TRADE MARKS ACT 1994

IN THE MATTER OF
UK TRADE MARK APPLICATION NUMBER 2523905
BY SHARK CLUBS OF CANADA, INC.
TO REGISTER A SERIES OF TRADE MARKS:

AND OPPOSITION THERETO (NUMBER 100114)
BY OSOTSPA CO. LTD.

The background and the pleadings

1) Application 2523905 was filed by Sandman Hotel Group (UK) Limited ("Sandman") on 17 August 2009 in respect of the following series of marks:

The marks were published in the Trade Marks Journal on 6 November 2009. Various services in classes 41 and 43 are sought to be registered, as follows:

> Class 41: Entertainment; live music; nightclub services; sporting and cultural activities; organising, hosting, conducting and providing facilities for shows, events, competitions, conferences, seminars, workshops, exhibitions, networking events, and symposiums; party, conference, workshop, networking events and function planning; publication of printed material, texts, books, journals, magazines, newsletters and written works relating to accommodation and food and drink; casino, gambling, gaming and betting services; provision of leisure club services; provision of sport, leisure and recreational facilities; gymnasium services; advisory, information and consultancy services in relation to all of the aforementioned services.
>
> Class 43: Services for providing food and drink; restaurant services; cafe, restaurant and catering services; snack bar, bar and pub services; sandwich bar and take-away restaurant services; cocktail lounge services; temporary accommodation; hotel and motel services; hotel and motel reservations; room services; housekeeping services; laundry, dry cleaning, seamstress and valet services; advisory, information and consultancy services in relation to all of the aforementioned services.

2) Osotspa Co. Ltd. ("the Opponent") opposes the registration of the above application in respect of the above goods and services. Its opposition was filed on 30 April 2009 and is based on a ground under section 5(2)(b) of the Trade Marks Act 1994 ("the Act"). 11 earlier Community Trade Marks ("CTMs") are relied on. They are shown in the **Annex**, together with their filing and registration dates and the goods for which they are respectively registered:

3) All the Opponent's CTM registrations were filed before the date on which the Applicant filed its application 2523905, namely 17 August 2009. They all therefore constitute earlier marks in accordance with section 6 of the Act. CTM

Registration Nos. 1303130 and 168427 were registered on 2 January 2001 and 12 May 1998 respectively. These two marks are therefore subject to the proof of use conditions laid down in section 6A of the Act, protection having been conferred on them more than five years before the publication of the Applicant's mark on 6 November 2009. The relevant period during which use must be proved is 7 November 2004 to 6 November 2009.

4) Sandman filed a counterstatement asserting that the services it applied for in Class 43 were not similar, and those it applied for in Class 41 were dissimilar, to the goods in classes 32 and 33 of the Opponent's marks; that the marks applied for were not visually, phonetically and conceptually similar to the Opponent's marks; and that there was accordingly no likelihood of confusion. The Opponent was requested to provide proof of use for all goods of CTM Registration Nos. 1303130 and 168427

5) On 23 September 2011 Sandman assigned the trade mark application to Shark Clubs of Canada, Inc ("the Applicant").

6) Both parties filed evidence and written submissions in lieu of attendance at a hearing. I therefore give this decision after a careful review of all the papers before me.

The evidence

The Opponent's evidence – witness statement of Ms Anna Teresa Szpek

7) Ms Szpek, a registered trade mark attorney employed by the firm of Urquhart-Dykes & Lord LLP, which represents the Opponent in these proceedings, filed a witness statement of 14 October 2011 on behalf of the Opponent. She confirms that the Opponent is listed as proprietor of the 11 earlier marks relied on in the opposition.

The Opponent's evidence – witness statement of Mr Pratharn Chaiprasit

8) In a witness statement of 30 September 2011 Mr Chaiprasit states that he is the Senior Vice President and an authorised director of the Opponent. He states that the Opponent owns CTM number 1303130 and CTM number 168427, and has been using both marks continuously in the EU in respect of energy drinks since at least 2002. He appends as **Exhibit 1** to his statement material to illustrate use of the marks in connection with energy drinks and states that they have been used in the UK, Germany, Austria and other EU countries. He provides turnover figures (expanded on in the witness statement from Mr Justin Sadaghiani below) for sales of energy drinks sold under the marks in the EU, and attaches as **Exhibit 2** copies of invoices issued by the Opponent and its subsidiary Shark AG in connection with such sales. He states that the Opponent spends about £2.2 millions per year on advertising energy drinks under the

marks, and attaches as **Exhibit 3** copies of advertisements and point of sale materials in the UK, Germany, Austria and other EU countries.

The Opponent's evidence – witness statement of Mr Justin Sadaghiani

9) In a witness statement of 12 March 2012 Mr Sadaghiani states that he is the Manager of International Marketing Services for Shark AG. In **Exhibit JS1** to his statement he provides a breakdown by country for the turnover figures given in Mr Chaiprasit's witness statement. He also provides further details for the advertising figures given by Mr Chaiprasit, giving a breakdown by year and country in **Exhibit JS2**.

The Applicant's evidence – witness statement of Mr Christopher Thomas Cairns

10) In a witness statement of 23 January 2012 Mr Cairns states that he is a registered trade mark attorney, that he makes this statement on behalf of the Applicant, and that the information he attaches as **Exhibit CTC1** comprises extracts from the Canadian Trade Mark Office's online database showing trade mark registrations in the name of the Applicant and Opponent respectively.

The proof of use provisions

11) As stated earlier, the proof of use provisions apply to two of the Opponent's earlier marks: CTM Registration No. 1303130 and CTM Registration No. 168427. The use conditions are set out in section 6A of the Act as follows:

> (1) This section applies where
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> (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.
>
> (2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.
>
> (3) The use conditions are met if –
>
> (a) within the period of five years ending with the date of publication of the application the earlier trade mark has been put to genuine use in the

United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or

(b) the earlier trade mark has not been so used, but there are proper reasons for non- use.

(4) For these purposes –

(a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and

(b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(5) In relation to a Community trade mark or international trade mark (EC), any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Community.

(6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.

12) Section 100 is also relevant; it reads:

> "If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it."

13) When considering whether genuine use has been shown, I bear in mind the leading authorities on the principles to be applied namely: the judgments of the Court of Justice of the European Union ("CJEU") in *Ansul BV v Ajax Brandbeveiliging BV [2003] R.P.C. 40* ("*Ansul*") and *Laboratoire de la Mer Trade Marks* C-259/02 ("*La Mer*"). The position[1] was helpfully summarized by Ms Anna Carboni, sitting as the Appointed Person, in BL O-371-09 *SANT AMBROEUS*:

> "42. The hearing officer set out most of the key extracts from *Ansul* and *La Mer* in his decision, so I shall not reproduce them here. Instead, I try to summarise the "legal learning" that flows from them, adding in references to *Silberquelle* where relevant:

[1] Which also took into account the guidance set out in *Silberquelle GmbH v Maselli-Strickmode GmbH* Case C495/07, [2009] ETMR 28

(1) Genuine use means actual use of the mark by the proprietor or a third party with authority to use the mark: *Ansul*, [35] and [37].

(2) The use must be more than merely "token", which means in this context that it must not serve solely to preserve the rights conferred by the registration: *Ansul*, [36].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end-user by enabling him, without any possibility of confusion, to distinguish the goods or services from others which have another origin: *Ansul*, [36]; *Silberquelle*, [17].

(4) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, i.e. exploitation that is aimed at maintaining or creating an outlet for the goods or services or a share in that market: *Ansul*, [37]-[38]; *Silberquelle*, [18].

(a) Example that meets this criterion: preparations to put goods or services on the market, such as advertising campaigns: *Ansul*, [37].

(b) Examples that do not meet this criterion: (i) internal use by the proprietor: *Ansul*, [37]; (ii) the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle*, [20]-[21].

(5) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including in particular, the nature of the goods or services at issue, the characteristics of the market concerned, the scale and frequency of use of the mark, whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them, and the evidence that the proprietor is able to provide: *Ansul*, [38] and [39]; *La Mer*, [22] - [23].

(6) Use of the mark need not always be quantitatively significant for it to be deemed genuine. There is no *de minimis* rule. Even minimal use may qualify as genuine use if it is the sort of use that is appropriate in the economic sector concerned for preserving or creating market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor: *Ansul*, [39]; *La Mer*, [21], [24] and [25]."

14) The relevant period for my assessment is the five year period ending on the date of publication of the Applicant's marks, namely: 7 November 2004 to 6 November 2009. The Opponent is required to prove that during this period, and in relation to the relevant goods, there was genuine use by it, or with its consent, of the earlier marks CTM Registration No. 1303130 and CTM Registration No. 168427 relied on in these proceedings.

15) In his witness statement Mr Chaiprasit states that the Opponent has been continuously using CTM number 1303130 and CTM number 168427 in the EU in respect of energy drinks since at least 2002. He provides turnover figures (expanded on in Mr Sadaghiani's witness statement) for sales of energy drinks sold under the marks in the EU. Unfortunately, no breakdown is provided to show what figures are specifically attributable to CTM number 1303130 or 168427. The promotional material in **Exhibit 3** to Mr. Chaiprasit's statement does not contain a single example of use of CTM number 1303130. It is not possible to tell from the documentation in **Exhibit 2** what marks were borne by the products supplied and invoiced. Some of the invoices and purchase orders bear the CTM number 168427 mark; but again, not one of them bears the CTM number 1303130 mark. Pages 1-18 of **Exhibit 1** consist of what appears to be marketing copy, including Powerpoint presentation slides, showing bottles bearing the CTM number 1303130 mark. However, these pages are, with lack of exactness, labelled "UK 2003-2004"; they cannot establish with precision use during the relevant proof of use period, which runs from 7 November 2004 to 6 November 2009. Pictures of cans bearing the mark on a shop shelf are labelled "Austria 2001", which is outside the proof of use period. Some further pages, showing a label marked "sample" bearing the mark, and what appears to be promotional copy showing bottles bearing the mark, are undated. One further page of what appears to be advertising copy, showing bottles, one of which bears the CTM number 1303130 mark, has been labelled "Austria 2007". This is the only item showing the mark which is unambiguously labelled with a year falling within the proof of use period.

16) In order to find genuine use I must be satisfied that there has been more than token use and that there has been real commercial exploitation of the mark on the market for the relevant goods or services. I do not consider that the evidence is sufficient to establish this in respect of CTM number 1303130. It cannot therefore be relied upon to oppose the Applicant's marks. Evidence of use was in any case submitted only in respect of energy drinks, which would have provided only a very narrow base from which to attempt to establish similarity with the services specified for the Applicant's mark. I shall consider CTM number 168427 later. Of the Opponent's remaining marks I consider that its best case resides with its CTM number 3856689 for the word mark SHARK and its CTM number 3928538 for a device mark consisting of an image of a shark. I will my make analysis and determination accordingly, but will then comment briefly on the other earlier marks.

The law

17) Section 5(2)(b) of the Act reads:

> "5(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."

18) In reaching my decision I have taken into account the guidance provided by the Court of Justice of the European Union ("CJEU") in a number of judgments: *Sabel BV v. Puma AG* [1998] R.P.C. 199, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* [1999] R.P.C. 117, *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* [2000] F.S.R. 77, *Marca Mode CV v. Adidas AG + Adidas Benelux BV* [2000] E.T.M.R. 723, Case C-3/03 *Matrazen Concord GmbH v GmbGv Office for Harmonisation in the Internal Market* [2004] ECR I-3657 *Medion AG V Thomson multimedia Sales Germany & Austria GmbH* (Case C-120/04) and *Shaker di L. Laudato & Co. Sas* (C-334/05). In *La Chemise Lacoste SA v Baker Street Clothing Ltd* (O/330/10) Mr Geoffrey Hobbs QC, sitting as the Appointed Person, quoted with approval the following summary of the principles which are established by these cases:

> "(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, in certain circumstances, be dominated by one or more of its components;

(f) and beyond the usual case, where the overall impression created by a mark depends heavily on the dominant features of the mark, it is quite 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 great 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 causes the public to wrongly believe that the respective goods [or services] come from the same or economically-linked undertakings, there is a likelihood of confusion."

Comparison of the goods and services

19) In making an assessment of the similarity of the goods/services, all relevant factors relating to the goods and services in the respective specifications should be taken into account. In *Canon Kabushiki Kaisha v. Metro- Goldwyn-Mayer* the CJEU stated at paragraph 23 of its judgment:

> “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.”

20) Guidance on this issue has also come from Jacob J In *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281 where the following factors were highlighted as being relevant when making the comparison:

> "(a) The respective uses of the respective goods or services;
>
> (b) The respective users of the respective goods or services;
>
> (c) The physical nature of the goods or acts of service;
>
> (d) The respective trade channels through which the goods or services reach the market;
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> (e) 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;
>
> (f) The extent to which the respective goods or services are competitive. This inquiry may take into 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."

21) Whether goods/services are complementary (one of the factors referred to in *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer*), will depend on whether there exists a close connection or relationship such that one is important or indispensible for the use of the other. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-325/06 it was stated:

> "It is true that goods are complementary if there is a close connection between them, in the *sense that one is indispensable or important for the use of the other in such a way that* customers may think that the responsibility for those goods lies with the same undertaking (see, to that effect, Case T-169/03 *Sergio Rossi* v *OHIM – Sissi Rossi* (*SISSI ROSSI*) [2005] ECR II-685, paragraph 60, upheld on appeal in Case C-214/05 P *Rossi* v *OHIM* [2006] ECR I-7057; Case T-364/05 *Saint-Gobain Pam* v *OHIM – Propamsa* (*PAM PLUVIAL*) [2007] ECR II-757, paragraph 94; and Case T-443/05 *El Corte Inglés* v *OHIM – Bolaños Sabri* (*PiraÑAM diseño original Juan Bolaños*) [2007] ECR I-0000, paragraph 48)."

22) In relation to understanding what terms used in specifications mean/cover, the case-law informs me that "in construing a word used in a trade mark specification, one is concerned with how the product/service is, as a practical matter, regarded for the purposes of the trade" (see *British Sugar plc v James Robertson & Sons Limited* [1996] RPC 281) and that I must also bear in mind

that words should be given their natural meaning within the context in which they are used; they cannot be given an unnaturally narrow meaning (see *Beautimatic International Limited v Mitchell International Pharmaceuticals Ltd and Another* [2000] FSR 267). However, I must also bear in mind that a listed service must not be given too broad an interpretation; in *Avnet Incorporated v Isoact Limited* [1998] F.S.R. 16 Jacob J stated:

> "In my view, specifications for services should be scrutinised carefully and they should not be given a wide construction covering a vast range of activities. They should be confined to the substance, as it were, the core of the possible meanings attributable to the rather general phrase."

23) Both parties drew my attention to decisions of the Tribunal and the Appointed Person which they submitted presented analogous aspects to the present case with regard to the comparison of goods and services. I have borne them in mind, but must, of course, reach my decision in this case on its own particular facts and on the specifications that are before me.

24) The services for which protection is sought are:

> Class 41: Entertainment; live music; nightclub services; sporting and cultural activities; organising, hosting, conducting and providing facilities for shows, events, competitions, conferences, seminars, workshops, exhibitions, networking events, and symposiums; party, conference, workshop, networking events and function planning; publication of printed material, texts, books, journals, magazines, newsletters and written works relating to accommodation and food and drink; casino, gambling, gaming and betting services; provision of leisure club services; provision of sport, leisure and recreational facilities; gymnasium services; advisory, information and consultancy services in relation to all of the aforementioned services.
>
> Class 43: Services for providing food and drink; restaurant services; cafe, restaurant and catering services; snack bar, bar and pub services; sandwich bar and take-away restaurant services; cocktail lounge services; temporary accommodation; hotel and motel services; hotel and motel reservations; room services; housekeeping services; laundry, dry cleaning, seamstress and valet services; advisory, information and consultancy services in relation to all of the aforementioned services.

The earlier marks CTM 3856689 and CTM number 3928538 are both registered for the same goods, as follows:

> 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).

I will make the comparison with reference to the services for which protection is sought by the Applicant. I will go through them term by term (but grouping them when it is useful and reasonable to do so – see the comments of the Appointed Person in *Separode* BL O-399-10):

Class 41: *Entertainment; live music; casino, gambling, gaming and betting services; provision of leisure club services; provision of sport, leisure and recreational facilities; gymnasium services; sporting and cultural activities; organising, hosting, conducting and providing facilities for shows, events, competitions, conferences, seminars, workshops, exhibitions, networking events, and symposiums; party, conference, workshop, networking events and function planning; publication of printed material, texts, books, journals, magazines, newsletters and written works relating to accommodation and food and drink;* a*dvisory, information and consultancy services in relation to all of the aforementioned services*

25) Although some food and drink may be provided incidentally with some of the above services, the purpose and function of all of them is totally different from that of the Opponent's goods, consisting of the provision of entertainment leisure, sporting or cultural services and activities (e*ntertainment; live music; casino, gambling, gaming and betting services; provision of leisure club services; provision of sport, leisure and recreational facilities; gymnasium services; sporting and cultural activities)* or of social or working events (*organising, hosting, conducting and providing facilities for shows, events, competitions, conferences, seminars, workshops, exhibitions, networking events, and symposiums; party, conference, workshop, networking events and function planning*). In its submissions the Opponent argued that there is a degree of similarity between its goods and entertainment, live music events, etc. owing to its potential sponsorship of such events, which is commonplace in the drinks industry. Consumers seeing such a campaign involving the Opponent's mark at a sporting event or in a nightclub would, it submits, assume a connection in the course of trade between the goods and services. However, commercial sponsorship of such services does not in itself establish similarity between them and the sponsor's goods. The Opponent's goods in Classes 32 and 33 are different in nature from these services, they do not compete with them, nor are they indispensable or important for their use in such a way that customers may think that the responsibility for them lies with the same undertaking. The same applies to *publication of printed material, texts, books, journals, magazines, newsletters and written works relating to accommodation and food and* drink and *advisory, information and consultancy services in relation to all of the aforementioned services.* Even if their subject matter should cover drink, they are fundamentally different in nature, purpose and use from the Opponent's goods. There is no similarity with any of the above services.

Class 41: *Nightclub services;* a*dvisory, information and consultancy services in relation to the aforementioned services*
Class 43: *Bar and pub services; cocktail lounge services; services for providing drink;* a*dvisory, information and consultancy services in relation to all of the aforementioned services*

26) Entertainment is the essential component of *nightclub services*. *Nightclub services* in Class 41 do not encompass the provision of food and drink. However, nightclubs do in fact normally serve drinks, and usually food as well. *Bars* and *pubs* also commonly offer entertainment in some form, and virtually all offer food of some type, so that in recent years distinctions between nightclubs (often referred to as clubs) and pubs and bars have become somewhat blurred. The relevant public would normally perceive the supply of drinks as important for the provision of *nightclub services*. There is therefore a degree of similarity between *nightclub services* and *beers* and *alcoholic beverages,* though perhaps less so than in the case of *bars* and *pubs.*

27) The consumption of alcoholic drinks will usually be one of the purposes of those who patronise *bars, pubs* and *cocktail lounges*. In this sense, an alternative would be to buy alcoholic drinks from a retail outlet for consumption at home; to this extent there is some degree of competition between *beers* and *alcoholic beverages* on one hand and *bars, pubs* and *cocktail lounges* on the other. However, the social and entertainment component offered by these establishments will also normally play a significant role, and this will be reflected in the price; so the competition has limits. For most customers beer and alcoholic beverages are no doubt indispensable or important for their use of these establishments. But a crucial question here is whether they are important in such a way that customers may think that the responsibility for those goods lies with the same undertaking. The Opponent referred in its submissions to the long-standing link in the UK between beers and public houses owned by breweries. I consider this to be a notorious fact (although its significance has diminished somewhat in recent years, various brewers having modified their tied house arrangements owing to competition law considerations). It is a consideration which must be given some weight when considering the similarity between the goods and services. There is therefore a reasonable degree of similarity between *bars, pubs* and *beers* and *alcoholic beverages. Services for providing drink* must be taken to include *bars, pubs* and so also to be similar to *beers* and *alcoholic beverages*. Although the historical connection between beers and alcoholic beverages and pubs is not present to the same degree with cocktail bar services, for similar reasons to those expressed above in relation to nightclub services, I consider that there is a low degree of similarity between beers and alcoholic beverages and cocktail lounge services. Insofar as a*dvisory, information and consultancy services in relation to the aforementioned services* were aimed at users of the above services, they would amount to promotional tools for the services themselves. Consumers would not expect to find owners of

pubs or nightclubs, for example, offering *advisory, information and consultancy services* which covered the services of their competitors. Insofar as such a*dvisory, information and consultancy services* were aimed at other businesses, their use, users and trade channels would be different, and there would be no similarity with the Opponent's' goods.

Class 43: *Services for providing food and drink; restaurant services; cafe, restaurant and catering services; snack bar services; sandwich bar and take-away restaurant services;* a*dvisory, information and consultancy services in relation to all of the aforementioned services*

28) *Services for providing food and drink* cover a wide range of activities, in which the service element differs considerably. At the more casual end of the spectrum represented by *snack bar services* and *sandwich bar and take-away restaurant services,* depending on circumstances, a transaction might amount to not much more than selling a drink for consumption off the premises; consumers wishing to quench their thirst might purchase drinks (or preparations for making them) from retail outlets, or make use of the services of one of these establishments; to this extent there may be some limited degree of competition with the Opponent's goods. In the case of *restaurant* services at the other end of the spectrum, the service element will always play a dominant role, reflected in the price, and any element of competition is remote. Producers of drinks do not normally provide restaurant services, nor do establishments offering s*ervices for providing food and drink* usually produce their own drinks though recently developed juice bars may, and restaurants sell "house wines". Any similarity between these services and *beers, alcoholic beverages (except beers), mineral and aerated waters and other non-alcoholic drinks, fruit drinks and fruit juices* and *syrups and other preparations for making beverages* is generally low, but higher in the case of juice bars and restaurants. Catering services is wide enough to include restaurant services and therefore falls to be treated in the same way. On a*dvisory, information and consultancy services* see my comments in paragraph 27.

Class 43: *Temporary accommodation; hotel and motel services; hotel and motel reservations; room services; housekeeping services; laundry, dry cleaning, seamstress and valet services;* a*dvisory, information and consultancy services in relation to all of the aforementioned services*

29) My remarks on the preceding Class 43 list apply *a fortiori* to the services of hotels and motels; although these may provide incidental food and drink services, their primary purpose and function is the provision of accommodation. If there is any similarity at all between *hotel and motel services* and *room* services and the Opponent's goods in classes 32 and 33, it is at best very low. There is no similarity at all with *temporary accommodation; hotel and motel reservations; housekeeping services; laundry, dry cleaning, seamstress and valet services.*

On a*dvisory, information and consultancy services* see my comments in paragraph 27.

The average consumer and the purchasing process

30) According to the case-law, the average consumer is reasonably observant and circumspect (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* paragraph 27). The degree of care and attention the average consumer uses when selecting goods or service providers can, however, vary depending on what is involved (see, for example, the judgment of the General Court in *Inter-Ikea Systems BV v OHIM* (Case T-112/06)).

31) The range of services covered by the Applicant's specifications means that the average consumer and the nature of the purchasing process involved may vary. The Applicant's *catering services*, for example, might be provided for a business event or a private reception. *Restaurant services* can cover a range of establishments from the informal to the exclusive and expensive. The degree of care and attention used in selecting a provider of catering services for a private reception, or choosing to dine at an expensive restaurant, will normally be higher than that of someone taking advantage of *snack bar, bar and pub services* for a quick sandwich or drink, or even a social night out. The Applicant's *bar and pub services* (like the Opponent's *beers* and *alcoholic beverages*) are bought by the public at large who are over eighteen years of age. The other (soft) drinks and drink preparations of CTM 3856689 and CTM 3928538 are all bought by the public at large. Some expensive wines and spirits may involve relatively careful selection, but both alcoholic and soft drinks will normally involve no more than a reasonable amount of attention, and will often be impulse purchases. This may increase the scope for imperfect recollection. The purchasing process for drinks and food and drink services is largely a visual one, but I do not ignore the potential for oral use of the mark[2]. I will bear these considerations in mind when reaching my conclusions on the likelihood of confusion.

Distinctiveness of the earlier marks.

32) The degree of distinctiveness of the earlier marks must be assessed. This is because the more distinctive the earlier marks (either on the basis of inherent qualities or because of use made), the greater the likelihood of confusion (see *Sabel BV v. Puma AG*, paragraph 24).

33) As regards inherent distinctiveness, neither the word SHARK in CTM 3856689 nor the shark device in CTM 3928538 are descriptive or allusive of the of the alcoholic and non-alcoholic drinks and drink preparations of their respective goods specifications. As such they enjoy a normal degree of inherent distinctiveness in respect of those goods. As regards distinctiveness acquired

[2] General Court (GC) in Simonds Farsons Cisk plc v Office for Harmonisation in the Internal Market (OHIM) Case T-3/04

through use, it is the UK market which is significant, because it is here that confusion with a national mark will be measured. The Opponent has only provided sales and marketing figures in respect of "energy drinks". The figures are not insignificant, but it is difficult to judge their impact in the UK market without evidence of market share. I therefore conclude that the opponent has not shown that the marks at issue have acquired an enhanced level of distinctiveness in the UK as a result of the use of the marks in this territory.

Comparison of the marks

34) The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The visual, aural and conceptual similarities of the marks must be assessed by reference to their overall impressions, bearing in mind their distinctive and dominant components. For ease of reference I shall compare the Opponent's marks CTM 3856689 and CTM 3928538 separately against the Applicant's marks. The marks to be compared are:

The Applicant's marks	The Opponent's mark CTM 3856689
 	**SHARK**

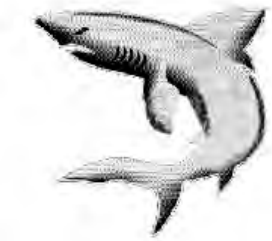
35) The Opponent's mark consists exclusively of the word SHARK which, by virtue of being the sole component of the mark, is its dominant and distinctive element. The Applicant's mark (comprising a series of two, which depict the mark in black on a white background and vice versa) is a composite one. It consists of a simple line drawing of a shark framed within an oval area, with the words SHARK CLUB appearing in large block capitals above (and following the line of) the oval area; along the bottom of the mark the words SPORTS, BAR and GRILL, separated by dots, appear in a straight line in smaller block capitals. The word CLUB is descriptive of night club services, and therefore by itself lacks distinctiveness in relation to them. It might also be used more loosely in connection with some of the other services covered by the Applicant's specifications relating to the provision of food and drink, where its distinctiveness would be low. Similarly, the words SPORTS, BAR and GRILL are descriptive or allusive of some of the services of the Applicant's specifications. However, SHARK qualifies CLUB to produce a composite term. The words SHARK CLUB as a totality are not descriptive or allusive of any of the Applicant's services, and

together form the dominant and distinctive component of the Applicant's mark. Although individual words in the Applicant's mark may be descriptive or of low distinctiveness, the manner in which they are presented around the central device plays a significant role in the overall impression created by the mark.

36) Visually, the first of the two prominent words of the mark is the word SHARK – which also constitutes the Opponent's entire mark. However, there are obvious differences between the marks. In the Applicant's mark SHARK is coupled with the equally prominent CLUB. The Applicant's mark contains a device and several additional words forming a balanced pattern around it. The device is a very simple representation of a shark, but placed centrally. These differences are not negligible in the overall visual impression created by the mark. It should be noted that although the Opponent's word mark can, notionally speaking, be used in a variety of presentations, it is a step too far to consider that a normal and fair use will include use in the same manner of presentation as the Applicant's mark. Nevertheless, there is a reasonable degree of visual similarity between the marks.

37) From an aural perspective, consumers will probably refer orally to drinks and drink preparations bearing the Opponent's mark simply as "Shark". They are likely to use the term "Shark Club", when referring orally to the various services provided under the Applicant's mark. There is a fairly high degree of aural similarity between the marks.

38) The word SHARK has a very clear conceptual meaning, which will form a conceptual hook in both marks. There is a high degree of conceptual similarity between the marks.

The Applicant's marks		The Opponent's mark CTM 3928538
SHARK CLUB SPORTS • BAR • GRILL	SHARK CLUB SPORTS • BAR • GRILL	

39) The Opponent's mark consists of a device which, by virtue of being the mark's sole component, is its dominant and distinctive element. I refer to paragraph 35 for my assessment of the dominant and distinctive element of the Applicant's mark.

40) Visually, the Opponent's entire mark consists of a fairly detailed and lifelike image of a twisting shark. The Applicant's mark contains a very simple representation of a twisting shark. However, because of their size and position, the most dominant and distinctive element of the Applicant's mark consists of the words SHARK CLUB, which are not present at all in the Opponent's device mark. There is therefore no more than a low degree of visual similarity between the marks when compared as wholes. Even though the Opponent's mark is a visual mark, where it is expressed verbally it is likely to be as SHARK. Therefore there is also a reasonable degree of aural similarity, notwithstanding the fact that one of the marks is a picture. The shark concept will form a clear conceptual hook in both marks. There is a high degree of conceptual similarity between the marks.

Likelihood of confusion

41) In its written submissions the Applicant referred me to the witness statement of Christopher Cairns in **Exhibit CTC1**, which comprises extracts from the Canadian Trade Mark Office's online database of trade mark registrations in the name of the Applicant and of the Opponent. The Applicant states that it has used its trade marks since 1993, that the Opponent filed a Declaration of Use on 3 May 2005, that this meant that the marks had been used in the Canadian market for at least six years, and that there had been no instances of confusion. I do not find this evidence helpful for two reasons. Firstly, it relates to the situation in Canada, whereas I must give my decision in the context of the UK market. Secondly, mere coexistence on the register establishes nothing; there is no evidence to inform me of the actual circumstances in which the parties have traded in Canada, and of the opportunities for confusion. As Millet LJ observed in *The European Ltd v The Economist Newspaper Ltd* [1998] E.T.M.R. 307: "Absence of evidence of actual confusion is rarely significant, especially in a trade mark case where it may be due to differences extraneous to the plaintiff's registered trade mark".

42) 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.

43) In comparing the Applicant's services with the Opponent's goods I have found degrees of similarity varying from reasonable to very low; and in some cases I have found no similarity at all. I have found both the Opponent's marks to possess a normal degree of inherent distinctive character. I have found SHARK CLUB to be the dominant and distinctive element in the Applicant's mark. However, I have to consider the mark in its entirety, and have found that additional material and the manner of presentation of the mark around its central

device also play a significant role in the overall impression created by the mark. I have found the marks to have a reasonable (in the case of the 3856689 mark) or low (in the case of the 3928538 mark) degree of visual similarity, a fairly high (in the case of the 3856689 mark) or reasonable (in the case of the 3928538 mark) degree of aural similarity and a high degree conceptual similarity. Bearing in mind my assessment of the nature of the average consumer and their purchasing process, having regard to the interdependency principle, and allowing for the principle of imperfect recollection, I do not consider it likely that the average consumer would be likely to be confused.

44) In view of my finding that SHARK CLUB is the dominant and distinctive element of the Applicant's marks, I should note that in its written submissions the Opponent argues that the terms "club, sports bar" and "grill" are not distinctive of the Applicant's services. By way of example, it says that if the trade mark at issue were VIMTO, the average consumer seeing the name VIMTO CLUB or VIMTO SPORTS BAR would perceive that the club or sports bar had a common origin with the VIMTO drink. However, I don't think the analogy holds in the present case because 1. although SHARK is distinctive for drinks, it does not share the very high degree of distinctiveness of the completely made-up word VIMTO, and 2. VIMTO also enjoys considerable enhanced distinctiveness as a very well-known and long-established brand. Moreover, although CLUB may be descriptive for night club services, it is not clearly descriptive for public house services where the tied houses point, which I discuss in paragraph 45, is at its strongest. Nor is it purely descriptive for restaurant or juice bar services, where the parallel points on house wines and provision of drinks in juice bars, which I discuss in paragraph 46 are also at their strongest.

45) In its written submissions the Opponent invites me to consider that the link between beers and public houses owned by breweries is a longstanding one, and continues to place a link in the minds of customers between the Opponent's alcoholic and non-alcoholic drinks and the Applicant's various services related to the provision of food and drink. I have borne this in mind. Even in the context of service of alcoholic drinks in bars and pubs, however, I consider that the differences in the marks are sufficient to avoid confusion. Nor do I consider it likely that an average consumer would consider the relevant goods and services provided under the respective marks to be the responsibility of the same or an economically linked undertaking. Where brewers sell beer through tied houses, for example, they will normally be at pains to keep their use of marks clear and consistent. Here, leaving aside the other differences between the marks, the dominant element of the Applicant's mark is SHARK CLUB, not just SHARK, and the respective shark devices are not particularly similar. In its submissions the Opponent states that non-alcoholic beverages, in particular energy drinks, are stocked and served in pubs, bars and clubs, and that SHARK drinks are the type that are mixed with alcoholic beverages such as vodka by adults enjoying a night out. But such "mixers" place the Opponent in no better position than alcoholic drinks such as beers.

46) Nor has there been any comparable historic tradition in this country of soft drink manufacturers owning food or drink outlets operated under the same marks as their drinks. So called “juice bars”, a fairly recent development, may do so. But here again, I consider that differences in the marks in this case would be sufficient to avoid indirect confusion through association. I find that similar considerations would apply in the case of “house wines” served by restaurants. I have borne all these factors in mind in reaching my finding that it is unlikely that the average consumer would be confused.

The remaining marks

47) It should be noted that some of the specifications of goods for some of the remaining marks cover beers and non-alcoholic drinks in class 32, some cover alcoholic beverages in class 33, and some both. Some contain additional terms such as *isotonic drinks*, *energy drinks* and *sports drinks*, which, though not explicitly included in the specifications I have considered above for CTM 3856689 and CTM 3928538, all fall within the category of *non-alcoholic drinks* which I considered in my comparison of goods for those marks. In its own comparison of goods and services in its written submissions the Opponent understandably subsumed all the goods specifications of its marks under “*alcoholic drinks* and *non-alcoholic drinks*”.

48) I have already found that the Opponent’s CTM number 1303130 could not be relied upon in the opposition, owing to insufficiency of evidence of use. In case I am found to be wrong about that, I record here that I would nevertheless have rejected the opposition based on this mark for the same reasons given in respect of the 3856689 and 3928538 marks. Of the Opponent’s remaining marks, CTM number 168427 consists of a highly stylised presentation of the letters of the word SHARK so as to evoke the characteristic profile of a shark, as shown below.

The heavy stylisation of this mark takes it further away from the Applicant’s mark than the simple word mark SHARK which I have already considered. It cannot therefore place the Opponent in a better position.

49) CTM numbers 6212971, 6843361, 6843619, 3692101, 3692084 and 3681756 all contain variations of the above basic motif, with the inclusion of additional graphic matter and/or words (*up, lite*, *cool bite*, *energy drink*, *simulation*, etc.). These too take the mark further away from the Applicant’s mark

than the word mark I have already considered, and place the Opponent in no better position.

50) CTM number 4022943 consists of the word mark SHARK UP, which clearly places the Opponent in no better position than the word mark SHARK which I have already considered.

51) I have found no likelihood of confusion with any of the Opponent's marks. Accordingly, the opposition fails.

Costs

52) The Applicant has been successful and is entitled to a contribution towards its costs. I hereby order Osotspa Co. Ltd. to pay Shark Clubs of Canada, Inc. the sum of £1,300. This sum is calculated as follows:

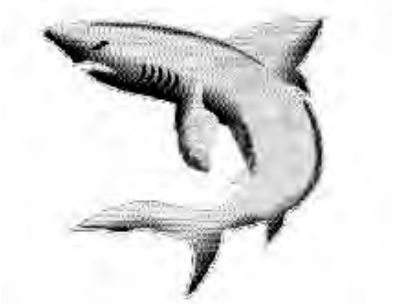
Preparing a statement and considering the other side's statement	£300
Preparing evidence and considering the other side's evidence.	£600
Written submissions	£400

53) The above sum should 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 the 7th September 2012

Martin Boyle
For the Registrar,
The Comptroller-General

Annex

Mark	Filing and registration dates, goods covered
	CTM No 1303130 Filing date: 08 September 1999 Registration date: 02 January 2001 Class 32: Soft drinks, fruit drinks, sports drinks, isotonic beverages, energy drinks and fruit juices; syrups, powders and other preparations for making the aforesaid beverages.
	CTM No 3928538 Filing date: 19 July 2004 Registration date: 07 November 2005 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).
SHARK	CTM No 3856689 Filing date: 04 June 2004 Registration date: 30 August 2005 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).
SHARK UP	CTM No 4022943 Filing date: 15 September 2004 Registration date: 20 December 2005 Class 32: Non-alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages.

	Class 33: Alcoholic beverages (except beers).
	CTM No 6212971 Filing date: 20 August 2007 Registration date: 22 July 2008 Class 33: Alcoholic beverages (except beers).
	CTM No 6843361 Filing date: 18 April 2008 Registration date: 08 January 2009 Class 32: Soft drinks, fruit drinks, sport drinks, isotonic drinks, energy drinks and fruit juices; syrups, powder and other preparations for use in making soft drinks, fruit drinks, sport drinks, isotonic drinks, energy drinks and fruit juices.
	CTM No 6843619 Filing date: 18 April 2008 Registration date: 08 January 2009 Class 32: Soft drinks, fruit drinks, sport drinks, isotonic drinks, energy drinks and fruit juices; syrups, powder and other preparations for use in making soft drinks, fruit drinks, sport drinks, isotonic drinks, energy drinks and fruit juices.
	CTM No 3692101 Filing date: 11 March 2004 Registration date: 05 March 2008 Class 32: Non-alcoholic drinks; fruit drinks and fruit juices; syrups and preparations for making beverages.

	CTM No 3692084 Filing date: 11 March 2004 Registration date: 29 January 2008 Class 32: Non-alcoholic drinks; fruit drinks and fruit juices; syrups and preparations for making beverages.
	CTM No 3681756 Filing date: 25 February 2004 Registration date: 07 June 2005 Class 33: Alcoholic beverages (except beer).
	CTM No 168427 Filing date: 01 April 1996 Registration date: 12 May 1998 Class 32: Non-alcoholic drinks; syrups and other preparations for making beverages.