

**DECISION OF THE CONTROLLER OF PATENTS, DESIGNS AND TRADE
MARKS IN PROCEEDINGS UNDER THE TRADE MARKS ACT, 1996**

BETWEEN

LIDL STIFTUNG & CO. KG

Applicant

and

MEJERIFORENINGEN DANISH DAIRY BOARD

Opponent

CONCERNING

Trade Mark Application No. 2004/02099 (230488)

DANPAK

Background

1. On 7 October, 2004, Lidl Stiftung & Co. KG, a German company of Stiftsbergstrasse 1, D-74167 Neckarsulm, Germany, made application (No. 2004/02099) under Section 37 of the Trade Marks Act, 1996 (“the Act”) to register the word DANPAK as a trade mark in respect of the following specification of goods in Class 29:

Class 29: *Edible oils and fats; butter, margarine; easy-to-spread mixture consisting of butter and vegetable oil.*

2. The application was accepted for registration and was advertised accordingly under No. 230488 in Journal No. 2007 on 17 November, 2004.
3. Notice of opposition to the registration of the mark was filed pursuant to Section 43 of the Act on 16 February, 2005 by Mejeriforeningen Danish Dairy Board of

Frederiks Allé 22, DK-8000, Århus C, Denmark. The Applicant filed a counter-statement on 11 May, 2005 and evidence was subsequently filed by the parties under Rules 20 and 21 of the Trade Marks Rules, 1996 (“the Rules”).

4. The opposition became the subject of a hearing before me, acting for the Controller, on 11 June, 2008. The parties were notified on 25 June, 2008 that I had decided to dismiss the opposition and to allow the application to proceed to registration. I now state the grounds of my decision and the materials used in arriving thereat in response to a request by the Opponent in that regard pursuant to Rule 27(2) filed on 24 July, 2008.

Scope of the opposition

5. The notice of opposition filed in this case includes both the so-called “absolute grounds” and “relative grounds” of opposition against the application for registration. The absolute grounds objections arise under Sections 8(1)(a), 8(1)(b), 8(1)(c), 8(3)(b), 8(4)(a) and 8(4)(b) of the Act. The relative grounds objections arise under Sections 10(2)(b) and 10(4)(a) of the Act. These latter are based on the Opponent’s proprietorship of a number of earlier trade marks, which are specified in the notice of opposition and reproduced at Annex I of this decision. The notice of opposition also includes grounds of objection under Section 10(3), Section 37(2) and Section 42(3) of the Act but these were not supported by relevant evidence nor pursued by the Opponent’s representative at the hearing and so I have disregarded them.

The evidence filed and facts claimed

6. Evidence submitted by the Opponent under Rule 20 consisted of a Statutory Declaration (and Exhibits 1-29) dated 17 October, 2006 of Finn Kolby-Larsen, Business Relations Director of Arla Foods AmbA, a member of Mejeriforeningen Danish Dairy Board, which provides it with over 90% of its milk intake. Evidence submitted by the Applicant under Rule 21 consisted of a Statutory Declaration dated 6 March, 2007 of Peter Fischer and Robin Goudsblom, two of its Executive Directors. I would summarise the relevant facts averred to in the evidence as follows.

7. The Opponent is an association, the members of which are producers of milk and dairy products, which use the trade marks registered in the name of the Opponent in connection with those products. The Opponent's members have, in particular, been using the trade mark LURPAK for many decades. Since 1957, the mark has been used in the United Kingdom in relation to butter and products made from butter and its use has been on a truly massive scale with sales amounting to billions of pounds sterling and annual advertising spend of millions of pounds. The extent of the use and promotion of the name LURPAK has been such that it has become hugely well-known in the United Kingdom and virtually a household word. LURPAK spreadable butter is the market leader in the United Kingdom.
8. The Applicant is one of the largest distributors and retailers of food and beverages in Europe. It chose the word DANPAK as an invented term for use as a trade mark in relation to the goods of the application and asserts that it did not do so with a view to taking advantage of the reputation of the LURPAK mark.

The hearing and arguments of the parties

9. At the hearing the Opponent was represented by Niamh Hall, Trade Mark Agent, of F.R. Kelly & Co. and the Applicant by Seamus Doherty, Trade Mark Agent, of Cruickshank & Co.
10. Ms. Hall's argument was based, in large part, on her contention that the use of the word DANPAK in relation to butter and dairy spreads containing butter would be interpreted by the average consumer as indicating that the products in question were of Danish origin. That was the case because Denmark has an established reputation for excellence in the field of dairy products and the prefix DAN in DANPAK could hardly be taken as anything other than a reference to Denmark, with the suffix PAK suggesting its phonetic equivalent, "pack". While conceding that the trade mark DANONE, which is also used in relation to milk-based products, does not connote a connection with Denmark, Ms. Hall asserted that that is because the average consumer is aware that DANONE is the trade mark of a French company. In any event, DANONE does not lend itself to an obvious conceptual analysis in the same way that DANPAK does. The meaning to be taken from DANPAK becomes even more obvious in light of the Opponent's

extensive use of LURPAK in relation to butter of Danish origin. DANPAK takes the general appearance and makeup of LURPAK and merely substitutes DAN (signifying Danish) for LUR, with the result that it clearly suggests a connection with the Opponent's products of Danish origin marketed under the name LURPAK. The selection by the Applicant of the name DANPAK for use as a trade mark in relation to identical goods for which the Opponent's marks are protected must have been dishonestly motivated as the only outcome of such use would be that the Applicant would derive unmerited benefit through the association of its products with those of the Opponent. Because of its obvious meaning, DANPAK could not be said to be distinctive of dairy products of Danish origin, whereas its use in relation to such products not of Danish origin would be misleading and would be likely to deceive consumers into believing that the products in question were of the high quality for which Denmark is rightly famous.

11. Mr. Doherty denied that the use of the trade mark DANPAK in relation to dairy spreads would necessarily give the impression that the goods in question were of Danish origin. DANPAK is an invented, meaningless word, which is not descriptive of goods of Danish origin, nor deceptive if used in relation to goods not of Danish origin. On an overall comparison, DANPAK and LURPAK are not confusingly similar. Considering that both are relatively short words, each containing only 6 letters, a difference of 3 letters is significant and more so because it comes in the opening parts of the respective marks, which are generally regarded as more important in terms of the look and sound of words. There is no evidence of the Opponent having any reputation in the trade mark LURPAK or any of its other trade marks in this jurisdiction and the suggestion that the Applicant is seeking to take advantage of the Opponent's reputation for quality Danish produce is simply untrue and implausible.

Grounds of decision

Absolute grounds objections

- Mark indicative of Danish origin

12. The relevant parts of Section 8(1) of the Act, insofar as this aspect of the Opponent's case is concerned, read as follows:

“8-(1) The following shall not be registered as trade marks:

- (a) signs which do not satisfy the requirements of Section 6(1)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,, [or] geographical origin of goods;”*

13. Based on its assertion that DANPAK signifies no more than “Danish Pack”, i.e., packaged goods of Danish origin, the Opponent says that that word is not capable of distinguishing the goods of a single undertaking, that it is devoid of any distinctiveness and that it merely designates characteristics of the products in question. At the hearing, Ms. Hall correctly pointed out that the merits of this objection must be judged by reference to the impression that would be likely to be formed on the mind of the average consumer by the use of the word DANPAK in relation to dairy spreads. She noted that that question must be judged on the balance of probabilities and she invited me to conclude that it was more likely than not that consumers would assume a connection between DANPAK and Denmark. The fact is, however, that the Opponent has offered no evidence whatsoever to support the basic premise underpinning its argument on this point, i.e., that words containing the prefix DAN, if used in relation to dairy products, are indicative of Denmark or “Danishness”. It has not given any evidence of the use of any such words as trade marks for dairy products originating from Denmark, upon which it might be possible to conclude that consumers are familiar with that practice and understand its significance. Nor has it given any evidence of the existence of dictionary words having the prefix DAN, signifying a connection with Denmark, upon which it might be possible to conclude, by analogy, that the use of such a word as a trade mark for dairy products would be taken as also signifying such a connection.

¹ in this case, the requirement that a sign be capable of distinguishing the goods of one undertaking from those of others

14. Of course, it is a known fact that Denmark has an established reputation for dairy farming and the production of high quality dairy products. But that alone is not a basis on which to simply assume that a word having the prefix DAN would, if used as a trade mark for dairy products, be taken as signifying a connection with Denmark. It is for the Opponent to adduce evidence tending to support that contention and, in the absence of any such evidence, I can only speculate as to the likely impression that would be created amongst consumers by the use of DANPAK as a trade mark for the goods of the application. In that regard, I think it very unlikely that any substantial number of consumers would immediately and subliminally perceive DANPAK as “Danish Pack” and therefore view the word in a purely descriptive way. The word is not obviously susceptible of such an analysis and nor does the average consumer routinely engage in an analysis of the trade marks that he encounters; on the contrary, he normally perceives a trade mark as a whole such that it is the overall impression formed by a mark that is determinative of the consumer’s perception of it. To my mind, the immediate impression formed by DANPAK is determined by its look and sound as it does not convey any obvious meaning that would be likely to fix itself in the mind of the average person. In the circumstances, I could not agree with the Opponent that the word DANPAK is descriptive of goods of Danish origin and would be perceived in that way by the average consumer. That being the case, the Opponent’s contention that the word is ineligible for registration by virtue of the provisions of Section 8(1) of the Act must be rejected.

- Mark deceptive if used on products of non-Danish origin

15. This aspect of the Opponent’s case was argued by reference to Section 8(3)(b) and Section 8(4)(a) of the Act, which read as follows:

“8-(3) A trade mark shall not be registered if -

(b) it is of such a nature to deceive the public, for instance as to the nature, quality or geographical origin of the goods or service.”

“8-(4) A trade mark shall not be registered if or to the extent that -

(a) its use is prohibited in the State by any enactment or rule of law or by any provision of Community law.”

16. Here again, the Opponent's case is based on its assertion that DANPAK would be taken as indicating that the goods in relation to which it is to be used are of Danish origin. In view of the fact that the specification of goods of the application is not limited to goods of Danish origin, it says that the application should be refused on grounds of deceptiveness and because the use of the mark would be misleading within the meaning of consumer protection legislation. I reject this argument for the same reason as set out above in relation to Section 8(1), namely, that I do not accept that DANPAK connotes Danish origin or would be taken to mean that by the average consumer. DANPAK is an invented word, having no obvious meaning. It does not hold out any promise to the consumer that products marked with it may be expected to have specific characteristics, including as regards their geographical origin, and it is inconceivable, in my opinion, that the average consumer would be influenced in any way in his purchasing decision by the use of that word.

- Bad faith

17. Section 8(4)(b) of the Act prohibits the registration of a trade mark if, or to the extent that, the application for registration is made in bad faith by the Applicant. The notice of opposition filed by the Opponent contains a charge of bad faith but it does not particularise that charge in any way so that the Applicant could not have known the basis on which it was being made when it filed its counter-statement. In the counter-statement, the Applicant denied the charge of bad faith and the evidence given by Messrs. Fischer and Goudsblom under Rule 21 contains an averment to the effect that the mark was not adopted in bad faith. At the hearing, Ms. Hall, for the Opponent, pressed the bad faith argument on the basis that the adoption of the trade mark DANPAK was not self-explanatory and that the Applicant had failed, when challenged, to offer any explanation of its provenance or how it came to adopt it.

18. As I have found in several previous cases, I do not regard the approach adopted by the Opponent in this case as constituting a proper basis on which to make, or seek to sustain, an allegation as serious as that of bad faith. Having not given any details of the basis for the charge in the notice of opposition and having filed no

evidence tending to support it subsequently, the Opponent has not shifted the onus of disproving the charge onto the Applicant. In the circumstances, the charge of bad faith falls to be dismissed out of hand and it is not open to the Opponent to seek to particularise and substantiate it through argument at the hearing. The allegation that the only possible explanation for the adoption of the trade mark by the Applicant was that it hoped to illicitly trade off the Opponent's reputation in its trade marks is entirely speculative and has not been shown to have any foundation in fact.

Relative grounds objections

- Likelihood of confusion

19. The relevant subsections of Section 10 of the Act, insofar as this case is concerned, read as follows:

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

.....

*(b) it is similar to an earlier trade mark and would be registered for goods
..... 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 of the later trade mark with the earlier trade
mark.”*

and

*“(4) A trade mark shall not be registered if, or to the extent that, its use in
the State is liable to be prevented –*

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

20. For either of those provisions to apply, there would have to be a degree of similarity between the trade mark propounded for registration by the Applicant and one or more of the Opponent's trade marks such that the use of the former in

relation to the goods of the application would be likely to lead consumers to assume that those goods were in some way connected with the Opponent. In my opinion, there is no such similarity between the trade marks. Indeed, the Opponent itself does not assert that DANPAK is susceptible of direct confusion with any one of its registered trade marks alone. Its argument is, rather, that DANPAK is a kind of conglomerate formed by elements taken from its (the Opponent's) trade marks, the "DAN" coming from DANISH² and the "PAK" from LURPAK. The Opponent asserts also that consumers who know of its trade mark LURPAK used in relation to high quality dairy produce from Denmark would interpret the use of DANPAK on dairy products as importing references both to that mark and to the origin of the goods marketed under it. I do not accept those arguments.

21. As regards Section 10(2)(b) of the Act, that section prohibits the registration of a trade mark that is confusingly similar to *an earlier trade mark*, which, as a matter of construction, precludes application of the prohibition on the basis only of alleged similarity between the mark under consideration and elements of several earlier trade marks. Nor can there be any suggestion that the Opponent's earlier trade marks constitute, collectively, a series or family of marks, the distinctive component of which is replicated in the mark seeking registration. Accordingly, the comparison of the respective marks must be undertaken by reference to the Applicant's mark and each of the Opponent's marks individually and, on that comparison, there is clearly insufficient similarity on which to infer any likelihood of confusion, as the Opponent itself appears to accept.

22. As regards, Section 10(4)(a), for the Opponent to succeed in its objection under that section, it would have to be shown that, at the time of filing of the opposed application, the Opponent enjoyed a goodwill or reputation in goods of Danish origin that it sold under the trade mark LURPAK such that the use by the Applicant of the trade mark DANPAK in relation to the goods of the application would have constituted a misrepresentation as to the commercial origin of those goods. It is contended on the part of the Opponent that the misrepresentation in


² contained in CTM4391

question would result from the conceptual connections that the consumer would be likely to make between the name DANPAK and both the name LURPAK and the concept of Danishness. I do not accept that the Opponent has established that it had the requisite reputation at the relevant time. Its evidence on the point is extensive and, as I have already indicated, I accept it as showing, on the balance of probabilities, that its trade mark LURPAK was very well known in the United Kingdom at the relevant date. It is difficult to estimate the extent of the inevitable “spill-over” of that reputation to this jurisdiction but I doubt that, whatever its extent, it served to create an awareness among consumers here not just of the Opponent’s trade mark but also of the fact that the goods sold by reference to that trade mark were of Danish origin. The latter aspect seems central to the Opponent’s argument that the use of DANPAK would constitute a misrepresentation likely to deceive consumers but, in the absence of direct trading by the Opponent in the jurisdiction, I am not persuaded that it is likely that LURPAK would have been associated here with Denmark and Danishness as of the relevant date.

23. If I am wrong in this and if, in fact, it was the case that LURPAK had an established reputation connected with goods of Danish origin on the relevant date, I would still not uphold the Opponent’s objection under Section 10(4)(a) of the Act. For the alleged misrepresentation to arise from the use of DANPAK, consumers would still have to make what I regard as the rather convoluted two-part conceptual association suggested by the Opponent. While it cannot be ruled out that some people might perceive DANPAK in the manner suggested, I think it unlikely that any substantial number of consumers would do so. The likely perceptions of consumers must be assessed objectively as a practical matter and, in this case, I do not believe that the theoretical argument advanced on behalf of the Opponent reflects what is likely in practice. In short, I do not think that the Applicant’s use of the trade mark DANPAK in relation to the goods of the application would cause any damage to the Opponent. For that reason also, I have decided to dismiss the opposition under Section 10 of the Act.




Tim Cleary, Acting for the Controller
5 September, 2008

Opponent's Trade Marks referred to in Notice of Opposition

Number	Date	Mark	Class	Goods
1992/ 06685 ³	31/12/1992	LURPAK	29	Butter, cheese, milk, preserved milk and other dairy products, edible oils and fat
CTM ⁴ 360966	17/10/1996	LURPAK	29	Butter, cheese, milk and other dairy products, edible oils and fats
CTM 1848480	11/09/2000		29	Meat, fish, poultry and game; meat extracts; preserved, dried and cooked fruits and vegetables; jellies, jams, fruit sauces; eggs, milk and milk products including butter; edible oils and fats
CTM 2530160	11/01/2002	LURPAK LIGHTER	29	Dairy products, including especially butter and mixed products with butter, edible oils and fats
CTM 3014495	20/01/2003	LURPAK – SAVOUR THE FLAVOUR	29	Dairy products, including especially butter, mixed products with butter, cheese, milk and preserved milk, edible oils and fats

³ a pending application when the notice of opposition was filed, since registered as a certification trade mark under No. 177299

⁴ Community Trade Mark

CTM 361113	17/10/1996		29	Butter, cheese, milk and other dairy products, edible oils and fats
CTM 2314383	24/07/2001		29	Dairy products, including especially cheese, all being of Danish origin
CTM 2314391	24/07/2001		29	Milk and other dairy products