

Title: Monster trade mark appeal runs out of energy.

Social tag: Trade Mark Attorney Sarah Neil takes a look at a recent General Court decision which dismissed the idea that Monster's x-presso monster drink could be classified in two Nice classes.

Article body:

In joined cases [T-758/20](#) and [T-759/20](#), the General Court revoked EU trade mark registrations for the marks MONSTER and MONSTER ENERGY after Monster Energy Co failed to demonstrate that evidence of use of the mark on one product spanned two classes of goods.

The cases concerned non-use revocation proceedings which were filed by Frito-Lay Company GmbH against EU Registration No. 9492158 for the mark MONSTER and No. 9500448 for the mark MONSTER ENERGY, both of which are owned by Monster Energy Co ("Monster"). The relevant goods for the purpose of this decision are:

- Class 30: 'Coffee based beverages and coffee based beverages containing milk in Class 30';
- Class 32: 'Non-alcoholic beverages, namely energy drinks and energy drinks flavoured with coffee, all enhanced with vitamins, minerals, nutrients, amino acids and/or herbs in Class 32'.

Monster filed an appeal to the General Court after the EU IPO Board of Appeal held that the evidence of use only related to goods in class 32 and therefore revoked both registrations in relation to class 30. The evidence filed by Monster had related to two beverages provided in cans under the marks 'x-presso monster hammer' and 'x-presso monster midnight'.

Monster argued that the Board of Appeal had failed to consider that a finished product which is a multipurpose composite object may be classified, and therefore put to genuine use, in all classes which correspond to any of its functions or intended purposes. Monster submitted that a consumer might purchase its 'x-presso monster' goods either because the consumer wants a 'coffee-based beverage' in class 30, or because they want an 'energy drink' in class 32. Monster relied on a number of factors in support of this argument, including the product description of 'espresso coffee drink with milk' and the inclusion of coffee in the list of ingredients.

Monster's line of argument was based on the General Remarks in the Nice Classification which provide guidelines as to how goods should be classified. These remarks currently read as follows:

- a. A finished product is in principle classified according to its function or purpose....
- b. A finished product which is a multipurpose composite object (e.g., clocks incorporating radios) may be classified in all classes that correspond to any of its functions or intended purposes. However, if a good has a primary purpose it should be classified in this class. If those functions or purposes are not mentioned in any class heading, other criteria, indicated under (a), above, are to be applied."

Monster argued that the Board of Appeal had incorrectly applied the criteria a) relating to a finished product – in Monster's view criteria b) should have been applied as the goods were in fact a multipurpose composite product which should have been classified in both classes 30 and 32 using the second criteria above.

The Board of Appeal had found that the real function or purpose of the x-presso monster goods is to provide an energy boost and the goods are therefore energy drinks in class 32, albeit it coffee flavoured energy drinks. The General Court agreed with this assessment, dismissing Monster's claim that consumers purchase the goods as coffee based beverages rather than energy drinks as unsubstantiated.

On a detailed review, it was found that the references to coffee on the packaging of the x-presso monster goods were more likely to be understood by consumers as a reference to the flavouring of the energy drink, rather than an indication the goods were prepared from coffee. The General court examined the guidelines associated with classes 30 and 32 of the Nice Classification, in particular the fact that coffee and other non-alcoholic beverages are expressly classified in different classes and that beverages with a coffee base are expressly excluded from class 32. Ultimately, it found that "A beverage which is merely 'flavoured with coffee' and is not 'coffee based' therefore falls within Class 32 and not Class 30."

The idea that Monster's goods should have been classified as multipurpose composite objects was also dismissed. Multipurpose composite objects consist of a number of components which fulfil more than one function, each of which have an independent function and could be marketed without the other specific component it is sold with. The example used in the Nice classification guidelines is a clock radio. Monster's products were found to constitute an inseparable product which fulfils one primary function, namely that of an energy drink.

Key takeaways

Whilst the Nice Classification is often referred to as an administrative tool, this decision demonstrates that it is more than that and the guidance found within the Nice Classification can be important in helping IPO's and courts to determine issues of non-use. However, the decision does not necessarily open the path for competitors to start selling coffee under the mark MONSTER or MONSTER ENERGY – it is still open to Monster to argue that coffee and energy drinks are similar goods in an infringement case.

The case is a helpful reminder of the need to use a trade mark in relation to all of the goods and services covered. Trade mark owners should be encouraged to think carefully about how their goods will be classified according to their primary purpose and function and should not assume that one product will support a registration in multiple classes unless that product is clearly a multipurpose composite product consisting of independent components which serve different functions.