIER and WATER. The shared use of the letters IS at the beginning of the marks is a point of similarity, but this is somewhat swamped by the differences, namely that Spork's marks are longer, broken into three words. Technically, both sets of marks also share the letters LA, however, the context in which these letters occur is different and therefore has very little impact, if any, regarding the consumer perceiving similarities between the marks. Taking all these points into account, it is clear to me that there is only a very low level of visual similarity.

51) Conceptually, Isklar explains that its marks mean "ice clear" in Norwegian. However, as I have already noted, the average consumer in the UK is unfamiliar

with the Norwegian language and will perceive the word ISKLAR as a made up word. Spork's marks describe water originating from a glacier and identified by the word (or letters) IS. I reject Isklar's contention that IS in Spork's marks may be allusive of ice in the minds of the UK consumer, but rather it will be perceived as the individual letters "I" and "S" or as the known English word "is". Further, this will be perceived as distinct from the remainder of the mark, namely the phrase "glacier water". Therefore, when comparing the marks, the absence of any conceptual identity of Isklar's marks results in them being neither conceptually similar nor dissimilar.

52) I must factor these findings into my considerations of the respective marks generally. I found that there is a very low level of aural and visual similarity and that they are neither conceptually similar nor dissimilar. These factors combine to give a low to very low level of similarity overall.

Distinctive character of the earlier trade mark

53) I have to consider whether Isklar's marks have a particularly distinctive character either arising from the inherent characteristics of the marks or because of the use made of them. They both consist of the word ISKLAR. Whilst the opponent explains that the word means "ice clear" in Norwegian, I have already concluded that it will be viewed by the UK consumer as a made up word. As such it enjoys a high level of inherent distinctive character.

54) I must also consider the effect of reputation on the global consideration of a likelihood of confusion under Section 5(2)(b) of the Act. This was considered by David Kitchen Q.C. sitting as the Appointed Person in *Steelco Trade Mark* (BL O/268/04). Mr Kitchen concluded at paragraph 17 of his decision:

"The global assessment of the likelihood of confusion must therefore be based on all the circumstances. These include an assessment of the distinctive character of the earlier mark. When the mark has been used on a significant scale that distinctiveness will depend upon a combination of its inherent nature and its factual distinctiveness. I do not detect in the principles established by the European Court of Justice any intention to limit the assessment of distinctiveness acquired through use to those marks which have become household names. Accordingly, I believe the observations of Mr. Thorley Q.C in *DUONEBS* should not be seen as of general application irrespective of the circumstances of the case. The recognition of the earlier trade mark in the market is one of the factors which must be taken into account in making the overall global assessment of the likelihood of confusion. As observed recently by Jacob L.J. in *Reed Executive & Ors v Reed Business Information Ltd & Ors*, EWCA Civ 159, this may be particularly important in the case of marks which contain an element descriptive of the goods or services for which they have been registered. In the case of marks which are descriptive, the average

consumer will expect others to use similar descriptive marks and thus be alert for details which would differentiate one mark from another. Where a mark has become distinctive through use then this may cease to be such an important consideration. But all must depend upon the circumstances of each individual case.”

55) Isklar’s evidence illustrates that its *mineral water* was launched in the UK in April 2008, some 14 months before the contested marks were published. There is also some evidence to show that has been made available from a number of well-known retailers, there is no indication as to when this commenced, or if it was before the relevant date. There is one exception where one extract reports that the product will be listed with Tesco from July 2009. This is after the relevant date in these proceedings. Under cross-examination, Mr Valeur explained that Isklar sold in the region of one million litres of bottled water in the seven to eight months between its UK launch and the filing of the contested marks. He also stated that there had been a national advertising campaign, however, in the absence of further information regarding this, I am unable to draw any conclusions regarding the impact in respect to Isklar’s reputation.

56) Finally, Isklar provides information regarding a number of industry rewards for its product. This also fails to demonstrate that ISKLAR has developed a reputation in the marketplace, rather, it only demonstrates awareness of the product by the trade itself.

57) Therefore, balancing the sale of about one million litres, a list of large retailers and the fact that there was an unspecified national advertising campaign against the short time ISKLAR had been on the UK market, its implied small market share at the relevant date and the lack of supporting data regarding sales and marketing activities, I conclude that the high level of inherent distinctive character is not enhanced further, by any significant level, through the use made of it.

Likelihood of confusion

58) In many respects, Mr Stobbs relied upon written submissions made to the OHIM in respect of a similar dispute between the parties concerning Spork’s CTM application to register the mark ISGLACIER WATER and he urged me to follow the approach and conclusions. I have borne these submissions in mind. Further, I record the fact that I am not bound by the findings of the OHIM, but nevertheless, I take note of these, as I do that the decision is also subject to an appeal by Isklar.

59) I must adopt the global approach advocated by case law and take into account that marks are rarely recalled perfectly with the consumer relying instead on the imperfect picture of them he has in kept in his mind (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* paragraph 27). I have found that the

respective goods are largely identical and that there is a reasonably high level of similarity between Spork's retail services and Isklar's goods and that the average consumer for the respective goods and services will be the same and will be relatively discerning, but not demonstrating the highest level of discernment. I have also found that the Isklar's marks enjoy a high level of distinctive character, but that the respective marks share only a low to very low level of similarity.

60) I take all of the above factors into account and I conclude that the differences between the marks are sufficient to outweigh the far less dominant similarities. As a result, the average consumer is unlikely to be mistaken in believing the respective marks are the same ("direct confusion"). Further, neither will the average consumer be mistaken by believing that the goods and services provided under one mark are provided by the same or linked undertaking as the goods provided under the other mark. I should add that even if I am wrong regarding my assessment of the scope of any reputation, it would not have influenced my finding to the extent that it would have off-set my findings that there is no likelihood of confusion.

Section 5(4)(a)

61) I will consider the ground under Section 5(4) (a) first. That section reads as follows:

"5.-(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented –

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or

(b)

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an "earlier right" in relation to the trade mark".

62) The requirements for this ground of opposition have been restated many times and can be found in the decision of Mr Geoffrey Hobbs QC, sitting as the Appointed Person, in *WILD CHILD Trade Mark* [1998] R.P.C. 455. Adapted to opposition proceedings, the three elements that must be present can be summarised as follows:

(1) that the opponents' goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;

(2) that there is a misrepresentation by the applicant (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by the applicant are goods or services of the opponents; and

(3) that the opponents have suffered or are likely to suffer damage as a result of the erroneous belief engendered by the applicant's misrepresentation.

63) To the above I add the comments of Pumfrey J (as he then was) in the *South Cone Incorporated v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership)* case [2002] RPC 19, in which he said:

“27. There is one major problem in assessing a passing off claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case in which this ground of opposition is raised the Registrar is entitled to be presented with evidence which at least raises a prima facie case that the opponent's reputation extends to the goods comprised in the applicant's specification of goods. The requirements of the objection itself are considerably more stringent than the enquiry under Section 11 of the 1938 Act (See Smith Hayden (OVAX) (1946) 63 RPC 97 as qualified by BALI [1969] RPC 472). Thus the evidence will include evidence from the trade as to reputation; evidence as to the manner in which the goods are traded or the services supplied; and so on.

28. Evidence of reputation comes primarily from the trade and the public, and will be supported by evidence of the extent of use. To be useful, the evidence must be directed at the relevant date. Once raised the applicant must rebut the prima facie case. Obviously he does not need to show that passing off will not occur, but he must produce sufficient cogent evidence to satisfy the hearing officer that it is not shown on the balance of possibilities that passing off will occur.”

The Relevant Date

64) The relevant date for determining the opponent's claim, in the absence of any competing earlier claim on the part of the applicant, will be the filing date of the application in suit (*Last Minute Network Ltd v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)*, Joined Cases T-114/07 and T-115), that is to say 2 January 2009. The earlier right must have been acquired prior to that date (Article 4.4(b) of First Council Directive 89/104 on which the UK Act is based).

Goodwill

65) I must first assess if the opponent has acquired any goodwill and if so, what is the extent of this goodwill at the relevant date. Following cross-examination of Mr Valeur, it was conceded by Mr Stobbs that Isklar had established a business in the UK that benefited from goodwill at the relevant date. Despite the sketchiness of the evidence, I concur with this and conclude that Isklar benefits from goodwill in respect of bottled *mineral waters* with such goodwill being identified by both Isklar's word mark and its figurative mark. However, the scope of any reputation, at the relevant date, is less easy to assess. Nevertheless, taking all the available information into account, I have concluded in paragraph 57 above that it did not benefit from any significant reputation at the relevant date.

Misrepresentation

66) The existence of goodwill is one of the requirements for a finding of passing off and I will, therefore, continue to consider the issues of misrepresentation and damage. In this respect, I am mindful of the comments of Morritt L J in the Court of Appeal decision in *Neutrogena Corporation and Anr. V Golden Limited and Anr.* [1996] RPC 473 when he confirmed that the correct test on the issue of deception or confusion was whether, on the balance of probabilities, a substantial number of the opponent's customers or potential customers would be misled into purchasing the applicant's products in the belief that it was the opponent's. Further, Lord Fraser in *Erven Warnink BV v J Townend & Sons (Hull) Ltd* [1980] RPC 31 HL, stated that the opponent must show that "he has suffered, or is really likely to suffer, substantial damage to his property in the goodwill".

67) I have not been persuaded by Isklar's arguments regarding the level of similarity between the marks or regarding the likelihood of confusion. As one of the marks relied on under these grounds is identical to those I have already considered and the other (the composite mark) is even less similar to Spork's mark, than I have difficulty in seeing how Isklar can possibly be successful under these grounds. I should say here that the occurrence of the word "glacial" in the description of the product that appears in the composite mark does not improve Isklar's case to any measureable degree.

68) Isklar's best case here lies with its word mark ISKLAR and when considered in respect to Spork's application insofar as it relates to *mineral water*. Here, there is nothing in Isklar's case to suggest that my considerations in respect to this ground of opposition places them at any further advantage over and above their position in respect to the Section 5(2)(b) grounds. The differences in the respective marks are such that Isklar has failed to demonstrate that its customers will be misled by believing Spork's goods are, in fact, those of Isklar. Taking this into account, I conclude that there is no misrepresentation on the part of Spork and consequently no damage to Isklar. Even if I am wrong in my assessment of

reputation, taking all other factors into account, my finding would still be the same.

69) Therefore, the grounds based upon Section 5(4)(a) of the Act are dismissed.

COSTS

70) The opposition having failed, Spork is entitled to a contribution towards its costs. I take account of the fact that a hearing has taken place and that this involved the cross examination of Isklar's witness. I award costs on the following basis:

Considering Notice of Opposition and preparing statement in reply	£200
Preparing and filing evidence and considering evidence	£500
Preparing for & attending hearing	£1000

TOTAL	£1700
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71) I order Isklar AS to pay Spork SARL the sum of £1700. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 24 day of February 2011

**Mark Bryant
For the Registrar,
the Comptroller-General**