O/0815/24

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. 918006230

BY AHURA MIDDLE EAST GENERAL TRADING

FOR THE FOLLOWING TRADE MARK:

IN CLASS 32

AND

AN APPLICATION FOR A DECLARATION OF INVALIDITY

UNDER NO. 505262

BY RED BULL GMBH

BACKGROUND AND PLEADINGS

1. Ahura Middle East General Trading ("the proprietor") applied to register the trade mark shown on the cover page of this decision ("the mark") in the UK on 4 January 2019. It was registered on 19 July 2019 for the following goods:

Class 32: Energy drinks; beer

2. On 9 August 2022, Red Bull GmbH ("the applicant") applied to have the mark declared invalid under s.47 of the Trade Marks Act 1994 ("the Act"). The application is based upon ss.5(2)(b) and 5(3) of the Act, and the applicant relies upon the following earlier trade mark:

Mark: GIVES YOU WINGS
Number: Comparable UK trade mark (EU) registration[1] no. UK00900635391
Filing date: 11 September 1997
Registration date: 3 March 1999
Goods: Class 32 Non-alcoholic beverages, namely energy drinks

3. The pleadings are, in summary:

- S.5(2)(b): the applicant claims that given the similarity between the marks and identical goods, there exists a strong likelihood of confusion.

- S.5(3): the applicant states that the earlier mark is used extensively in promoting its RED BULL mark and therefore has a reputation. Therefore, it argues that use of the mark will take unfair advantage of the fame of the earlier mark, and be detrimental as it would reduce its power of attraction.

[1] Following the end of the transition period of the UK's withdrawal from the EU, all EU trade marks ("EUTM") registered before 1 January 2021 were recorded as comparable trade marks in the UK trade mark register (and as a consequence, have the same legal status as if they had been applied for and registered under UK law). A 'comparable trade mark (EU)' retains the same filing date, priority date (if applicable) and registration date of the EUTM from which it derives.

4. The proprietor filed a defence and counterstatement. It states that, “The trade mark “WAR WINGS and Design” is not similar to the Applicant’s mark and creates no likelihood of confusion”. The proprietor also requests that the applicant proves use of the earlier mark and that it has a reputation.

5. The applicant is represented by Foot Anstey LLP and the proprietor is represented by Bonamark Limited. Only the applicant filed evidence. The applicant also filed written submissions. Neither party requested a hearing. I have taken into account all of the evidence and submissions filed and shall refer to them as necessary.

EVIDENCE

6. The applicant’s evidence consists of a witness statement of Mr Jorge Jacobo Casals Ide dated 16 May 2023. Mr Ide is the applicant’s Regional IP Counsel, a position he has held since June 2008.

7. Mr Ide states that the purpose of the evidence is twofold, 1) to demonstrate use of the earlier mark, and 2) to prove that the applicant has a reputation in the mark Gives You Wings. On the latter point, Mr Ide states that he is providing evidence of reputation and use despite inviting the proprietor to accept it.

8. Paragraph 3 of the witness statement states that:

> “At the outset, the Applicant highlights that the Gives You Wings Mark is closely interrelated to the Red Bull brand, having been used as a slogan in its marketing and advertising material for the Red Bull energy drink for nearly 40 years.”

9. The witness statement makes reference to various sub-brands and that it produces a number of other beverages. These include the following “editions”:

(around 2019 – present day)

(around 2019 – present day)

(around 2019)

(around 2019)

(around 2019 – present day)

(around 2019 – present day)

(present day)

(present day)

(present day)

(around 2013)

10. I shall make reference to these “editions” later in this decision but it is noted that, 1) many of them make reference to “around 2019”, and 2) they appear to be flavour variants called “editions”.

RELEVANCE OF EU LAW

11. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Act relied on in these proceedings are derived from an EU Directive. This is why this decision continues to make reference to the trade mark case-law of EU courts.

DECISION

12. S.5(2)(b) of the Act is applicable in invalidation proceedings pursuant to s.47 of the Act. It reads as follows:

> "47. (1) […]
> (2) Subject to subsections (2A) and (2G), the registration of a trade mark may be declared invalid on the ground-
>
> > (a) that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, or
> >
> > (b) that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied,
> >
> > unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.
>
> (2ZA) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 5(6).
>
> (2A) The registration of a trade mark may not be declared invalid on the ground that there is an earlier trade mark unless –
>
> > (a) the registration procedure for the earlier trade mark was completed within the period of five years ending with the date of the application for the declaration,

(b) the registration procedure for the earlier trade mark was not completed before that date, or

(c) the use conditions are met.

(2B) The use conditions are met if –

(a) the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with their consent in relation to the goods or services for which it is registered-

(i) within the period of 5 years ending with the date of application for the declaration, and

(ii) within the period of 5 years ending with the date of filing of the application for registration of the later trade mark or (where applicable) the date of the priority claimed in respect of that application where, at that date, the five year period within which the earlier trade mark should have been put to genuine use as provided in section 46(1)(a) has expired, or

(b) it has not been so used, but there are proper reasons for non-use.

(2C) For these purposes –

(a) use of a trade mark includes use in a form (the "variant form") differing in elements which do not alter the distinctive character of the mark in the form in which it was registered (regardless of whether or not the trade mark in the variant form is also registered in the name of the proprietor), 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.

(2D)-(2DA) [Repealed]

(2E) 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.

(2F) Subsection (2A) does not apply where the earlier trade mark is a trade mark within section 6(1)(c)

(2G) An application for a declaration of invalidity on the basis of an earlier trade mark must be refused if it would have been refused, for any of the reasons set out in subsection (2H), had the application for the declaration been made on the date of filing of the application for registration of the later trade mark or (where applicable) the date of the priority claimed in respect of that application.

(2H) The reasons referred to in subsection (2G) are-

(a) that on the date in question the earlier trade mark was liable to be declared invalid by virtue of section 3(1)(b), (c) or (d), (and had not yet acquired a distinctive character as mentioned in the words after paragraph (d) in section 3(1));

(b) that the application for a declaration of invalidity is based on section 5(2) and the earlier trade mark had not yet become sufficiently distinctive to support a finding of likelihood of confusion within the meaning of section 5(2);

(c) that the application for a declaration of invalidity is based on section 5(3)(a) and the earlier trade mark had not yet acquired a reputation within the meaning of section 5(3).

(3) […]

(4) […]

(5) Where the grounds of invalidity exist in respect of only some of the goods or services for which the trade mark is registered, the trade mark shall be declared invalid as regards those goods or services only.

(5A) An application for a declaration of invalidity may be filed on the basis of one or more earlier trade marks or other earlier rights provided they all belong to the same proprietor.

(6) Where the registration of a trade mark is declared invalid to any extent, the registration shall to that extent be deemed never to have been made: Provided that this shall not affect transactions past and closed."

13. As the applicant's earlier mark is a comparable mark, paragraph 7 of Part 1, Schedule 2A of the Act is also relevant. It reads:

"7.— (1) Section 6A applies where an earlier trade mark is a comparable trade mark (EU), subject to the modifications set out below.

(2) Where the relevant period referred to in section 6A(3)(a) (the "five-year period") has expired before IP completion day—

(a) the references in section 6A(3) and (6) to the earlier trade mark are to be treated as references to the corresponding EUTM; and

(b) the references in section 6A(3) and (4) to the United Kingdom include the European Union.

(3) Where [IP completion day] falls within the five-year period, in respect of that part of the five-year period which falls before IP completion day —

(a) the references in section 6A(3) and (6) to the earlier trade mark are to be treated as references to the corresponding EUTM ; and

(b) the references in section 6A to the United Kingdom include the European Union".

14. The trade mark upon which the applicant relies qualifies as an earlier trade mark because it was applied for at an earlier date than the proprietor's mark pursuant to s.6(1)(aa) of the Act. As the earlier trade mark had completed its registration process more than five years before the date the applicant applied to invalidate the contested mark, it is subject to proof of use pursuant to s. 47(2A) of the Act.

Proof of use

15. I will begin by assessing whether there has been genuine use of the earlier mark. The relevant provisions about proof of use in invalidity proceedings are contained in s.47 of the Act, which I have set out above. S.100 of the Act is also relevant, which reads:

"100. 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."

16. Pursuant to s.47(2B) of the Act, there are two relevant periods for assessing whether there has been genuine use of the applicant's mark: the five-year period ending with the date of the contested mark being filed, i.e. 5 January 2014 to 4 January

2019 and the five-year period ending with the date of the application for invalidity, i.e. 10 August 2017 to 9 August 2022.

17. In *Walton International Ltd & Anor v Verweij Fashion BV* [2018] EWHC 1608 (Ch) Arnold J (as he then was) summarised the law relating to genuine use as follows:

> "114……The CJEU has considered what amounts to "genuine use" of a trade mark in a series of cases: Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, *La Mer* (cited above), Case C-416/04 P *Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237, Case C-442/07 *Verein Radetsky-Order v Bundervsvereinigung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759, Case C-149/11 *Leno Merken BV v Hagelkruis Beheer BV* [EU:C:2012:816], [2013] ETMR 16, Case C-609/11 P *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR, Case C-141/13 *P Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2014:2089] and Case C-689/15 W.F. *Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse* [EU:C:2017:434], [2017] Bus LR 1795.
>
> 115. The principles established by these cases may be summarised as follows:
>
> (1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].
>
> (2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Leno* at [29]; *Centrotherm* at [71]; *Reber* at [29].
>
> (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 to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13];

Silberquelle at [17]; *Leno* at [29]; *Centrotherm* at [71]. Accordingly, affixing of a trade mark on goods as a label of quality is not genuine use unless it guarantees, additionally and simultaneously, to consumers that those goods come from a single undertaking under the control of which the goods are manufactured and which is responsible for their quality: *Gözze* at [43]-[51].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14] and [22]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial raison d'être of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71]; *Reber* at [29].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Leno* at [29]-[30], [56]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34].

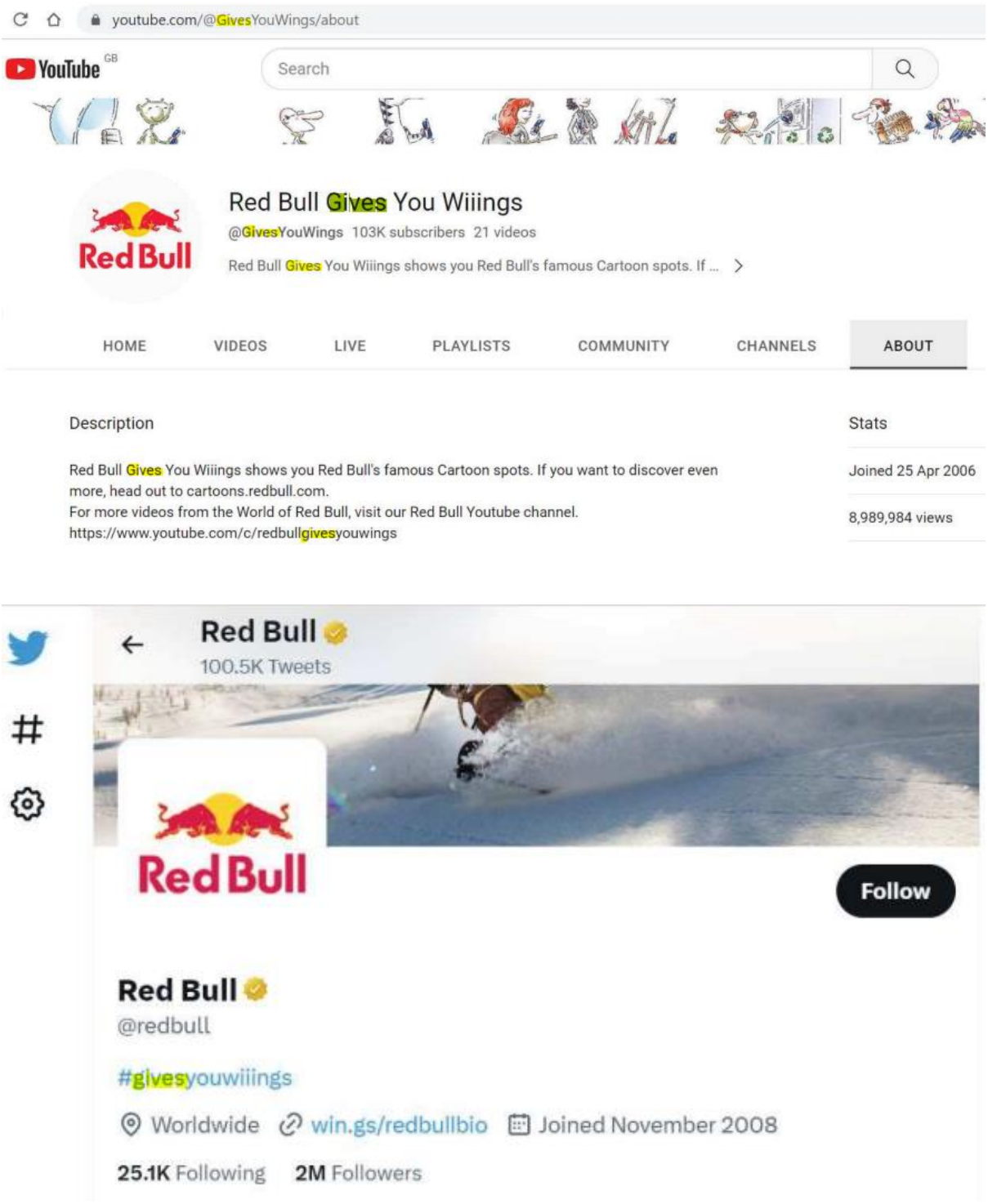
(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, 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. Thus there is no de minimis rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72] and [76]-[77]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32]."

18. In its counterstatement the proprietor ticks the "yes" box when asked if it requires the applicant to prove that it has used the earlier mark for the earlier relied upon energy drinks.

19. I shall now assess whether the earlier mark has been used on, or in relation to, energy drinks. As previously stated, the applicant highlights that use of its earlier mark is closely interrelated to the mark Red Bull, which is the well known energy drinks brand. Sales of Red Bull in 2022 were near £1billion. The evidence demonstrates that the earlier mark has consistently been used alongside Red Bull throughout the relevant periods, though I must stress that this use is not on the goods themselves but used in relation to the promotion thereof. The evidence shows sales of the Red Bull mark in the hundreds of millions of pounds in the UK, and a marketing spend in the tens of millions[2]. The evidence also shows extensive social media use, which at the relevant date, was 48.2m Facebook followers, 10m Instagram followers and 9m YouTube subscribers[3]. The YouTube channel is headed Red Bull Gives You Wiiings, and the Twitter (as it was) page includes #givesyouwiings. Both of these are shown below:

[2] Para 18 of the witness statement
[3] Para 49



The evidence also shows that the earlier mark appears as follows in TV commercials in 2016, 2017 and 2018 on the channels E4, Sky, MTV and Discovery.

Red Bull gives you wiiings.

20. The witness statement also includes pictures of the mark being used in independent retailers. One is dated 11 August 2017 in Slough and shown below. Another picture, as below, shows use of the mark in relation to the goods in Wrexham, London, Romford and Langstone:

B&M Distribution Centre - Romford
29th November 2018

2018
RED BULL GIVES YOU WIIINGS

Kellogg's Office, Wrexham
13th November 2018

Bestway – Barking, London
19th November 2018

Bestway – Romford, London
20th November 2018

B&M Distribution Centre - Romford
29th November 2018

Langstone Technology Park
27th November 2018

21. From the evidence it is clear that the earlier mark is not used on the goods themselves. However, it "is closely interrelated to the Red Bull brand, having been used as a slogan in its marketing and advertising material for the Red Bull energy drink for nearly 40 years".[4] The law states[5] that the mark has been put to genuine use if used "in relation to" the goods or services. In other words, "a connection between the use of the mark at issue and the goods concerned can be established without it being necessary for the mark to be affixed on the goods"[6].

22. In view of the above, I find that the evidence demonstrates that there has been sufficient made in relation to energy drinks.

Acceptable variant?

23. There are two questions surrounding whether use of the earlier mark is in fact an acceptable variant. The first is whether the mark used alongside RED BULL is acceptable and secondly whether use of GIVES YOU WIINGS (as opposed to GIVES YOU WINGS) is acceptable. The principle surrounding the first question was set out in *Colloseum Holdings AG v Levi Strauss & Co.,* Case C-12/12, whereby the CJEU found that:

> "31. It is true that the 'use' through which a sign acquires a distinctive character under Article 7(3) of Regulation No 40/94 relates to the period before its registration as a trade mark, whereas 'genuine use', within the meaning of Article 15(1) of that regulation, relates to a five-year period following registration and, accordingly, 'use' within the meaning of Article 7(3) for the purpose of registration may not be relied on as such to establish 'use' within the meaning of Article 15(1) for the purpose of preserving the rights of the proprietor of the registered trade mark.
>
> 32. Nevertheless, as is apparent from paragraphs 27 to 30 of the judgment in *Nestlé*, the 'use' of a mark, in its literal sense, generally encompasses both its

[4] Para. 3 of Jorge Jacobo Casals Ide's witness statement
[5] S. 47(2B)(a) of the Act
[6] *Anapurna GmbH v OHIM* Case T-71/13, para 44

independent use and its use as part of another mark taken as a whole or in conjunction with that other mark.

33. As the German and United Kingdom Governments pointed out at the hearing before the Court, the criterion of use, which continues to be fundamental, cannot be assessed in the light of different considerations according to whether the issue to be decided is whether use is capable of giving rise to rights relating to a mark or of ensuring that such rights are preserved. If it is possible to acquire trade mark protection for a sign through a specific use made of the sign, that same form of use must also be capable of ensuring that such protection is preserved.

34. Therefore, the requirements that apply to verification of the genuine use of a mark, within the meaning of Article 15(1) of Regulation No 40/94, are analogous to those concerning the acquisition by a sign of distinctive character through use for the purpose of its registration, within the meaning of Article 7(3) of the regulation.

35 Nevertheless, as pointed out by the German Government, the United Kingdom Government and the European Commission, a registered trade mark that is used only as part of a composite mark or in conjunction with another mark must continue to be perceived as indicative of the origin of the product at issue for that use to be covered by the term 'genuine use' within the meaning of Article 15(1)." (emphasis added)

Applying the case law set out above, I am satisfied that its use with Red Bull is an acceptable variant as it would still be perceived as an indication of origin.

24. The second question is whether use of "gives you wiiings" is an acceptable variant of the earlier mark as registered – (GIVES YOU WINGS). In *Lactalis McLelland Limited v Arla Foods AMBA*, BL O/265/22, whereby Phillip Johnson, sitting as the Appointed Person, considered the correct approach to the test under s. 46(2). He said:

"13. […] While the law has developed since Nirvana [BL O/262/06], the recent case law still requires a comparison of the marks to identify elements of the mark added (or subtracted) which have led to the alteration of the mark (that is,

the differences) (see for instance, T-598/18 *Grupo Textil Brownie v EUIPO*, EU:T:2020:22, [63 and 64]).

14. The courts, and particularly the General Court, have developed certain principles which apply to assess whether a mark is an acceptable variant and the following appear relevant to this case.

15. First, when comparing the alterations between the mark as registered and used it is clear that the alteration or omission of a non-distinctive element does not alter the distinctive character of the mark as a whole: T-146/15 *Hypen v EUIPO*, EU:T:2016:469, [30]. Secondly, where a mark contains words and a figurative element the word element will usually be more distinctive: T-171/17 *M & K v EUIPO*, EU:T:2018:683, [41]. This suggests that changes in figurative elements are usually less likely to change the distinctive character than those related to the word elements.

16. Thirdly, where a trade mark comprises two (or more) distinctive elements (eg a house mark and a sub-brand) it is not sufficient to prove use of only one of those distinctive elements: T-297/20 *Fashioneast v AM.VI. Srl*, EU:T:2021:432, [40] (I note that this case is only persuasive, but I see no reason to disagree with it). Fourthly, the addition of descriptive or suggestive words (or it is suppose figurative elements) is unlikely to change the distinctive character of the mark: compare, T-258/13 Artkis, EU:T:2015:207, [27] (ARKTIS registered and use of ARKTIS LINE sufficient) and T-209/09 Alder, EU:T:2011:169, [58] (HALDER registered and use of HALDER I, HALDER II etc sufficient) with R 89/2000-1 CAPTAIN (23 April 2001) (CAPTAIN registered and use of CAPTAIN BIRDS EYE insufficient).

17. It is also worth highlighting the recent case of T-615/20 *Mood Media v EUIPO*, EU:T:2022:109 where the General Court was considering whether the use of various marks amounted to the use of the registered mark MOOD MEDIA. It took the view that the omission of the word “MEDIA” would affect the distinctive character of the mark (see [61 and 62]) because MOOD and MEDIA

were in combination weakly distinctive, and the word MOOD alone was less distinctive still."

25. Based on the case law set out above, the question is whether use in the form of "gives you wiiings" is an acceptable variant of "GIVES YOU WINGS".

26. Being lowercase or uppercase has no bearing. However, spelling wings with three i's is not a common misspelling and is an irregular presentation of the word wings. This alteration, in my view, does alter the distinctive character of the earlier mark and applying the *Lactalis* case above I find that this is an unacceptable variant of the earlier mark as registered.

27. In view of the above, the applicant for invalidation may not rely upon this earlier mark and the application for invalidation has failed. However, in case I am found to be wrong on this point I shall nevertheless proceed with the claims made as if it was an acceptable variant.

S.5(2)(b)

The law

28. S.5(2)(b) reads as follows:

"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."

The case law

29. In making this decision, I bear in mind the following principles gleaned from the decisions of the EU courts in *Sabel BV v Puma AG,* Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc,* Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV,* Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH,* Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM,* Case C-334/05P and *Bimbo SA v OHIM,* Case C-591/12P:

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

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

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

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

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

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive

role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a 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 creates a risk that the public might believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of goods

30. When making the comparison, all relevant factors relating to the goods in the specifications should be taken into account. In *Canon Kabushiki Kaisha*, the Court of Justice of the European Union ("CJEU") stated that:

> "23. In assessing the similarity of the goods or services concerned […] 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 complementary."

31. Guidance on this issue was also given by Jacob J (as he then was) in *British Sugar Plc v James Robertson & Sons Limited ("Treat")* [1996] RPC 281. At [296], he identified the following relevant factors:

> "(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;
> (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."

Proprietor's goods	**Applicant's goods**
Energy drinks; beer	Non-alcoholic beverages, namely energy drinks

32. Energy drinks are contained in each list and are therefore identical.

33. The proprietor's beer and the applicant's energy drinks are both drinks and therefore they are similar in nature to a certain degree, but I am conscious that energy drinks contain stimulants, usually caffeine, which are aimed at being mentally and physically stimulating. Beers contain alcohol and therefore are drunk for a different purpose. Whilst beers can only be purchased by people over the age of 18, the end users may also be the same person. They would be sold in the same establishments, but not on the same shelf or aisle in a supermarket. There is an element of competition as they are interchangeable, but they are not complementary. They may also share trade channels. Overall, I find them to be similar to a medium degree.

The average consumer and the nature of the purchasing act

34. As the case law above indicates, it is necessary for me to determine who the average consumer is for energy drinks and beers. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J described the average consumer in these terms:

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

35. The average consumer of energy drinks is likely to be a member of the general public. The average consumer of beers is also likely to be the general public, but individuals who are over 18 years old. The applicant argues that the average consumer would pay a low degree of attention as the goods are low cost[7]. I agree that neither energy drinks nor beer are goods which are highly considered purchases. However, I do consider that the average consumer will pay a medium level of attention during the selection process.

36. The purchasing process will be predominantly visual as the goods will be self-selected from shelves in supermarkets, shops, etc. I do not discount aural purchases in bars and restaurants as the consumer may request the goods from the bartender or waiter, but they would nevertheless see the mark once presented with their choice.

Comparison of the trade marks

[7] Para 6 of the applicant's statement of grounds

37. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a trade mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the trade marks must be assessed by reference to the overall impressions created by the trade marks, bearing in mind their distinctive and dominant components. The CJEU stated, at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

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

38. It would be wrong, therefore, to artificially dissect the trade marks, although it is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

39. The respective trade marks are shown below:

Applicant's mark	Proprietor's trade mark
GIVES YOU WINGS	

40. The applicant's mark consists of the words GIVES YOU WINGS. There are no other elements to the mark and therefore I find that the overall impression resides in the words as a whole.

41. The proprietor's mark consists of the words WAR WINGS and above it is a highly stylised device of wings with a helmet within it. The eye normally gets drawn to the element of the mark that can be read, however given the size and proximity of the device I consider that both elements make an equal contribution to the overall impression of the mark.

42. Visually, the marks coincide insofar that they both contain the word WINGS. It is the second of two words in the proprietor's mark and the third of three in the earlier mark. None of the other words are the same or similar. A further point of difference is the presence of the device in the proprietor's mark, which is not present in the earlier mark. Taking all of this into account I find there to be a low level of visual similarity.

43. Aurally, the earlier mark consists of three commonly used words, whereas the proprietor's mark consists of two. They coincide in that the word WINGS will be pronounced in the same way. The device in the proprietor's mark will not be pronounced. Therefore, I find that they are aurally similar to a medium degree, at best.

44. For a conceptual message to be relevant it must be capable of immediate grasp by the average consumer. This is highlighted in numerous judgments of the GC and the CJEU including *Ruiz Picasso v OHIM*.[8] The assessment must be made from the point of view of the average consumer.

45. Conceptually, the applicant's mark consists of the words "GIVES YOU WINGS" which projects the concept that consuming the goods will give you an uplifting feeling as if you would have the ability to fly. The proprietor's mark consists of the words WAR WINGS, along with a helmet and wings, as detailed above. Other than reference to a WAR and WINGS, there is no immediate concept to the mark. In view of this, the

[8] [2006] e.c.r.-I-643; [2006] E.T.M.R. 29.

respective marks share the concept of wings, albeit in different contexts. Therefore, I find the respective marks to be conceptually similar to a low degree.

Distinctive character of the earlier trade mark

46. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated that:

> "22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C108/97 and C-109/97 Windsurfing Chiemsee v Huber and Attenberger [1999] ECR 1-2779, paragraph 49).
>
> 23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promotion of the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51)."

47. Registered trade marks possess varying degrees of inherent distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the goods and services, to those with high inherent distinctive character, such as invented words which have no allusive qualities. The distinctiveness of a mark can be enhanced by virtue of the use that has been made of it.

48. From an inherent perspective, the earlier mark consists of the words GIVES YOU WINGS. Whilst the words are not descriptive, given that they are used on goods aimed at energising the consumer there is a laudatory connotation to them. Notwithstanding this, given the sales, scope of use, length of use and general marketing spend I find that the use of the mark means that it has been enhanced to a high degree.

Likelihood of confusion

Preliminary point

49. Before I make my likelihood of confusion finding, I should address the EUIPO decision which the applicant, unbeknown to the proprietor, drew to my attention under cover of an email dated 30 July 2024. The proprietor was not copied into the email and has not had an opportunity to comment but I do not consider it to be necessary. As the applicant highlighted, I am not bound by decisions of the EUIPO cancellation division. Moreover, the reason I do not consider it necessary to seek comments will become apparent.

50.Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other, while indirect confusion is where the average consumer realises the marks are not the same but puts the similarity that exists between the marks and the goods down to the responsible undertakings being the same or related. There is no scientific formula to apply in determining whether there is a likelihood of confusion; rather, it is a global assessment where a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and vice versa. It is necessary for me to keep in mind the distinctive character of the earlier mark, the average consumer for the goods and the nature of the purchasing process. In doing so, I must be alive to the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them that he has retained in his mind.

51. The following factors must be considered to determine if a likelihood of confusion can be established:

- I have found the marks to be visually and conceptually similar to a low degree, and aurally similar to a medium degree at best.

- I have found that the respective goods are either identical or similar to a medium degree.

- I have found the applicant's mark to be inherently distinctive to a low degree but by virtue of the use made of it its distinctiveness is enhanced to a high degree.

- I have identified the average consumer for the goods to be the general public, with the average consumer of beer to be over 18 years old. The goods will primarily be selected through a visual inspection of the goods, though I do not discount oral purchases.

- I have concluded that a medium degree of attention will be paid during the purchasing process.

52. The applicant claims that there is direct and indirect confusion. The argument that there is direct confusion is premised on the marks being visually, aurally and conceptually highly similar. My findings differ and given the clear differences between the marks (as outlined in the "Comparison of marks" section), and even taking imperfect recollection into account and the interdependency principle, I am satisfied that there is no risk that the respective marks would be directly mistaken for one another. Therefore, there is no likelihood of direct confusion.

53. I shall now consider the likelihood of indirect confusion. In *L.A. Sugar Limited v By Back Beat Inc*, BL O/375/10, Mr Iain Purvis K.C., as the Appointed Person, explained that:

> "16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it

is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: 'The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark'.

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

> (a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right ('26 RED TESCO' would no doubt be such a case).
>
> (b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as 'LITE', 'EXPRESS', 'WORLDWIDE', 'MINI' etc.).
>
> (c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension ('FAT FACE' to 'BRAT FACE' for example)."

54. I also bear in mind that in *Liverpool Gin Distillery Ltd & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207, Arnold LJ referred to the comments of James Mellor QC (as he then was), sitting as the Appointed Person in *Cheeky Italian Ltd v Sutaria* (O/219/16), where he said at [16] that "a finding of a likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct

confusion". Arnold LJ agreed, pointing out that there must be a "proper basis" for concluding that there is a likelihood of indirect confusion where there is no likelihood of direct confusion.

55. The applicant argues that there is a finding of indirect confusion as the marks fall into each of the categories set out in *L.A. Sugar*. I shall deal with each in turn:

> Category (a): the applicant argues that the common element (wings) "is so distinctive that the average consumer would assume that no-one else but the Applicant would be using it as a trade mark". In my view the common element (wings) is not so strikingly distinctive that the average consumer would assume that no-one else but the applicant would use it. Therefore, category (a) does not apply.
>
> Category (b): the applicant argues that even when considering the additional elements, the applied for mark would be perceived as a sub-brand or brand extension. I should note that the applicant has not pleaded that it has a family of marks, but instead the argument is based on the applicant has produced several other beverages. Evidence of the various "editions" were detailed at paragraph 9 of this decision. Evidence of these "editions" do not assist the applicant. The reasons for this are twofold: Firstly, the unchallenged witness statement states that the goods were produced "around 2019" when the relevant date for me to make the assessment of there being a likelihood of confusion is 4 January 2019. Therefore, the argument that consumers will perceive the WAR WINGS brand to be the applicant's sub-brand after 4 days (at best) use is inconceivable. Secondly, the various pictures show Red Bull cans for the "coconut", "orange", "tropical" and "summer" editions. All of these will be viewed as variants in terms of flavour, and therefore to then argue that "War Wings" is a natural further variant is not an argument which follows the same logic. In other words, for it to be a further variant then it would be a flavour and not War Wings. Further, the addition of a flavour to a drink is a non-distinctive element, whereas War for drinks is inherently distinctive.

Both marks contain the word WINGS. This results in there being varying levels of aural, visual and conceptual similarity. To my mind, WAR WINGS (with the device) is not a natural sub-brand or brand extension. As previously stated, the earlier mark (GIVES YOU WINGS) is allusive of the goods giving you an uplifted feeling, whereas the other relates to WAR. I do not believe that consumers would conclude that one would be economically linked to the other. Therefore, category (b) does not bite either.

Category (c): the applicant argues that "the change of element from "GIVES YOU" to "WAR" between the Trade Mark and the Earlier Mark is a change which appears entirely logical and consistent brand extension"[9]. It goes on to state that the earlier mark "does not specify what type of wings and so it is logical that energy drinks produced by the Applicant could give consumers wings that could be used in war, such as "WAR WINGS"". I consider this to be a tenuous link at best. There is no logical connection between WINGS (with or without GIVES YOU) and WAR. The two are not related in concept and I dismiss this argument. Category (c) does not apply.

56. I am conscious that the three categories are not an exhaustive list but in the absence of argument to the contrary and for the reasons listed above I do not consider the average consumer would believe that WAR WINGS (with the device) is economically linked or associated with the earlier mark. The overall differences between the marks are too great for the only shared element (WINGS) to result in indirect confusion.

57. In view of the above, the s.5(2)(b) claim fails.

Section 5(3)

58. I have already found that the applicant did not satisfy proof of use provisions and therefore it could not rely upon its earlier mark under s.5(2)(b). The same principles apply for the applicant to rely upon its earlier mark under s.5(3). Therefore, under

[9] Applicant's submissions, para 27(c)

s.47(2B) the applicant may not rely upon its earlier mark and the s.5(3) claim is dismissed. However, in case I am found to be wrong on my proof of use conclusion, I shall proceed on the basis that there was genuine use. S.47 of the Act states:

> "A trade mark which–
> (a) is identical with or similar to an earlier trade mark,
> […] shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark."

59. The relevant case law can be found in the following judgments of the CJEU:

> *General Motors Corp v Yplon SA* (Case C-375/97), *Intel Corporation Inc v CPM United Kingdom Ltd* (Case C-252/07), *Adidas Salomon AG v Fitnessworld Trading Ltd* (Case C-408/01), *L'Oréal SA & Ors v Bellure & Ors* (Case C-487/07), *Interflora Inc & Anor v Marks and Spencer plc & Anor* (Case C-323/09) and *Environmental Manufacturing LLP v OHIM* (Case C-383/12 P). The law appears to be as follows:
>
> a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors*, paragraph 24.
>
> b) The trade mark for which protection is sought must be known by a significant part of that relevant public; *General Motors*, paragraph 26.
>
> c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Salomon*, paragraph 29, and *Intel*, paragraph 63.
>
> d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the

respective marks and between the goods and/or services, the extent of the overlap between the relevant consumers for those goods and/or services, and the strength of the earlier mark's reputation and distinctiveness; *Intel*, paragraph 42.

e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or that there is a serious likelihood that such an injury will occur in the future; *Intel*, paragraph 68. Whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel*, paragraph 79.

f) The more immediately and strongly the earlier mark is brought to mind by the later mark, the greater the likelihood that use of the latter will take unfair advantage of, or will be detrimental to, the distinctive character or the repute of the earlier mark; *L'Oréal*, paragraph 44.

g) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods and/or services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods and/or services for which the earlier mark is registered, or a serious risk that this will happen in the future; *Intel*, paragraphs 76 and 77, and *Environmental Manufacturing*, paragraph 34.

h) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel*, paragraph 74.

i) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered

under the later mark have a characteristic or quality which is liable to have a negative impact on the earlier mark*; L'Oréal*, paragraph 40.

j) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation; *Interflora*, paragraph 74, and the court's answer to question 1 in *L'Oréal v Bellure)*.

60. The conditions of section 5(3) are cumulative. Firstly, the applicant must show that the marks are identical or similar. Secondly, the applicant must show that its earlier mark has achieved a level of knowledge, or reputation, amongst a significant part of the public. Thirdly, the applicant must establish that the public will make a link between the marks, in the sense of the earlier mark being brought to mind by the later mark. Finally, assuming the first three conditions have been met, section 5(3) requires that one or more of three types of damage claimed by the applicant will occur. It is not necessary for the purposes of section 5(3) that the goods or services are similar, although the relative distance between them is one of the factors which must be assessed in deciding whether the public will make a link between the marks.

61. The relevant date for the assessment under s.5(3) is the filing date of the contested registration, namely, 4 January 2019.

Reputation

62. In *General Motors*, the CJEU held that:

> "24. The public amongst which the earlier trade mark must have acquired a reputation is that concerned by that trade mark, that is to say, depending on the product or services marketed, either the public at large or a more specialised public, for example traders in a specific sector.
>
> 25. It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined.
>
> 26. The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.
>
> 27. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use and the size of the investment made by the undertaking in promoting it.
>
> 28. Territorially, the condition is fulfilled when, in the terms of Article 5(2) of the Directive, the trade mark has a reputation 'in the Member State'. In the absence of any definition of the Community provision in this respect, a trade mark cannot be required to have a reputation 'throughout' the territory of the Member State. It is sufficient for it to exist in a substantial part of it."

63. I have already reviewed the evidence in the context of proof of use and enhanced distinctiveness. Given the sales, scope of use, marketing, length of use, etc. it is clear that the evidence demonstrates that the applicant has a strong reputation in energy drinks.

Link

64. Whether the public will make the required mental 'link' between the marks must take account of all relevant factors. The factors identified in Intel are, (i) the degree of similarity between the conflicting marks; (ii) the nature of the goods for which the

conflicting marks are registered, or proposed to be registered, including the degree of closeness or dissimilarity between those goods, and the relevant section of the public; (iii) the strength of the earlier mark's reputation; (iv) the degree of the earlier mark's distinctive character, whether inherent or acquired through use and (v) whether there is a likelihood of confusion.

The degree of similarity between the conflicting marks

65. I have found the marks to be visually and conceptually similar to a low degree, and aurally similar to a medium degree at best.

The nature of the goods or services for which the conflicting marks are registered, or proposed to be registered, including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public

66. The proprietor's goods are energy drinks and beer. The applicant's goods are energy drinks. I have already set out that the goods are either identical or similar to a medium degree. As previously stated, the relevant public is the public at large, but in the case of beer it is people over the age of 18.

The strength of the earlier mark's reputation

67. The earlier mark's reputation for energy drinks is strong.

The degree of the earlier mark's distinctive character, whether inherent or acquired through use

68. By virtue of the use made of the earlier mark, I find that its distinctive character has been enhanced to a high degree.

Whether there is a likelihood of confusion

69. There is no likelihood of confusion.

70. The applicant submits that:

> "UK consumers will immediately create a link between the Earlier Mark as the term WINGS is closely related to the Earlier Mark and Red Bull's energy drink. The consumer may assume that the common "WINGS" term indicates that a product bearing such a name for energy drinks and beers, originate from or are licensed, endorsed or sponsored by the Applicant and its products, following the successful marketing and promotional activity undertaken by the Applicant under the Earlier Mark. This identical concept in the Earlier Mark and the Trade Mark will surely result in a link being perceived between the marks, particularly given the identity and high similarity of the goods and the high level of recognition and distinctiveness of the Earlier Mark."[10]

71. The argument that there is a link is premised on the applicant's claim that the marks are conceptually identical, and that "WINGS" is a common term used by Red Bull. I have not found the marks to be conceptually identical. I have found them to be similar to a low degree.

72. Taking all of the above factors into account, and notwithstanding the strength of the applicant's reputation, I do not consider it likely that a link will be made in the mind of the relevant public. I am not even sure there will be a fleeting recollection of the applicant's mark, let alone a link. The s.5(3) claim fails.

CONCLUSION

73. The application for a declaration of invalidity has failed in its entirety. The proprietor's trade mark will remain registered.

COSTS

74. The proprietor has been successful in defending its registration and is therefore entitled to a contribution towards its costs, based upon the scale published in Tribunal

[10] Para 38 of its written submissions

Practice Notice 2/2016. In the circumstances, I award the proprietor the sum of **£900** as a contribution towards the costs of the proceedings. The sum is calculated as follows:

Considering the application of invalidity and preparing a Counterstatement	£300
Considering the applicant's evidence and submissions	£600
Total	**£900**

75. I therefore order Red Bull GmbH to pay Ahura Middle East General Trading the sum of £900. This sum is to be paid within 21 days of the expiry of the appeal period or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings.

Dated this 27th day of August 2024

MARK KING

For the Registrar