TRADE MARKS ACT, 1996

Decision in Hearing

IN THE MATTER OF an application for registration of Trade Mark No. 211784 and in the matter of an Opposition thereto.

GOLDEN WONDER LIMITED

Applicant

TAYTO LIMITED

Opponent

The application

 On 9 December, 1996, Golden Wonder Limited, a British company of Abbey Street, Market Harborough, Leicestershire LE 16 9AA, England, made application (No. 96/6278) to register the words CRUNCHY FRIES as a trade mark in Classes 29 and 30 in respect of specifications of goods that were amended in the course of the examination of the application to read as follows:

Class 29:

"Potato crisps, potato products in the form of snack foods; potato based snack foods; instant meals; prepared meals; nuts and mixtures of nuts and dried fruits; snack foods; preparations for making instant snack meals; all included in Class 29."

<u>Class 30:</u>

"Snack foods; instant meals; prepared meals; flour and cereal based foods; popcorn; coated nuts; biscuits; preparations for making instant snack meals; all included in Class 30."

- The Application was accepted for registration and advertised accordingly under No. 211784 in Journal No. 1878 on 1 December, 1999.
- Notice of Opposition to the registration of the mark pursuant to Section 43 of the Act was filed on 29 February, 2000 by Tayto Limited, an Irish company of Greencastle Road, Coolock, Dublin 17. The Applicant filed a counter-statement on 1 June, 2000

and evidence was, in due course, filed by the parties under Rules 20, 21 and 22 of the Trade Mark Rules, 1996.

4. Acting for the Controller, I decided the opposition on 27 July, 2004. The parties were notified on that date that I had decided to uphold the opposition in part and to refuse registration of the mark in respect of the following goods:

potato crisps, potato products in the form of snack foods, potato based snack foods and snack foods in the nature of potato or corn based snacks, all included in Class 29

I decided to dismiss the opposition and to allow the application to proceed to registration in respect of the remaining goods of the application in Class 29. With regard to the goods in Class 30, I decided to refuse registration in respect of snack foods in the nature of potato or corn based snacks but to allow the mark to proceed to registration in respect of the remaining goods of the application in that Class. Subject, therefore, to the Applicant making the appropriate restriction of the goods covered by the application under Section 44 of the Act, I decided to allow the mark to proceed to registration. I now state the grounds of my decision and the materials used in arriving thereat.

Notice of Opposition

- 5. In its Notice of Opposition the Opponent made a number of statements and claims, which may be summarised as follows:
 - (i) The Opponent has, for many years, carried on business as manufacturer and merchant of, *inter alia*, snack foods including potato crisps, potato based snack foods and corn extruded products.
 - (ii) The mark which the Applicant has sought to register is not capable of distinguishing the goods of the Applicant from those of other undertakings; it is devoid of distinctive character; it consists exclusively of a sign or indication that may serve to designate the kind, intended purpose or other characteristics of the goods; it consists exclusively of signs or indications that have become

customary in the current language or in the *bona fide* and established practices of the trade in those goods.

- (iii) The use of the mark which the Applicant has sought to register is prohibited in the State by an enactment or by rule of law or by a provision of Community law including any rule of law protecting an unregistered trade mark.
- (iv) The application for registration is made in bad faith.
- (v) The mark which the Applicant has sought to register is not used or proposed to be used by the Applicant or with its consent.
- (vi) Registration of the mark would be contrary to Council Directive No. 89/104EEC to approximate the laws of the Member States relating to Trade Marks.

Counter-Statement

6. In its Counter-Statement the Applicant denied all of the grounds of opposition raised against the application.

The evidence

Rule 20

7. Evidence submitted by the Opponent under Rule 20 consisted of a Statutory Declaration (and Exhibits VOS1-2) dated 20 December, 2000 of Vincent O'Sullivan, Managing Director of Tayto Limited. Mr. O'Sullivan states that the Opponent is a member of a group of companies which operates three factories in the Dublin area and that it is the largest company in the State manufacturing potato crisps and corn and potato snack products, holding approximately 54% of the crisp market and 37% of the corn and potato snack market. He lists a number of products made by the Opponent most of which consist of the name TAYTO in combination with what I take to be a product-specific name, e.g., RIPPLES, SNAX, MIGHTY MUNCH, etc. He says that his company is concerned at the application for registration made by the Applicant in respect of the words CRUNCHY FRIES as those are words that other traders may legitimately require to use to describe fried snack foods that are crunchy. Registration of the mark would be an obstacle to the Opponent and other competitors from using the term "crunchy fries" as a description of their goods. Mr. O'Sullivan exhibits sample packaging showing how the Opponent uses the words "crunchy" and "fries" in a descriptive manner in relation to its products. Among the items exhibited are wrappers for products named and branded as follows: "King french fries", "Tayto

Chip Sticks – Crunchy Potato and Corn Sticks", "Tayto Treble Crunch" and "King Crunchos". Mr. O'Sullivan also refers specifically to the word "fries", which he says is an abbreviation of "French Fries" and is commonly used in the trade to describe potato chips or potato crisps. He exhibits the results of an internet search against the words "crunchy fries" which shows the words used together in a descriptive way in respect of French Fries.

Rule 21

8. Evidence submitted by the Applicant under Rule 21 consisted of a Statutory Declaration (and Exhibits GW1-2) dated 25 April, 2002 of Paul Lister Boothman, Marketing Director of Golden Wonder Limited. Mr. Boothman states that the trade mark CRUNCHY FRIES has been used by the Applicant in the United Kingdom since 1985 in relation to savoury snack foods. He exhibits packaging material showing the manner in which the mark has been used. The exhibit includes wrappers from "GOLDEN WONDER CRUNCHY FRIES" in both salt and vinegar and smokey bacon flavours. Mr. Boothman says that the Applicant has definite plans to expand its use of the mark CRUNCHY FRIES into the Republic of Ireland. He states that he is advised that the accepted signification of the term "fries" in the Republic of Ireland is an abbreviation of "French Fries", which refers to fried strips of potato and that the use of the term "French Fries" began in the late 1970's or early 1980's with the opening in Ireland of the first American style fast food restaurants. He says that the term "fries" is interchangeable with the traditional word for the relevant foodstuff, "chips". Mr. Boothman asserts that there is no evidence of widespread use of the word "fries" in relation to packaged snack foods and that the term would not be required by other manufacturers for incorporation in trade marks for use in relation to packaged snack foods. He also refers to the fact that the Applicant has secured registration of the mark CRUNCHY FRIES in the United Kingdom under No. 2187750 and he exhibits details of that registration.

Rule 22

9. Evidence submitted by the Opponent under Rule 22 consisted of a Statutory Declaration (and Exhibit JK1) dated 27 November, 2002 of John Keogh, Managing Director of Tayto Limited (in succession of the earlier deponent, Vincent O'Sullivan). Mr. Keogh refers to Mr. Boothman's assertions with regard to the meaning in Ireland

of the term "fries" and to the assertion that the meaning of the term does not extend to include packaged snack foods. He states that, from his knowledge of the snack food industry, it is not uncommon for extruded snacks to resemble "chips" and he refers to the fact that his company produces such a product under the trade mark CHIP STICKS. He also asserts that the sample packaging exhibited with Mr. Boothman's Statutory Declaration shows that it is the mark GOLDEN WONDER or GOLDEN WONDER CRUNCHY FRIES that identifies the products in question and not CRUNCHY FRIES, *per se*. As to the fact of the registration in the United Kingdom of the Applicant's mark under No. 2187750, Mr. Keogh exhibits an extract from the United Kingdom Registry's database showing that the mark in question proceeded to registration on the basis of distinctiveness acquired through use and he says that the Applicant has not made any use of the mark here and cannot claim entitlement to registration on that basis.

The issues

- 10. While several grounds of opposition have been raised by the Opponent in the Notice of Opposition, a number of these have not been supported by any evidence. These include the allegations that use of the mark for which the Applicant seeks registration is prohibited by law, that the application for registration was made in bad faith and that the Applicant did not have any intention of using the mark. It is incumbent on an Opponent that makes allegations of this nature to back them up by reference to concrete evidence and, in the absence of any such evidence in this case, I have no hesitation in dismissing the opposition on the grounds mentioned.
- 11. The real issues for consideration in this case arise under Section 6 and Section 8(1) of the Act and concern the capacity of the sign for which the Applicant seeks registration to distinguish its goods from those of other undertakings and whether it has the requisite distinctiveness in order to perform that function. I have confined my consideration of the matter to these Sections.
- 12. The relevant parts of Sections 6 and 8 insofar as the present opposition is concerned read as follows:

Section 6

(1) In this Act, a "trade mark" means any sign capable of being represented graphically which is capable of distinguishing goods ... of one undertaking from those of other undertakings.

Section 8

- (1) The following shall not be registered as trade marks:
 - (a) signs which do not satisfy the requirements of section 6(1);
 - (b) trade marks which are devoid of distinctive character;
 - (c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods, or other characteristics of goods;
 - (d) trade marks which consist exclusively of signs or indications which have become customary in the current language or in the bona fide and established practices of the trade;

Section 6 and Section 8(1)(a)

- 13. I look first at the objection under Section 6 and Section 8(1)(a). This is a single issue, notwithstanding that two Sections of the Act are mentioned, as the Sections in question are intrinsically linked; Section 6 defines which signs constitute trade marks and Section 8(1)(a) says that a sign that doesn't constitute a trade mark is not registrable. The only question at issue for the purposes of the present case is whether the sign that the Applicant seeks to have registered as a trade mark is capable of distinguishing its goods from those of other traders.
- 14. In the case of a sign consisting of a word or words (as is the case here), it may be assumed that the sign will not be capable of distinguishing the goods of a particular trader if the words of which it is composed form the name of the goods themselves. The goods of the present application are listed at paragraph 1 above and I am satisfied that none of the goods in question may be denominated as "crunchy fries". The officers of the Opponent company who made Statutory Declarations in these proceedings have not asserted that there is among the list of goods covered by the application any item that has that name. There is no suggestion, for example, that a person might enquire of a shop assistant, "do you sell crunchy fries?" in the same

way that he might ask whether the shop stocked crisps, peanuts or biscuits. In these circumstances, I believe that any of the goods covered by the application, if marketed under the sign CRUNCHY FRIES, could be distinguished by the average consumer from other similar products not bearing that name. That being the case, the sign CRUNCHY FRIES is capable of distinguishing the goods of the Applicant from those of other undertakings and meets the requirements of Section 6 and Section 8(1)(a) of the Act.

Section 8(1)(*b*)

- 15. Section 8(1)(b) prohibits the registration of trade marks that are devoid of any distinctive character. The distinctive character required of a mark is that which enables it to perform its essential function of identifying the origin of goods. The European Court of Justice (ECJ) has stated that the function of a trade mark is "to guarantee the identity of the origin of the marked product to the consumer or end-user by enabling him, without any possibility of confusion, to distinguish the product or service from others which have another origin" (ECJ Cases Nos. C-39/97, Cannon and C-299/99, Philips v Remington). The question is, therefore, whether the Applicant's mark is sufficiently distinctive to allow the average consumer of the relevant goods, on perceiving the mark, to recall the Applicant's goods and to repeat the positive experience or to avoid the negative experience, as the case may be, that he has had of those goods in the past.
- 16. While the present application covers a range of goods in Classes 29 and 30, it is clear from the evidence filed that the Opponent's assertion that the mark is devoid of any distinctive character is made in the context of those goods that may be categorised as packaged potato or corn based snacks. It is also the case that these are the goods in respect of which the Applicant currently uses the mark in the United Kingdom and it may be assumed that the Applicant's declared intention to expand the use of the mark into this jurisdiction relates to those goods. I therefore approach the question of distinctive character in the context of those goods specifically. The question may then be stated in simple terms: If a person sees in a shop a packet of "crisp-type" snacks bearing the mark "CRUNCHY FRIES" and if he purchases them and likes their taste, will he be able subsequently to identify and purchase the same product by reference to the mark alone?

17. That question may usefully be considered in the context of the kinds of trade marks that are currently and commonly used to identify goods of this type. The evidence of both parties shows that such goods commonly bear the "house mark" of the undertaking that produces them (TAYTO, KING, GOLDEN WONDER) together with a product-specific trade mark that is apt to allude to some characteristic of the relevant product (CRUNCHOS, CHIP STICKS, RIPPLES). While it may be that some consumers will have an affinity for the products generally of one or other of the undertakings identified by the house marks mentioned, I think it is reasonable to conclude that consumers must rely on the product-specific marks to identify particular products and to purchase those that they like and avoid those that they dislike. This familiarity among consumers with product names that are somewhat descriptive of the relevant goods is a factor which, in my opinion, must have the effect of lowering the threshold of distinctiveness required of a given mark in order for it to function to identify goods of that type. The consumer, being used to the practice of marketing goods of this type under relatively descriptive marks, will be more open to the idea of a new product coming on the market bearing such a mark -CRUNCHY FRIES – and will be more likely than not to assimilate those words in his mind as a trade mark for the relevant goods. I think the mark is sufficiently distinctive that the average consumer of the goods who has once been exposed to it will recall and recognise it on a subsequent occasion and associate with it the feelings, be they positive or negative, that he has towards the relevant product. For that reason, I find that the mark is not devoid of any distinctive character within the meaning of the Act and that it is not precluded from registration by Section 8(1)(b).

Section 8(1)(c)

18. Section 8(1)(c) prohibits the registration of marks that consist exclusively of signs or indications that designate goods or services or their essential characteristics. The policy objective underpinning that prohibition has been the subject of consideration by the ECJ in the context of a number of cases, notably Windsurfing Chiemsee Producktions Und Vertriebs GmbH –v- Boots Und Segelzubehor Walter Huber & Another, Joined Cases Nos. C-108 and 109/97. In its decision in that case, the ECJ stated that the prohibition on registration provided for in Section 8(1)(c), "pursues an aim which is in the public interest, namely that descriptive signs or indications

relating to the categories of goods or services in respect of which registration is applied for may be freely used by all, ... [It] therefore prevents such signs and indications from being reserved to one undertaking alone because they have been registered as trade marks."

- 19. That policy objective of keeping descriptive words free for use by all traders is clearly the ground on which the Opponent relies for its opposition against the present mark under Section 8(1)(c). It says that the words forming the mark are words that other traders, including the Opponent itself, use and need to use to describe their competing products. The Applicant denies this and asserts that the word "fries" is not normally used to designate packaged potato or corn based snacks. Of relevance to this question is the statement of the ECJ in its decision in *BABY-DRY* (The Proctor & Gamble Co. –v- Office for Harmonisation in the Internal Market, Case C-383/99), that, in the case of marks composed of words, "*any perceptible difference between the combination of words submitted for registration and the terms used in the common parlance of the relevant class of consumers to designate the goods or services or their essential characteristics is apt to confer distinctive character on the mark enabling it to be registered as a trade mark."*
- 20. The present mark consists of the adjective "crunchy" and the noun "fries" and the question is, essentially, whether the combination of that adjective and noun designates the relevant goods or a characteristic of them. Again, the question is raised in the context specifically of packaged potato or corn based snacks, notwithstanding the fact that the application covers a wider range of goods than these. So, would the term "crunchy fries" be a normal way for the average consumer to describe such products and is it, therefore, a term that should be available to all traders for describing those products? As to "crunchy", I have no doubt but that it is such a word. The products in question are, by their nature, crunchy and crunchiness is a characteristic of them that is specifically promoted by the makers of those products. So, for example, Exhibit GW1 accompanying the Applicant's evidence under Rule 21 shows the use of the slogan "They're Crunchy!" on its product wrapper. Similarly, the Opponent's CHIP STICKS are described on the packet as "crunchy potato and corn sticks" and the Opponent also markets a product called

TREBLE CRUNCH. I think there can be no question but that the word "crunchy" designates, in common parlance, an essential characteristic of these products.

- 21. With regard to the word "fries", it is in dispute between the parties as to whether that is a word that would normally be used to describe the relevant goods. Mr. Keogh, of the Opponent company, states that it is not uncommon for extruded potato snacks to resemble "chips" and that the term CRUNCHY FRIES is apt to describe any packaged snack food in the nature of potato sticks. It seems to me, however, that it is not the same thing to say that chips or French fried potatoes are often simply called "fries" (which is agreed by both sides) as to say that potato snacks in the form of sticks that resemble chips are normally called "fries". In the former case, the use of the word "fries" is directly nominative of the relevant foodstuff whereas, in the latter instance, the word is used to describe the shape of a product which, itself, is not the foodstuff in question. The distinction is subtle but I think it is significant in the context of the relevant goods. I know from my own experience that those goods are often called by names of items in whose shapes they are formed - any father of young children who has had to ask a female shop assistant if she has "Banshee Bones" or, worse still, "Hot Lips" will sympathise! But it is not the case that the name of an item in whose shape a particular snack product is formed thereby becomes the name by which the product is commonly known and referred to by the relevant consumer. I do not believe, and nor has any evidence been adduced, that the average consumer would normally refer to potato or corn based snacks as "fries" even if the particular items were shaped like French fries.
- 22. There is still the question of other traders and whether they might legitimately wish to use the word "fries" to designate their products. It will be clear from my remarks in the immediately preceding paragraph that I can easily envisage a situation in which a competitor of the Applicant might legitimately wish to refer to French fry-shaped potato or corn snacks as "fries". Indeed, the Applicant's evidence contains, as I have already noted, a sample wrapper from a product called "King french fries". Given the fact that "French fries" is commonly abbreviated to "fries", it is perfectly reasonable to expect use of that word in a descriptive manner in relation to potato or corn based snacks shaped like French fries. It is not unusual for such goods to be produced in that shape the Opponent's CHIP STICKS are an example. The shape in question is

likely to appeal in particular to children who would be a major target consumer group of undertakings such as the Applicant and the Opponent. Any such manufacturer that chose to produce potato or corn based snacks in that shape might legitimately wish to describe them as "fries" having regard to the nomenclature norms of the relevant The public interest which Section 8(1)(c) seeks to protect, viz. that industry. descriptive signs or indications be freely available for use by all traders, would seem, therefore, to require that no single undertaking should have exclusive rights in the word "fries" in relation to the particular category of goods. If that conclusion appears to be at odds with the dictum of the ECJ in BABY-DRY quoted above (given that I have found that the relevant class of consumers would not normally refer to these goods as "fries"), I think this may stem from the difference between words that the average consumer would commonly use to designate goods or their characteristics (the BABY-DRY formulation) and those that he would readily understand as so doing. In my opinion, the public interest underlying Section 8(1)(c) must extend to also prohibit registration of such words as trade marks; otherwise, the legitimate interests of other traders would not be protected.

- 23. I have considered individually each of the words of which the mark is composed and found them to be such as to be precluded from registration by virtue of Section 8(1)(c) of the Act. I must look also, and, indeed, most importantly, at the words in combination as it is the mark as a whole that is propounded for registration and not simply its constituent parts. In *BABY-DRY*, the ECJ noted that "descriptiveness must be determined not only in relation to each word taken separately but also in relation to the whole which they form". Because of the unusual juxtaposing of the words forming that mark, the Court found that it did not consist exclusively of descriptive signs or indications as, in addition to the descriptive words of which the mark was composed, it also constituted a lexical invention that gave the mark a distinctive character.
- 24. The words forming the mark that is the subject of the present proceedings are not arranged in any such unusual manner. They are arranged according to the grammatical standard whereby the adjective "crunchy" precedes the noun "fries" which it governs. The combination CRUNCHY FRIES is the normal way of designating fries that are crunchy and the plain message conveyed by the use in the

mark of those descriptive words is not in any way clouded or made less banal by any linguistic or syntactic novelty. I find, therefore, that there is nothing in the mark save an ordinary description of characteristics of some of the relevant goods, viz., those that I have specified in paragraph 4 above, and that the mark is precluded from registration in respect of those goods by virtue of Section 8(1)(c) of the Act.

Section 8(1)(*d*)

25. Section 8(1)(d) prohibits the registration of marks that consist exclusively of signs or indication that have become customary in the language or practices of the trade. In many respects, the consideration of the opposition under this Section requires an analysis of the kind that I have undertaken in respect of the objection under Section 8(1)(c) and it is not necessary for me to go over that ground. I think it is sufficient to say that, in relation to the word "crunchy", I am satisfied that the evidence shows common usage of that descriptor in relation to packaged potato or corn based snacks and the Applicant has not seriously challenged that assertion. I do not believe that the Opponent has, in its evidence, discharged the onus on it of showing that "fries" is a word that is common in the trade in relation to such products. The evidence is to the effect that the shape of French fries is a shape that is used in relation to those products and that "fries" is a word that is apt to describe them but that is not the same as showing that the word is currently in common use within the trade. Nor has that been shown by the evidence to be the case in respect of the combination "crunchy fries". Accordingly, the opposition under Section 8(1)(d) is not supported by the evidence and I dismiss the opposition under that Section.

Tim Cleary Acting for the Controller

27 July, 2004