O/0031/26

CONSOLIDATED PROCEEDINGS

TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK APPLICATION NO. UK3984952
IN THE NAME OF LINHOPE INTERNATIONAL (UK) LIMITED
TO REGISTER AS A SERIES OF FOUR TRADE MARKS

ON THE ROCKS/on the rocks/On The Rocks/ontherocks

AND IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 447565
BY JIM BEAM BRANDS CO.

AND

IN THE MATTER OF REGISTRATION NOS. UK3789453 & UK3747149
IN THE NAME OF JIM BEAM BRANDS CO.
IN RESPECT OF THE TRADE MARKS

ON THE ROCKS ON THE MOVE

AND

AND THE APPLICATIONS FOR A DECLARATION
OF INVALIDITY THEREOF
UNDER NOS. 507761 & 507767
BY LINHOPE INTERNATIONAL (UK) LIMITED

BACKGROUND AND PLEADINGS

1. There are three actions involved in these consolidated proceedings,[1] namely:

(i) One opposition brought by Jim Beam Brands Co. ("JBB") against the UK application filed by Linhope International (UK) Limited ("LIL"); and
(ii) Two applications for a declaration of invalidity of the trade mark registrations owned by JBB, brought by LIL.

(i) The opposition

2. On 23 November 2023, LIL applied to register trade mark number UK00003984952, as a series of four trade marks, for the marks **ON THE ROCKS; on the rocks; On The Rocks;** and **ontherocks**, in the United Kingdom. The application was accepted and published for opposition purposes on 16 February 2024, in respect of goods and services in classes 29, 30, 31, 32, 33, 35, 39 and 43.

3. The application is opposed by JBB. The opposition was filed on 16 May 2024, and is based upon Section 5(2)(b) of the Trade Marks Act 1994 ("the Act"). The opposition is directed against some goods and services in classes 32, 33, 35, 39 and 43 only of the application, as shown in the table under paragraph 53 of this decision. JBB relies upon the following two marks:

ON THE ROCKS ON THE MOVE
UK trade mark registration number 3789453
Filing date: 18 May 2022
Registration date: 12 August 2022
Registered in Class 33, relying on all goods
(The '453 mark); and

[1] In a letter dated 14 February 2025, the Registry confirmed to the parties that having considered the nature of the claims in the individual cancellation and opposition cases, it considered it appropriate to consolidate the proceedings.

UK trade mark registration number 3747149
Filing date: 25 January 2022
Registration date: 3 February 2023
Registered in Class 33, relying on all goods
(The '149 mark).

4. Each of JBB's marks qualifies as an earlier mark under section 6(1) of the Act. As neither mark relied upon had completed its registration procedure more than five years before the date of application for the contested mark, they are not subject to the use provisions contained in section 6A of the Act.

5. LIL filed a counterstatement denying the claims of a likelihood of confusion between the marks in relation to the opposed goods and services.

(ii) The applications for a declaration of invalidity

6. On 3 September 2024, LIL filed applications to have each of the trade marks relied upon by JBB in the related opposition proceedings (as shown above under paragraph 3) declared invalid. The actions were brought under the provisions of section 47(1) of the Act, based upon section 3(1)(b) and 3(1)(c) of the Act. The applications for invalidation were both filed in respect of all of the goods as registered under each mark, identically being *alcoholic beverages, except beer*. LIL submits that in each case, the marks are non-distinctive under 3(1)(b), and that they are descriptive of an alcoholic drink (especially a spirit) served over ice cubes under 3(1)(c).

7. JBB filed counterstatements denying the claims in each case, and requests that each of the applications of invalidity be refused in its entirety, with an award of costs made in its favour.

8. Both parties filed evidence in chief. Neither party requested a hearing; only JBB filed written submissions in lieu of a hearing. This decision is taken following careful consideration of the papers on file.

9. In these proceedings, JBB is represented by Haseltine Lake Kempner LLP[2], and LIL is represented by Bishop and Sewell LLP.[3]

EVIDENCE AND WRITTEN SUBMISSIONS

10. LIL filed evidence by way of a witness statement dated 20 January 2025 in the name of Richard Southall, alongside one exhibit, labelled Exhibit RS1. Mr Southall is a Barrister Consultant at GCS Solicitors LLP ("GCS"), who were originally the appointed representatives to LIL, and who were responsible for filing the initial invalidation actions on its behalf.

11. I infer from the evidence that its main purpose is to show that the phrase "on the rocks" is a known dictionary defined term relating to drinks served with ice.

12. JBB filed evidence by way of a witness statement dated 21 March 2025 in the name of Ruth Bond, alongside two exhibits, labelled Exhibit RB1 and Exhibit RB2. Ms Bond is a Chartered Trade Mark Attorney and Senior Associate at Haseltine Lake Kempner LLP, being the recorded representatives to JBB.

13. The main purpose of the evidence is in support of the opposition against LIL's application and in defence of the invalidation actions brought against JBB by LIL.

14. JBB also filed written submissions in lieu of a hearing, dated 2 June 2025.

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[2] Form TM33 appointing Haseltine Lake Kempner LLP as representatives to JBB was filed on 16 October 2024, the details of which have been recorded accordingly in these proceedings.
[3] Form TM33P appointing Bishop and Sewell LLP as representatives to LIL, replacing GSC Solicitors LLP, was filed on 8 May 2025, the details of which have been recorded accordingly in these proceedings.

15. I have read and considered all of the evidence and the written submissions in lieu and I will refer to the relevant parts to the extent I consider necessary at the appropriate points in the decision.

DECISION

16. The provisions of the Act relied upon in these proceedings are assimilated law, as they are derived from EU law. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 (as amended by Schedule 2 of the Retained EU Law (Revocation and Reform) Act 2023) requires tribunals applying assimilated law to follow assimilated EU case law. That is why this decision refers to decisions of the EU courts which predate the UK's withdrawal from the EU.

My approach

17. I note that LIL's invalidity actions are directed against the two marks relied upon by JBB under the opposition proceedings. If LIL's applications for invalidation succeed in full, JBB's marks will each be declared invalid and treated as if they were never registered. As these are the only marks relied upon by JBB in its opposition, it would no longer be able to rely on them and the opposition would fall away.

18. In light of this, I consider it appropriate to assess the merits of LIL's invalidity actions first. If both succeed in full, it will not be necessary for me to consider the opposition and my decision will be brought to a close at that point. Alternatively, if the actions fail in their entirety or are only partially successful, I will proceed to consider the case brought by JBB under the opposition.

Statutory provision under Section 47

19. Section 3(1) of the Act has application in invalidation proceedings by virtue of section 47 of the Act. So far as is relevant, section 47 of the Act is as follows:

> "(1) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 3 or any of the

provisions referred to in that section (absolute grounds for refusal of registration).

Where the trade mark was registered in breach of subsection (1)(b), (c) or (d) of that section, it shall not be declared invalid if, in consequence of the use which has been made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered.

…

(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.

…

(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."

Section 3(1) –

20. So far as is relevant, section 3(1) of the Act provides as follows:

"3(1) The following shall not be registered –

(a) …

(b) trade marks which are devoid of any 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 of rendering of services, or other characteristics of goods or services,

(d) …

Provided that, a trade mark shall not be refused registration by virtue of paragraph (b), (c) or (d) above if, before the date of application for registration, it has in fact acquired a distinctive character as a result of the use made of it."

21. I bear in mind that the above grounds are independent and have differing general interests. It is possible, for example, for a mark not to fall foul of section 3(1)(c), but still be objectionable under section 3(1)(b): SAT.1 *SatellitenFernsehen GmbH v Office for Harmonisation in the Internal Market (Trade Marks and Designs) ("OHIM")*, Case C-329/02 P at [25].

22. The relevant date for determining whether JBB's marks are objectionable under section 47(1), based on section 3(1), is the date on which the applications were filed, being 18 May 2022 (the '453 mark) and 25 January 2022 (the '149 mark). That being said, I note that a trade mark does not need to be in use in a descriptive manner at the time of application for it to fall foul of section 3(1)(c): the possibility that a sign may be used descriptively in the future should also be considered.[4]

Relevant Public

23. In *Matratzen Concord AG v Hukla Germany SA*, Case C-421/04, the CJEU held that:

"24. In fact, to assess whether a national trade mark is devoid of distinctive character or is descriptive of the goods or services in respect of which its registration is sought, it is necessary to take into account the perception of the relevant parties, that is to say in trade or amongst average consumers of the said goods or services, reasonably well informed and reasonably observant

[4] See *Exalation v OHIM*, Case T-85/08, paragraphs 42 – 43.

and circumspect, in the territory in respect of which registration is applied for (see Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee* [1999] ECR I-2779, paragraph 29; Case C-363/99 *Koninklijke KPN Nederland* [2004] ECR I-1619, paragraph 77; and Case C-218/01 *Henkel* [2004] ECR I-1725, paragraph 50)."

24. I note that in neither the statements of grounds nor in the evidence, LIL makes no mention of who it considers the average consumer of the goods at issue might be, being alcoholic beverages, except beer. In its written submissions in lieu, in relation to the goods for which the marks have been registered, JBB submits that they would be directed at the public at large, given that they are "mainstream drink products".[5]

25. In my view, the average consumer of the goods will be the general adult (over 18) UK alcohol-drinking public, including connoisseurs of such goods. I acknowledge that the average UK consumer of the goods may also be a specialist in trade, such as a third party supplier of the goods to retail or wholesale outlets or directly to establishments such as bars and restaurants, who is likely to have a broader knowledge of the goods at hand than a member of the general public.[6]

26. The evidence filed in support of the invalidation actions by LIL is the same for both marks and consists of one exhibit, RS1, comprising the results of searches of various online dictionaries for the phrase "on the rocks".[7] Without any indication to the contrary, I presume that the same evidence is intended to support the claims under both section 3(1)(b) and section 3(1)(c). I note that the majority of the entries are not dated per se, aside from an indication of copyright as 2025. Further, as some of the entries have been derived from a .com domain, these do not specifically provide evidence in relation to recognition of the phrase in the UK. I note that while pages 14 – 17 of the exhibit are dated between 2004 to 2009, these entries have been taken from the Urban Dictionary which I do not consider provide reliable, factual definitions. Examples of the contents of exhibit RS1 include the following:

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[5] Paragraphs 70-73 and 41.
[6] See *Matratzen Concord AG v Hukla Germany SA,* Case C-421/04, paragraph 24.
[7] See point 2 of the witness statement of Richard Southall.

Summary Definitions Synonyms

Definition of 'on the rocks'

on the rocks

phrase

If you have an alcoholic drink such as whisky on the rocks, you have it with ice cubes in it.

...a Scotch on the rocks.

See full dictionary entry for rock

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View synonyms for **on the rocks**

on the rocks

Served over ice only, as in *He always drinks whiskey on the rocks* . The "rocks" here are the ice cubes. [Mid-1900s]

Destitute, bankrupt, as in *Can I borrow next month's rent? I'm on the rocks* . This usage, from the late 1800s, is heard more often in Britain than America.

Ruined, spoiled, as in *Six months after the wedding, their marriage was on the rocks* . This expression, alluding to a ship running aground on rocks and breaking apart, has been used figuratively for other disasters since the late 1800s.

Meaning of on the rocks – Learner's Dictionary

f X

on the rocks

Add to word list

If a relationship is on the rocks, it has problems and is likely to end soon.

If a drink is on the rocks, it is served with ice in it.

Section 3(1)(c)

27. I will first consider the applications for invalidation under section 3(1)(c) of the Act.

28. At paragraph 55 of *Koninklijke KPN Nederland NV v Benelux-Merkenbureau (POSTKANTOOR)* [2004] E.T.M.R. 57, Case C-363/99, the Court of Justice of the European Union ("CJEU") described section 3(1)(c) as requiring "that all signs or indications which may serve to designate characteristics of the goods or services in respect of which registration is sought remain freely available to all undertakings in order that they may use them when describing the same characteristics of their own goods."

29. The case law under section 3(1)(c) (corresponding to article 7(1)(c) of the EUTM Regulation, formerly article 7(1)(c) of the CTM Regulation) was set out by Arnold J. (as he then was) in *Starbucks (HK) Ltd v British Sky Broadcasting Group Plc* [2012] EWHC 3074 (Ch) as follows:

> "91. The principles to be applied under art.7(1)(c) of the CTM Regulation were conveniently summarised by the CJEU in *Agencja Wydawnicza Technopol sp. z o.o. v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* (C-51/10 P) [2011] E.T.M.R. 34 as follows:
>
> > "33. A sign which, in relation to the goods or services for which its registration as a mark is applied for, has descriptive character for the purposes of Article 7(1)(c) of Regulation No 40/94 is – save where Article 7(3) applies – devoid of any distinctive character as regards

those goods or services (as regards Article 3 of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks (OJ 1989 L 40 , p. 1), see, by analogy, [2004] ECR I-1699 , paragraph 19; as regards Article 7 of Regulation No 40/94, see *Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) v Wm Wrigley Jr Co* (C-191/01 P) [2004] 1 W.L.R. 1728 [2003] E.C.R. I-12447; [2004] E.T.M.R. 9; [2004] R.P.C. 18 , paragraph 30, and the order in *Streamserve v OHIM* (C-150/02 P) [2004] E.C.R. I-1461 , paragraph 24).

36. … due account must be taken of the objective pursued by Article 7(1)(c) of Regulation No 40/94 . Each of the grounds for refusal listed in Article 7(1) must be interpreted in the light of the general interest underlying it (see, inter alia , *Henkel KGaA v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* (C-456/01 P) [2004] E.C.R. I-5089; [2005] E.T.M.R. 44 , paragraph 45, and *Lego Juris v OHIM* (C-48/09 P) , paragraph 43).

37. The general interest underlying Article 7(1)(c) of Regulation No 40/94 is that of ensuring that descriptive signs relating to one or more characteristics of the goods or services in respect of which registration as a mark is sought may be freely used by all traders offering such goods or services (see, to that effect, *OHIM v Wrigley* , paragraph 31 and the case-law cited).

38. With a view to ensuring that that objective of free use is fully met, the Court has stated that, in order for OHIM to refuse to register a sign on the basis of Article 7(1)(c) of Regulation No 40/94 , it is not necessary that the sign in question actually be in use at the time of the application for registration in a way that is descriptive. It is sufficient that the sign could be used for such purposes (*OHIM v Wrigley*, paragraph 32; *Campina Melkunie* , paragraph 38; and the order of 5 February 2010 in *Mergel and Others v OHIM* (C-80/09 P), paragraph 37).

39. By the same token, the Court has stated that the application of that ground for refusal does not depend on there being a real, current or serious need to leave a sign or indication free and that it is therefore of no relevance to know the number of competitors who have an interest, or who might have an interest, in using the sign in question (Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee* [1999] ECR I-2779, paragraph 35, and Case C-363/99 *Koninklijke KPN Nederland* [2004] ECR I-1619, paragraph 38). It is, furthermore, irrelevant whether there are other, more usual, signs than that at issue for designating the same characteristics of the goods or services referred to in the application for registration (Koninklijke *KPN Nederland*, paragraph 57).

And

46. As was pointed out in paragraph 33 above, the descriptive signs referred to in Article 7(1)(c) of Regulation No 40/94 are also devoid of any distinctive character for the purposes of Article 7(1)(b) of that regulation. Conversely, a sign may be devoid of distinctive character for the purposes of Article 7(1)(b) for reasons other than the fact that it may be descriptive (see, with regard to the identical provision laid down in Article 3 of Directive 89/104, *Koninklijke KPN Nederland* , paragraph 86, and *Campina Melkunie*, paragraph 19).

47. There is therefore a measure of overlap between the scope of Article 7(1)(b) of Regulation No 40/94 and the scope of Article 7(1)(c) of that regulation (see, by analogy, *Koninklijke KPN Nederland*, paragraph 67), Article 7(1)(b) being distinguished from Article 7(1)(c) in that it covers all the circumstances in which a sign is not capable of distinguishing the goods or services of one undertaking from those of other undertakings.

48. In those circumstances, it is important for the correct application of Article 7(1) of Regulation No 40/94 to ensure that the ground for refusal set out in Article 7(1)(c) of that regulation duly continues to be applied only to the situations specifically covered by that ground for refusal.

49. The situations specifically covered by Article 7(1)(c) of Regulation No.40/94 are those in which the sign in respect of which registration as a mark is sought is capable of designating a 'characteristic' of the goods or services referred to in the application. By using, in Article 7(1)(c) of Regulation No 40/94 , the terms 'the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service, or other characteristics of the goods or service', the legislature made it clear, first, that the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service must all be regarded as characteristics of goods or services and, secondly, that that list is not exhaustive, since any other characteristics of goods or services may also be taken into account.

50. The fact that the legislature chose to use the word 'characteristic' highlights the fact that the signs referred to in Article 7(1)(c) of Regulation No 40/94 are merely those which serve to designate a property, easily recognisable by the relevant class of persons, of the goods or the services in respect of which registration is sought. As the Court has pointed out, a sign can be refused registration on the basis of Article 7(1)(c) of Regulation No 40/94 only if it is reasonable to believe that it will actually be recognised by the relevant class of persons as a description of one of those characteristics (see, by analogy, as regards the identical provision laid down in Article 3 of Directive 89/104, *Windsurfing Chiemsee*, paragraph 31, and *Koninklijke KPN Nederland*, paragraph 56)."

92. In addition, a sign is caught by the exclusion from registration in art.7(1)(c) if at least one of its possible meanings designates a characteristic of the goods or services concerned: see *OHIM v Wrigley* [2003] E.C.R. I-12447 at [32] and *Koninklijke KPN Nederland NV v Benelux-Merkenbureau* (C-363/99 [2004] E.C.R. I-1619; [2004] E.T.M.R. 57 at [97]."

30. With consideration to the above principles, in assessing the marks under Section 3(1)(c), I keep in mind that the objective of this section is to ensure that signs which consist exclusively of elements which designate a characteristic of the goods remain free for use by other traders of those goods.

31. The ‘453 mark is a word only mark comprising the words “ON THE ROCKS ON THE MOVE”. The ‘149 mark consists of the figurative mark shown below:

32. LIL has provided evidence by way of exhibit RS1 intended to show that the phrase “on the rocks” is a known phrase which is defined in various online dictionaries, including entries in the likes of Collins and the Oxford Collocations Dictionary. I do not contest that a significant proportion of the relevant UK consumer of *alcoholic beverages, except beer*, would be familiar with the term “on the rocks” as referring to alcoholic beverages, and in particular to spirits such as whisky, being served over ice. Both the subject marks of these invalidation actions contain the identical element “ON THE ROCKS”. However, the term which I must consider in relation to the ‘453 mark is not just “on the rocks” but “ON THE ROCKS ON THE MOVE”, while the ‘149 mark contains the additional letters “OTR” alongside a device element.

The ’453 mark

33. I note that the reasons given by LIL as to why the mark fails to satisfy the requirements of a trade mark under section 3(1)(c), as stated at section D of the form TM26(I), are particularly brief. I reproduce the claim in full as follows:

3(1)(c) It is a trade mark which consists 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 rendering of services, or other characteristics of goods or services because:

The phrase "on the rocks" is descriptive of an alcoholic drink (especially a spirit) served over ice cubes. The phrase "on the move" describes a product which can be consumed whilst the consumer is on the move (i.e. moving from place to place).

34. Aside from the witness statement and accompanying exhibit RS1, LIL have not provided any further submissions to support its claims.

35. At paragraph 69 of its written submissions in lieu of a hearing, JBB submits that LIL have inappropriately separated the words of the earlier registrations to claim that "ON THE ROCKS" is not distinctive. JBB continues that in doing so, LIL is admitting that its own mark, which consists solely of the words "ON THE ROCKS" is not distinctive.

36. Regarding the first of JBB's submissions, while I agree that the mark in question must be considered as a whole, it is still necessary to take into account the distinctive and dominant elements of the marks in the assessment of the overall impression created by the mark.[8] In my view, while the '453 mark is made up of two distinct phrases, I consider that both elements are independently distinctive within the mark as a whole. I remind myself that to be considered descriptive, the relationship between the term at issue and the goods must be sufficiently direct and specific: *Limo* case judgement T-311/02, at [30]; and *Nurseryroom* case T-173/03, at [28]. For the avoidance of doubt, all three marks at the heart of these consolidated proceedings were accepted *prima facie* during the examination stages of each application.

37. In relation to the second point made by JBB, as already noted, the evidence provided by LIL in support of its claims under section 3(1) relates solely to the phrase "ON THE ROCKS", being LIL's mark in its entirety (and being the subject mark in the related opposition proceedings). As such, if I were to consider the evidence provided to be sufficient to find that JBB's mark are either descriptive or non-distinctive, then the same could, in theory, be said about LIL's mark, at the very least in relation to the

[8] *Sabel BV v Puma AG*, Case C-251/95.

identical alcoholic beverages of its application. It therefore seems incongruous that LIL have used this argument alone to support the invalidation actions it has brought against JBB.

38. I note that in its statement of grounds, LIL submits that "the phrase 'on the move' describes a product which can be consumed whilst the consumer is on the move (i.e. moving from place to place)". I acknowledge that this could be one such interpretation of the phrase. I accept that to some consumers, the '453 mark as a whole may be evocative of an alcoholic beverage that may be consumed with ice and which is easily transported. However, to my mind, the relationship between the sign "ON THE ROCKS ON THE MOVE" and the goods is not sufficiently direct and specific to be considered descriptive of those goods.

39. In my view, LIL has not provided any evidence to support that the sign "ON THE ROCKS ON THE MOVE" would be seen by the relevant public as a descriptive term for *alcoholic beverages, except beer* as registered under the '453 mark. Further, I see no reason why the sign could reasonably be expected to become the apt descriptor of goods such as alcoholic beverages, in the future.

<u>The '149 mark</u>

40. I reproduce below LIL's claim as provided at section D of the form TM26(I):

3(1)(c) It is a trade mark which consists 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 rendering of services, or other characteristics of goods or services because:

The phrase "on the rocks" is descriptive of an alcoholic drink (especially a spirit) served over ice cubes. The acronym OTR will be understood as stating for "on the rocks", which is descriptive as aforesaid. The figurative element will be understood as depicting a glass containing ice cubes, which is similarly descriptive.

41. I agree that the initials OTR are likely to be perceived by the relevant public as referring to the first letter of each of the words written below it, being "ON THE ROCKS". I note that in the examination guide section of the Manual of trade marks

practice, it states that where the mark consists of a letter and word combination and the letter sequence clearly and unambiguously represents the initial letter of each accompanying word in the mark, an objection under section 3(1)(c) will be raised only where the words are descriptive. However, as well as the letters and words, the composite mark before me also contains a device element. I disagree that a significant proportion of the relevant public would automatically perceive the device element as a glass containing ice cubes. In my view, without further analysis, the device element is just as likely to be seen as an arbitrary decorative inclusion which is not suggestive of the goods at hand. That being said, given the goods to which the mark is applied, I acknowledge that to other consumers, the device element may, when viewed in combination with the words "ON THE ROCKS", bring to mind the idea of ice cubes. Nevertheless, I do not agree that either the words "ON THE ROCKS" solus, or the mark as a whole, would be seen as descriptive of *alcoholic beverages, except beer*.

42. In the absence of evidence to the contrary, I find nothing to show how the '149 mark falls foul of section 3(1)(c) of the Act and I have no basis on which to find that the mark as registered should be remain free for use by other traders of the goods for which the mark has been registered.

43. **The applications for invalidation under section 3(1)(c) of both the '453 mark and the '149 mark fail.**

Section 3(1)(b)

44. Section 3(1)(b) of the Act prevents registration of marks which are devoid of distinctive character. The principles to be applied under article 7(1)(b) of the CTM Regulation (which is now article 7(1)(b) of the EUTM Regulation, and is identical to article 3(1)(b) of the Trade Marks Directive and section 3(1)(b) of the Act) were conveniently summarised by the CJEU in *OHIM v BORCO-Marken-Import Matthiesen GmbH & Co KG* (C-265/09 P) as follows:

> "29...... the fact that a sign is, in general, capable of constituting a trade mark does not mean that the sign necessarily has distinctive character for the

purposes of Article 7(1)(b) of the regulation in relation to a specific product or service (Joined Cases C-456/01 P and C-457/01 P *Henkel* v *OHIM* [2004] ECR I-5089, paragraph 32).

30. Under that provision, marks which are devoid of any distinctive character are not to be registered.

31. According to settled case-law, for a trade mark to possess distinctive character for the purposes of that provision, it must serve to identify the product in respect of which registration is applied for as originating from a particular undertaking, and thus to distinguish that product from those of other undertakings (*Henkel* v *OHIM*, paragraph 34; Case C-304/06 P *Eurohypo* v *OHIM* [2008] ECR I-3297, paragraph 66; and Case C-398/08 P *Audi* v *OHIM* [2010] ECR I-0000, paragraph 33).

32. It is settled case-law that that distinctive character must be assessed, first, by reference to the goods or services in respect of which registration has been applied for and, second, by reference to the perception of them by the relevant public (*Storck* v *OHIM*, paragraph 25; *Henkel* v *OHIM*, paragraph 35; and *Eurohypo* v *OHIM*, paragraph 67). Furthermore, the Court has held, as OHIM points out in its appeal, that that method of assessment is also applicable to an analysis of the distinctive character of signs consisting solely of a colour per se, three-dimensional marks and slogans (see, to that effect, respectively, Case C-447/02 P *KWS Saat* v *OHIM* [2004] ECR I-10107, paragraph 78; *Storck* v *OHIM*, paragraph 26; and *Audi* v *OHIM*, paragraphs 35 and 36).

33. However, while the criteria for the assessment of distinctive character are the same for different categories of marks, it may be that, for the purposes of applying those criteria, the relevant public's perception is not necessarily the same in relation to each of those categories and it could therefore prove more difficult to establish distinctiveness in relation to marks of certain categories as compared with marks of other categories (see Joined Cases C-473/01 P and C-474/01 P *Proctor & Gamble* v *OHIM* [2004] ECR I-5173, paragraph 36; Case

C-64/02 P *OHIM* v *Erpo Möbelwerk* [2004] ECR I-10031, paragraph 34; *Henkel* v *OHIM*, paragraphs 36 and 38; and *Audi* v *OHIM*, paragraph 37)."

45. Earlier in this decision, I found both marks to be acceptable under section 3(1)(c) and I did not consider either mark to be directly descriptive of the goods to which the marks are applied. I remind myself that section 3(1)(c) and section 3(1)(b) are independent grounds and have differing general interests. However, the opponent has not provided any further evidence in relation to its claims under 3(1)(b). I again refer to the content of the LIL's evidence at large which is directed towards the phrase "ON THE ROCKS" rather than the marks as a whole.

46. While the '453 mark is made up of two phrases which combine to form a type of slogan, the concept behind the combined words are not, in my view, immediately obvious, even if they are somewhat allusive. As such, I do not consider the mark can be said to be completely devoid of distinctive character.

47. In relation to the '149 mark, going back to the guidance provided in the Manual of trade mark practice on letter and word combinations, it states that in instances where the word element is not descriptive but is considered to be devoid of any distinctive character pursuant to section 3(1)(b), the combination will be considered to be acceptable. It provides the example 'SFR Super Fast Ride' in respect of 'cars and vans' which it states would be acceptable because the term Super Fast Ride is merely non distinctive for cars and vans, it is not directly descriptive. Therefore the combination with the abbreviation SFR makes the mark acceptable as a whole. In the case at hand, the '149 mark also contains the additional device element, adding a further degree of distinctive character to the mark as a whole.

48. I see nothing within the evidence to demonstrate that either the '453 mark or the '149 mark is devoid of distinctive character in respect of the goods at issue, and I do not find there to be any logical reason why either mark would be unable to indicate trade origin to the relevant public.

49. **Consequently, the applications for invalidation under section 3(1)(b) of both the '453 mark and the '149 mark fail.**

50. Given that both earlier marks may still be relied upon in the opposition action brought by JBB against the trade mark application filed by LIL, I will now consider the merits of the case brought under the opposition proceedings.

Section 5(2)(b) –

51. Section 5(2)(b) of the Act is as follows:

> "A trade mark shall not be registered if because -
>
> …
>
> (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".

52. In considering the application for invalidity under this section, I am guided by the following principles which are 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 Office for Harmonisation in the Internal Market (Trade Marks and Designs) ("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 greater 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 to mind the earlier mark, 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 and services

53. The goods and services to be compared are:

JBB's goods (identical for both the '453 and '149 marks)
Class 33 *Alcoholic beverages, except beer.*
LIL's goods
Class 32 *Non-alcoholic beverages, fruit juices, syrup and other preparations for making beverages, mineral water, smoothies, carbonated beverages, beer, non-alcoholic beer and water.*
Class 33 *Alcoholic beverages, wine, cider and perry.*
Class 35 *The bringing together for the benefit of others a variety of goods in connection with the sale of beverages, alcoholic beverages enabling customers to purchase those goods from an internet web site, online advertising.*
Class 39 *Delivery of drink for consumption.*
Class 43 *Bar services, cocktail bar services, cocktail lounge services, provision of alcoholic and non-alcoholic cocktails, restaurants, snack bars, cafeterias, road-houses, takeaway or fast food outlets and restaurant chains.*

54. Where the goods and services in the specification of one party are included in a broader term from the other party's specification, those goods and services are considered to be identical: See *Gérard Meric v OHIM,* Case T-133/05 at [29].

55. In *Canon*, Case C-39/97, 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 are complementary".

56. Additionally, the factors for assessing similarity between goods and services identified in *British Sugar Plc v James Robertson & Sons Limited* ("*Treat* ") [1996] R.P.C. 281 include an assessment of the users and the channels of trade of the respective goods or services.

57. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods. In *Boston Scientific Ltd v OHIM*, Case T-325/06, the General Court ("GC") stated that "complementary" means:

> "82. ...there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking".

58. For the purposes of considering the issue of similarity of the goods and/or services, it is permissible to consider groups of terms collectively where appropriate: *Separode Trade Mark*, BL O-399-10.[9]

[9] Paragraph 5

59. Pursuant to section 60A of the Act, goods and/or services are not to be automatically regarded as being similar to each other on the ground that they appear in the same class, nor automatically regarded as dissimilar from each other on the ground that they appear in different classes.

<u>The contested goods in class 32</u>

60. Although the Nice Classification is purely administrative,[10] aside from beers, class 32 essentially covers non-alcoholic beverages and preparations for making non-alcoholic beverages. In *Altecnic Ltd's Trade Mark Application*, the Court of Appeal ("COA") decided that "the registrar is entitled to treat the class number in the application as relevant to the interpretation of the scope of the application, for example, in the case of an ambiguity in the list of the specification of goods."[11] In *Absolut Company Aktiebolag v Dongguan Topson Electronic Technology Co. Ltd*, BL O/0488/25, Phillip Johnson, as the Appointed Person in the *ELUX* appeal decision, identified the considerations relevant to the comparison of alcoholic beverages and other drinks.[12]

Non-alcoholic beverages

61. The term *non-alcoholic beverages* is particularly broad and encompasses the likes of juices and water, but could also encompass a non-alcoholic version of alcoholic beverages such as wines and spirits, or the likes of "mocktails", being non-alcoholic cocktails. I am aware of several producers who now offer alcohol-free wine and 0% alcohol alternatives to spirits, particularly in the field of gin and vodka, as well as pre-mixed, non-alcoholic cocktails. As such, LIL's goods could feasibly include non-alcoholic based beverages which would be situated in relatively close proximity to JBB's alcoholic beverages, in retail outlets. Further, there will be an element of competition between such goods, and it would not be unreasonable for the average consumer to expect undertakings to offer both alcoholic and non-alcoholic versions of similar tasting products. Given the broad nature of the terms of both parties, overall I

[10] See *Mould Pro* decision Case T-794/21 at {22-28].
[11] *Altecnic Ltd's Trade Mark Application* [2002] RPC 34 (COA) at [42].
[12] At [13-17].

consider LIL's *Non-alcoholic beverages* in class 32 to be similar to JBB's *Alcoholic beverages, except beer* in class 33 to a low to medium degree.

Fruit juices, mineral water, smoothies, carbonated beverages, and water.

62. The above goods are all non-alcoholic beverages or 'soft drinks', including fruit juices, waters, smoothies and carbonated beverages, which are often intended to hydrate and/or quench thirst. I do not consider the same can be said of the opponent's alcoholic beverages in class 33, which are more likely to be imbibed for pleasure. I do not consider that the opposing goods would be found in particularly close proximity in retail premises such as supermarkets (and certainly not in the same aisles), and although there is an overlap in nature and method of use, with all of the goods being drinks which are consumed orally, pragmatically, this is insufficient for a finding of similarity. In *Wesergold Getrankeindustrie GmbH & Co KG v EUIPO*, case T-278/10, the GC held that the Board of Appeal did not make an error of judgement in finding a low level of similarity between spirits at issue in class 33 and the non-alcoholic beverages at issue in class 32,[13] and that the average consumer makes a distinction when comparing spirits with non-alcoholic beverages, even when they choose a beverage on impulse. While the likes of carbonated beverages and juices may, of course, be mixed with spirits which would be encompasses by JBB's broad term "*Alcoholic beverages, except beer*", I do not consider them to be complementary in a trade mark sense. As outlined in *Boston Scientific*, I see no reason why the consumer would automatically expect the distinct goods to come from the same undertaking. In *Cooperativa Vitivinícola Arousana v OHMI* (ROSALIA DE CASTRO) [2011], case T-421/10, a low degree of similarity was found between alcoholic and non-alcoholic beverages. I consider that the same rationale could be applied to JBB's alcoholic beverages against LIL's above-listed goods. In the *ELUX* trade mark case, BL O/0488/25, Phillip Johnson, sitting as Appointed Person, noted that it was worth mentioning R 1720/2017-G *ICEBERG*, 21 January 2019, where the Grand Board found Vodka and non-alcoholic beverages to be dissimilar. In his decision, Mr Johnson upheld the Hearing Officer's findings of, at best, a very low degree of similarity between drinks including "*Cola; Smoothies [fruit beverages, fruit*

[13] At [41].

predominating]; Waters [beverages]; Fruit flavored drinks; Fruit drinks; Fruit smoothies; Frozen fruit beverages; Vegetable drinks; Iced fruit beverages; Fruit flavored soft drinks" in class 32 and the opponent's "*vodka*" in class 33. Applying the same reasoning, I consider LIL's above-listed goods in class 32 to be similar to a very low degree, at best, to JBB's goods in class 33 under both the '453 and the '149 marks.

Beer

63. There is an overlap in users of LIL's beers and JBB's "*Alcoholic beverages, except beer*" inasmuch they are all intended for consumption by adults (i.e. over 18 years of age) and are consumed for pleasure, with a shared method of use being oral consumption. They are likely to be positioned in relatively close proximity in physical retail outlets such as supermarkets and off-licences, although not necessarily in the same aisle, as well as being found close together in restaurants and bars. There is an element of competition between the goods, with the consumer making an informed choice between the different alcoholic beverages at issue, although as the taste and content (including the level of alcoholic content) of beer is quite distinct from other alcoholic beverages such as wine or spirits, in my view, the element of competition is low. I do not consider the goods to be complementary and I do not consider that the average consumer would expect the likes of beers and other alcoholic beverages to originate from the same undertaking, particularly given their different methods of production. Considered overall, if there is any similarity between LIL's "*Beer*" and JBB's broad term "*Alcoholic beverages, except beer*", then I find it to be to only a very low degree.[14]

Non-alcoholic beer

64. Given my earlier finding of a low degree of similarity, at best, between the LIL's "*beer*" and JBB's broad term "*Alcoholic beverages, except beers*", I consider the non-alcoholic beers to be even further removed from JBB's goods in class 33. Therefore,

[14] See T-584/10 *Yilmaz v OHIM*, EU:T:2012:518; T-175/06 *Coca Cola v OHIM* [2008] ECR II-1055 (MEZZOPANE); *CALEDONIAN* trade mark case BL O-382-16, at [26].

again taking into account *Yilmaz*, et al, I find the opposing goods to be, at best, similar to a very low degree.

Syrup and other preparations for making beverages.

65. Whilst LIL's *Syrup and other preparations for making beverages* do not specify exactly what the preparations consist of, given that protection is sought under class 32, as per *Altecnic*, they are interpreted as being non-alcoholic. Whilst such syrups and preparations may be used in conjunction with JBB's alcoholic beverages in class 33, they are not complementary in a trade mark sense and I see no reason why the consumer would expect the distinct goods to come from the same undertaking. The goods are different in nature and in their fundamental purpose and method of use. I do not consider that any overlap in users or trade channels to be sufficient for a finding of similarity. If there is any similarity at all, then I find it to be to only a very low degree.

<u>The contested goods in class 33</u>

Alcoholic beverages

66. LIL's broad term *Alcoholic beverages* is self-evidently identical to JBB's broad term "*Alcoholic beverages, except beers"* as relied upon under class 33 of the earlier marks.

Wine, cider and perry.

67. JBB's broad term "*Alcoholic beverages, except beers"* encompasses LIL's *"Wine, cider and perry"*, rendering the opposing goods identical as per the principle outlined in *Meric*.

<u>The contested services in class 35</u>

The bringing together for the benefit of others a variety of goods in connection with the sale of beverages, alcoholic beverages enabling customers to purchase those goods from an internet web site, online advertising.

68. In *Oakley, Inc v OHIM*, Case T-116/06, at paragraphs 46-57, the GC held that although retail services are different in nature, purpose and method of use to goods, retail services for particular goods may be complementary to those goods, and distributed through the same trade channels, and therefore similar to a degree.

69. In *Tony Van Gulck v Wasabi Frog Ltd*, Case BL O/391/14, Mr Geoffrey Hobbs Q.C. (as he then was) as the Appointed Person reviewed the law concerning retail services v goods. On the basis of the European courts' judgments in *Sanco SA v OHIM*[15], and *Assembled Investments (Proprietary) Ltd v. OHIM*[16], upheld on appeal in *Waterford Wedgwood Plc v. Assembled Investments (Proprietary) Ltd*[17], Mr Hobbs concluded that:

> i) Goods and services are not similar on the basis that they are complementary if the complementarity between them is insufficiently pronounced that, from the consumer's point of view, they are unlikely to be offered by one and the same undertaking;
>
> ii) In making a comparison involving a mark registered for goods and a mark proposed to be registered for retail services (or vice versa), it is necessary to envisage the retail services normally associated with the opponent's goods and then to compare the opponent's goods with the retail services covered by the applicant's trade mark;
>
> iii) It is not permissible to treat a mark registered for 'retail services for goods X' as though the mark was registered for goods X;
>
> iv) The General Court's findings in *Oakley* did not mean that goods could only be regarded as similar to retail services where the retail services related to exactly the same goods as those for which the other party's trade mark was registered (or proposed to be registered).

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[15] Case C-411/13 P
[16] Case T-105/05, at paragraphs [30] to [35] of the judgment.
[17] Case C-398/07 P

70. It is clear from the case law that where the applicant's retail-related services are to be compared with the opponent's goods, or vice versa, those services will be different in nature, purpose and method of use to those goods. However, I am able to find similarity in respect of the goods and the services at issue, providing that there is some complementarity and/or shared trade channels.

71. The broad terms of LIL's retail services listed above encompasses the same variety of goods for which it also seeks protection in classes 32 and 33 (as listed in the table under paragraph 53 of this decision). Earlier in this decision (see paragraphs 66 and 67), I found its various alcoholic beverages to be either identical/Meric identical to JBB's goods, while I found the broad term *Non-alcoholic beverages* applied for under class 32 to be similar to a low to medium degree to JBB's goods in class 33. However, I found certain specified beverages in class 32 to be, at best, similar to only a very low degree, as outlined in paragraphs 62, 64 and 66 of this decision. I note that the wording of the class 35 specification is particularly vague, and that the term "beverages" at large could include those of both an alcoholic and a non-alcoholic nature: *"The bringing together for the benefit of others a variety of goods in connection with the sale of beverages, alcoholic beverages enabling customers to purchase those goods from an internet web site, online advertising."*[18] Overall, I consider there to be an overlap in users of the goods and services, although it is possible to consume retail services while purchasing goods for someone else to use. LIL's services cannot be supplied without the goods, and so they will share trade channels. As the goods are indispensable to the services, I find them to be complementary to the extent that the average consumer could reasonably expect them to be offered by the same undertaking. Taking all factors into account, I find that there is a low to medium degree of similarity between LIL's retail services and JBB's goods.

<u>The contested services in class 39</u>

Delivery of drink for consumption.

[18] While I note that online advertising could be considered as a stand-alone service in class 35, given the punctuation (i.e. a comma rather than a semi-colon immediately prior to the term), I consider the term to merely relate to the retail or direct advertising of the specified goods. As such, consumers would expect the same undertaking to be selling the goods and advertising them for sale.

72. JBB submits that it is common for beverage manufacturers to transport their goods in vehicles branded with the actual beverage brand and that it cannot be excluded that consumers of such products and services could think that the entity responsible for the provision of the goods and services is the same, and as such, a complementary nature must be recognised. While I acknowledge these submissions, in *Commercy AG v OHIM* Case T-316/07, the Board of Appeal ("BOA") found that just because goods are used by an undertaking in order to provide its services, the respective goods and services are targeted at different consumers, and as such, there can be no complementary connection between them.[19] I find the same to be true in reverse, i.e. in this case, the services for delivering drinks for consumption are mainly targeted at different consumers to those consuming the goods themselves. Although I recognise that the likes of restaurants and bars could consume both the goods and the services, they are, in my view, more likely to seek delivery from a third party provider rather than directly from the manufacturer of the goods. As outlined in *Boston Scientific,* I do not consider the goods and services to be complementary in a trade mark sense. The physical nature, method of employ and purpose of the respective goods and services are different, and they are not in competition with each other. Given the differences, in my view, the average consumer would not automatically expect that JBB's "*Alcoholic beverages, except beers"* were provided by the same or economically-linked undertakings as LIL's delivery services. Consequently, I consider there to be, at best, a low degree of similarity between the goods and services.

The contested services in class 43

Bar services, cocktail bar services, cocktail lounge services, provision of alcoholic and non-alcoholic cocktails, restaurants, … restaurant chains.

73. It is realistic to expect bars and cocktail lounges to serve alcohol, and the same can be said for licensed restaurants. Therefore, there will be an overlap in users of JBB's "*Alcoholic beverages, except beer*" and LIL's "*Bar services, cocktail bar services, cocktail lounge services, provision of alcoholic and non-alcoholic cocktails,*

[19] At [49-62].

restaurants, … restaurant chains". I accept that it would be difficult for the services to be provided without the goods themselves, and as such there is a close connection between them. However, without evidence to the contrary, I am not convinced that it would be the norm for these types of service providers to offer their own-brand alcoholic beverages, although I accept that they may serve a signature cocktail of their own creation using branded products from other undertakings. As such, I do not consider the goods and services to be complementary in a trade mark sense to the extent that the average consumer would automatically expect them to be offered by the same undertaking. However, the respective goods and services may be in competition, with the consumer electing to purchase the goods for consumption at home or alternatively choosing to frequent one of the above establishments in order to partake of those same goods. Taking all of this into account, I find that these goods and services are similar to a low to medium degree.

Snack bars, cafeterias, road-houses, takeaway or fast food outlets …

74. While the above services are likely to offer non-alcoholic beverages, in my view it is less likely that they would have a licence for the sale of alcohol. I note that in *Group Lottus Corp., SL v OHIM*, Case T-161/07, the GC held that there was a "lesser" [low] degree of similarity between beers and bar, nightclub and cocktail bar services. Although the goods and services before me are not on all fours with those considered in the above case law, I am of the opinion that a similar finding can be made in respect of the goods and services at issue. Even though there may be an overlap in users of the goods and services, the physical nature, method of employ and purpose of the respective goods and services are different, and they are neither complimentary to, nor in competition with, each other. If there is any similarity at all, then I find it to be to only a very low degree.

The average consumer and the nature of the purchasing act

75. The average consumer is a legal construct, deemed to be reasonably well informed and reasonably circumspect: see *Hearst Holdings Inc & Anor v A.V.E.L.A. Inc & Ors*, [2014] EWHC 439 (Ch), paragraph 60. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of

attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer*, Case C-342/97, at [26].

76. The overlapping goods at issue are predominantly alcoholic and non-alcoholic beverages and preparations used in their production. The average consumer of the goods will be the general public, although insofar as alcoholic drinks are concerned, they will be adults over the age of 18. They will include connoisseurs alongside 'pleasure drinkers' whose knowledge will be more rudimentary, both of whom may purchase the goods for consumption at home or in a social setting such as a bar or restaurant. The goods will also be purchased by buyers for venues such as public bars and restaurants.

77. The goods are sold through a range of channels including wholesale outlets and retail outlets such as supermarkets and off-licences, as well as through specialist suppliers and online. In bricks and mortar stores, the goods will be sold on shelves where they will be viewed and self-selected by the consumer. A similar process will apply to websites, where the consumer will select the goods having viewed an image displayed on a webpage. The goods will also be sold in restaurants, bars and public houses, where they are likely to be displayed behind the counter or listed on a drinks menu. Considered overall, the selection process is predominantly visual, although I do not discount aural considerations, particularly in bars and restaurants, where the goods may also be selected and requested verbally. I bear in mind the comments of the GC in *Simonds Farsons Cisk plc v OHIM*, Case T-3/04, who said:

> "58. In that respect, as OHIM quite rightly observes, it must be noted that, even if bars and restaurants are not negligible distribution channels for the applicant's goods, the bottles are generally displayed on shelves behind the counter in such a way that consumers are also able to inspect them visually. That is why, even if it is possible that the goods in question may also be sold by ordering them orally, that method cannot be regarded as their usual marketing channel. In addition, even though consumers can order a beverage without having examined those shelves in advance they are, in any event, in a position to make a visual inspection of the bottle which is served to them."

78. The value of the goods, which are likely to be purchased on a semi-regular basis by the general public, will vary in price but are generally considered to be relatively inexpensive. I accept that high-end spirits will be more expensive than the likes of soft drinks, which may give rise to an elevated degree of attention being paid to such goods. In my view, neither alcoholic nor non-alcoholic drinks are commonly highly-considered purchases. I consider that the general public will base their selection on personal taste and whim at the time of purchase, as well as the particular occasion for which it is being purchased, and that overall they will pay a medium level of attention during the selection process, with the professional buyer paying a slightly higher degree of attention.

79. When using the overlapping services at issue, the average consumer will make their choice based on the range of products available and the prices charged, the customer services offered, in addition to, for example in the case of physical retail stores and bars and restaurants, their actual location. I consider the selection of the overlapping services to also be primarily visual, although I acknowledge that word of mouth recommendations, especially in relation to the bar services, will also play a part. Overall the consumer will pay a medium degree of attention to the selection of the services at hand.

Comparison of marks

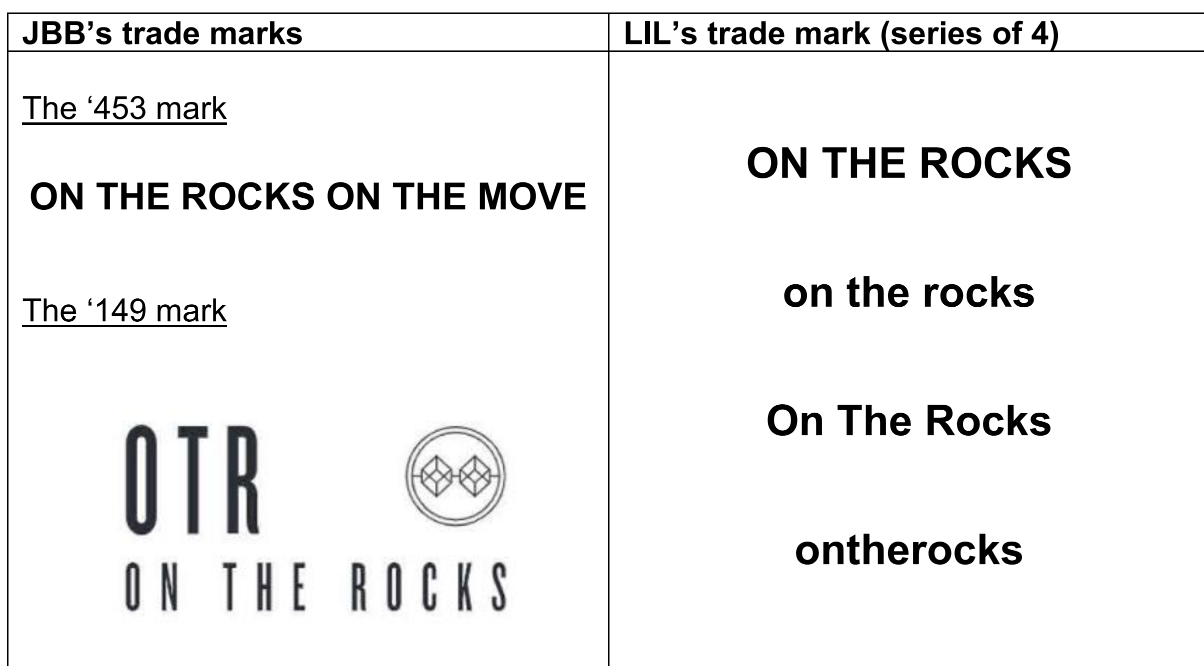
80. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference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

> "34. ....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.”

81. 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.

82. The respective trade marks are shown below:



JBB’s trade marks	**LIL’s trade mark (series of 4)**
The ‘453 mark **ON THE ROCKS ON THE MOVE** The ‘149 mark OTR ON THE ROCKS	**ON THE ROCKS** **on the rocks** **On The Rocks** **ontherocks**

Overall impression

83. JBB’s ‘453 mark consists of the words “ON THE ROCKS ON THE MOVE”, presented in capital letters in a standard black typeface, with no other elements to contribute to the overall impression. The overall impression therefore rests in the words themselves.

84. JBB’s ‘149 mark comprises the letters OTR, presented in capital letters in a standard black typeface, situated alongside a device element of a double-edged circle containing what seemingly appears to be two diamond shapes within the inner circle. I note that on magnification of the device element, the diamond shapes can be more

clearly identified as a (3D) representation of cubes, however, I consider that this distinction would be lost on the average consumer, who would view the image at first sight. The words “ON THE ROCKS” are situated directly below the letters and device element and are presented in the same, but slightly smaller typeface to the 3 letters above them. Given the size and position of the letters, in combination with the word elements, I consider that these would equally play the greatest role in the overall impression of the mark. The device element plays a secondary role, although it would not go unnoticed.

85. LIL’s mark has been accepted and published as a series of four marks, pursuant to section 41(2) of the Act. They each comprise identical elements, being the words “ON THE ROCKS”, with the only differences being variations in case, and, with regards to the fourth mark of the series, the words are conjoined as one word, rather than being presented as three separate words. For the avoidance of doubt, I do not consider the difference in capitalisation/lower case/title case to be relevant, as the registration of a word mark gives protection irrespective of capitalisation: see *Bentley Motors Limited v Bentley 1962 Limited*, BL O/158/17. The marks are presented in a standard black typeface. As the marks contain no other elements, the overall impression therefore rests in the words themselves. For convenience, I will from this point refer to the series in the singular, though my comments should be taken as referring equally to all four marks in the series, unless expressed otherwise.

86. In *El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02, the GC noted that the beginning of words tend to have more visual and aural impact than the ends, although I accept that this is not always the case.

Visual comparison

<u>The ‘453 mark</u>

87. JBB’s mark consists of six words, compared with only three words in LIL’s mark, which contributes to a visual disparity between the marks. The marks share in common the words “ON THE ROCKS”, which are positioned at the start of the earlier mark. While LIL’s mark is reproduced in its entirety within JBB’s mark, and I take into

account the position of the words in common, as well as the length of the respective marks, overall I find the marks to be visually similar to a medium degree.

The '149 mark

88. LIL's mark is wholly contained within the earlier mark. However, the marks differ visually by virtue of the additional elements present only in JBB's mark, being the letters OTR and the device element, neither of which would go unnoticed. Taking these differences into account, I find the opposing marks to be visually similar to a low degree.

Aural comparison

The '453 mark

89. The common element to both LIL's mark and the earlier mark are the words "ON THE ROCKS", which will be pronounced identically in both marks as three syllables. However, the remaining words "ON THE MOVE" will also be articulated in the earlier mark, which will be voiced in its entirety as six syllables. Overall, I consider the marks to be aurally similar to a medium degree.

The '149 mark

90. The device element will not be articulated in the earlier mark. I also consider that a significant proportion of consumers would not articulate the letters, "OTR" and would instead voice the mark as "ON-THE-ROCKS", being aurally identical to LIL's mark. To those consumers who pronounce both the letters and the words, JBB's mark would be voiced as "O-T-R-ON-THE-ROCKS", while LIL's mark will be voiced as "ON-THE-ROCKS". In these circumstances, I consider the marks to be aurally similar to a medium degree.

Conceptual comparison

91. For a conceptual message to be relevant, it must be capable of immediate grasp by the average consumer - Case C-361/04 P *Ruiz-Picasso and others v OHIM* [2006][20].

92. In its written submissions in lieu, JBB submits that "ON THE ROCKS" is a distinctive and independent element of each of its earlier marks.[21] I consider that the average consumer will recognise that the '453 mark is made up of two distinct phrases which have been combined to form a slogan. I have already mentioned that I consider that a significant proportion of the average consumer of alcoholic beverages would recognise the phrase "ON THE ROCKS" as referring to alcoholic beverages, and in particular to spirits such as whisky, being served over ice.[22] That being said, that is only one such meaning of the phrase, and could, for example, refer to something in a state of ruin – I note that case law indicates that the assessment of the conceptual similarity of the marks is usually done without reference to the goods and services in question: *Viñedos Emiliana SA v Consorzio Tutela Vini Emilia, (2) Chiarli 1860 – Pr.I.V.I Srl And (3) Medici Ermete E Figli Srl* BL O/054/22.

93. Earlier in this decision, I also acknowledged LIL's submission that "the phrase 'on the move' may be interpreted by some consumers as "a product which can be consumed whilst the consumer is on the move (i.e. moving from place to place)". To my mind, the two phrases, being "ON THE ROCKS" and "ON THE MOVE" do not naturally go together and as such I agree that each element of the '453 mark is capable of playing an independent role within that combination: *Whyte and Mackay Ltd v Origin Wine UK Ltd and Another* [2015] EWHC 1271 (Ch).[23] To the extent that the "ON THE ROCKS" element present in the earlier mark could be viewed independently of the whole, the marks at issue are, in that respect, conceptually identical when the average consumer bestows the opposing marks with the same interpretation. When viewed as a whole, regardless of how consumers perceive the remainder of the '453 mark, "ON

[20] Paragraph 56.
[21] Point 20.
[22] At [32].
[23] At [18-20].

THE MOVE", which is not present in LIL's mark, I consider the marks overall to be conceptually similar to a medium degree.

94. The letters OTR in the '149 mark will be recognised as the initials of the words presented below, i.e. "ON THE ROCKS" and therefore together share the same concept. To those who perceive the device element as representing ice cubes, the message of a beverage served over ice is further reinforced, while others may find no easily recognisable semantic content in the device element. Either way, I consider LIL's mark and the '149 mark overall are likely to be interpreted in the same way and as such are conceptually highly similar, if not identical.

Distinctive character of the earlier marks

95. The distinctive character of a trade mark can be appraised only, first, by reference to the goods in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public – *Rewe Zentral AG v OHIM (LITE)* [2002] ETMR 91. The factors I must take into account in assessing the level of distinctive character were set out by the CJEU in *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97:

> " 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 promoting 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)."

96. Registered trade marks possess varying degrees of inherent distinctive character, being lower where they are allusive or suggestive of a characteristic of the goods, ranging up 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 made of it. As JBB has not claimed that its marks have enhanced distinctiveness and no evidence regarding use of the earlier trade marks has been filed, I have only the inherent characteristics of its trade marks to consider.

97. JBB submits that the distinctiveness of the earlier marks must be seen as above normal, and that when assessing the distinctive character of trade marks, they must be considered as a whole.[24] Meanwhile, at point 20 of those same submissions, it submits that "ON THE ROCKS is a distinctive and independent element of the Earlier Registrations". I refer to *Kurt Geiger v A-List Corporate Limited*, BL O/075/13, where Mr Iain Purvis Q.C. (as he then was), sitting as the Appointed Person, said that:

> "39. It is always important to bear in mind what it is about the earlier mark which gives it distinctive character. In particular, if distinctiveness is provided by an aspect of the mark which has no counterpart in the mark alleged to be confusingly similar, then the distinctiveness will not increase the likelihood of confusion at all. If anything it will reduce it."

98. The '453 mark comprises two phrases which have been combined to form a single slogan. As already considered, in my view, the average consumer of alcoholic beverages would recognise the phrase "ON THE ROCKS" as referring to alcoholic beverages served over ice and is therefore allusive of the goods to which the mark is applied. The second element is slightly more elusive: although it suggests something in transit, being "ON THE MOVE", it is not clear what exactly this refers to. Considering the mark as a whole, I acknowledge that while it is partly evocative of the goods, overall, it is inherently distinctive to a medium degree.

99. The '149 mark is a composite mark comprising a device element alongside the letters "OTR", which I found earlier in my decision would be recognised as the initials of the accompanying words "ON THE ROCKS". As mentioned previously, to those consumers who perceive the device element as ice cubes, it merely reinforces the meaning of the words, which I find to be allusive of the alcoholic beverages for which

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[24] Point 15 of the written submissions in lieu of a hearing.

the mark is registered, which may be served with ice, or in other words, "on the rocks". As such, I consider the mark to be inherently distinctive to no more than a medium degree overall. I consider the same to be true of the mark as a whole for those consumers who consider the device element to be a random, decorative inclusion.

Likelihood of confusion

100. There is no simple formula for determining whether there is a likelihood of confusion. In determining whether there is a likelihood of confusion, a number of factors need to be borne in mind.

101. It is clear then that I must make a global assessment of the competing factors (*Sabel* at [22]), keeping in mind the interdependency between them i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective services and vice versa (*Canon* at [17]). In making my assessment, I must consider the various factors from the perspective of the average consumer, bearing in mind 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 he has retained in his mind (*Lloyd Schuhfabrik* at [26]).

102. There are two types of possible confusion: direct, where the average consumer mistakes one mark for the other, or indirect, where the average consumer recognises that the marks are different, but assumes that the goods and/or services are the responsibility of the same or connected undertakings. The distinction between these was explained by Mr Iain Purvis Q.C. (as he then was), sitting as the Appointed Person, in *L.A. Sugar Limited v Back Beat Inc*, Case BL-O/375/10. He said:

> "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)."

103. The above are examples only which are intended to be illustrative of the general approach. These examples are not exhaustive but provide helpful focus.

104. Earlier in this decision, I found LIL's goods and services to range between identical, to at best, similar to a very low degree, to JBB's goods in class 33. I note that in the counterstatement, LIL has said that "if the Tribunal finds there is a likelihood of confusion in relation to part of the opposed application, the Applicant will seek to amend the specification thereof so as to permit the application to proceed to registration". For the avoidance of doubt, given the nature of JBB's broad term in class 33, I cannot see how any proposed limitation to LIL's specification would negate

the broad scope of protection afforded to JBB in this class without adversely altering the scope of LIL's specification, which would not be permissible.

105. I have found the degree of attention paid by the general public during the selection of the overlapping goods and services to be medium, with business consumers paying a slightly higher degree of attention, and that both groups of consumers, whilst not ignoring aural considerations, would select the goods/services at issue by predominantly visual means.

106. I considered LIL's mark to be visually, aurally and conceptually similar to JBB's '453 mark to a medium degree. I considered LIL's mark to be visually similar to JBB's '149 mark to a medium degree, to be aurally identical where the letters "OTR" in the earlier mark are not voiced, but similar to a medium degree where the earlier mark is articulated as "O-T-R-ON-THE-ROCKS", and conceptually, I found the marks to be if not identical, then to be similar to a high degree. I found JBB's '453 mark to be inherently distinctive to a medium degree overall, while I considered the '149 mark to possess no more than a medium degree of inherent distinctive character.

107. At paragraph 21 of *Whyte and Mackay*, I note that it states that "even where an element of the composite mark which is identical or similar to the earlier trade mark has an independent distinctive role, it does not automatically follow that there is a likelihood of confusion. It remains necessary for the competent authority to carry out a global assessment taking into account all relevant factors."

108. While allowing that the average consumer is unlikely to see the marks side-by-side and will therefore be reliant on the imperfect picture of them they have kept in their mind, I consider it unlikely that they would mistake LIL's mark with either of JBB's earlier marks. In my view, the average consumer will notice and recall the differences between the marks such that that there is no likelihood of direct confusion between them. I find this even where the respective goods are held to be identical, which offsets a lesser degree of similarity between the marks.

109. Taking into account the previously outlined guidance of Mr Iain Purvis Q.C. (as he then was) in *L.A. Sugar*, I will now consider whether there might be a likelihood of

indirect confusion. In *Duebros Limited v Heirler Cenovis GmbH,* BL O/547/17, Mr James Mellor Q.C. (as he then was), as the Appointed Person, stressed that a finding of indirect confusion should not be made merely because the two marks share a common element. In this connection, he pointed out that it is not sufficient that a mark merely calls to mind another mark. This is mere association not indirect confusion.

110. In *Liverpool Gin Distillery Ltd and others v Sazerac Brands, LLC and others* [2021] EWCA Civ 1207, Lord Justice Arnold 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". Lord Justice Arnold added that there must be “a proper basis” for concluding that there is a likelihood of indirect confusion when there is no likelihood of direct confusion.

111. I bear in mind the various factors in my decision and the principle of interdependency between them, and I acknowledge the previously outlined guidance of Mr Iain Purvis Q.C. (as he then was), in *L.A. Sugar*. I take into account the common element “ON THE ROCKS” in the context of the JBB’s marks as a whole, with LIL’s mark being encompassed in its entirety within both earlier marks, as well as the degree of conceptual similarity between each of the marks as a whole. Notwithstanding the respective degrees of distinctive character of each of the earlier marks,[25] I consider it reasonable that a significant proportion of the average consumer would make a connection between the marks, and that those consumers will conclude that the differences between them are attributable to either a brand refresh or that they are variant brands from the same, or economically connected, undertakings. Consequently, I consider there to be a likelihood of indirect confusion between the competing marks in relation to all goods and services for which I found a low to medium degree of similarity or above. For those goods and services which I found to share only a low degree of similarity or at best to be similar to only a very low degree,

[25] In making my decision, I acknowledge the guidance of Emma Himsworth K.C., sitting as Appointed Person in *Face2FaceHR Partners Limited v Peninsula Business Services Limited*, Case O/0368/23, on the correct approach to assessing the likelihood of confusion where the common element is not considered to be high in distinctive character (at [44]).

I do not consider that the average consumer would associate those goods and services with those pertaining to JBB and I therefore find there to be no likelihood of indirect confusion for those goods and services.

CONCLUSION

The invalidations

112. Each of the applications for a declaration of invalidity of trade mark registration numbers UK00003789453 and UK00003747149, brought under section 47(1) of the Act, based upon section 3(1)(b) and 3(1)(c) of the Act, fail in their entirety.

The opposition

Subject to any successful appeal:

113. The opposition under section 5(2)(b) succeeds with respect to the following goods and services only:

Class 32
Non-alcoholic beverages.

Class 33
Alcoholic beverages, wine, cider and perry.

Class 35
The bringing together for the benefit of others a variety of goods in connection with the sale of beverages, alcoholic beverages enabling customers to purchase those goods from an internet web site, online advertising.

Class 43
Bar services, cocktail bar services, cocktail lounge services, provision of alcoholic and non-alcoholic cocktails, restaurants, restaurant chains.

114. I note that classes 29, 30 and 31 of the application were unopposed in their entirety. All goods in classes 32 and 33 and all services in class 43 were opposed. However, only some services in classes 35 and 39 were opposed. I confirm that the application by LIL may proceed to registration in respect of the goods and services listed below. For the sake of clarity, I have highlighted in bold those goods and services which were unsuccessful in opposition, the remaining goods and services being unopposed:

Class 29

Foods prepared from a combination of meat, fish and fish products, shellfish and shellfish products, poultry and game, fruit and vegetables, salads including vegetable salads, milk products and other dairy products, edible oils and fats, pickles, pre-prepared uncooked, semi-cooked and cooked foods and desserts.

Class 30

Flour and preparations made from cereals; bakery products; pies; pies containing meat, fish, shellfish, poultry or game; vegetable pies; bread, brioche, pastry, pastries, croissants, bread buns, patisserie; muffins; tarts; biscuits; cookies; cakes; oatcakes; biscuits for cheese; wheat flour; vermicelli, rice, pasta; pizzas; sandwiches; honey; sugar; treacle; yeast, baking-powder; salt; cooking salt; pepper; mustard; vinegar, sweetened vinegar; sauces; (condiments); ketchup; relish; brown sauce; spices; chutneys; mayonnaise; seasonings; flavour.

Class 31

Fresh fruit and vegetables.

Class 32

***Fruit juices, syrup and other preparations for making beverages, mineral water, smoothies, carbonated beverages, beer, non-alcoholic beer and water**.*

Class 35

The bringing together for the benefit of others a variety of goods in connection with the sale of prepared foods, prepared meals, snack foods, foodstuffs, meat, fish, shellfish, fruit and vegetables, dairy products, bread and pastry products, edible oils,

tea, coffee, milk, enabling customers to purchase those goods from an internet web site, online advertising.

Class 39

Delivery of drink for consumption*; food delivery, food transport services, packing of food.*

Class 43

Snack bars, cafeterias, road-houses, takeaway or fast food outlets*.*

COSTS

115. In these consolidated proceedings, both parties have enjoyed a share of success. JBB has been entirely successful in both of the applications for revocation against its earlier marks, and it has been partially successful in relation to the opposition launched against LIL's application. I consider the greater share of success has gone to JBB, who is therefore entitled to a contribution towards its costs based upon the scale published in Tribunal Practice Notice ("TPN") 1/2023. I have made a reduction to the costs to reflect the partial extent of the success. I also take into account that JBB's written submissions in lieu of a hearing were in relation to both the opposition proceedings and the two revocation actions. Further, although I have read the witness statement of Ms Bond and the exhibited documents, which comprise a spreadsheet of the trade marks owned by JBB around the world (exhibit RB1), and copies of the trade mark registration certificates referred to in exhibit RB1 (exhibit RB2), as this evidence was of no assistance to me in making my decision in relation to either LIL's applications for invalidation, or in the opposition proceedings against LIL, I make no award of costs for it. Taking all of the above into consideration, and applying the guidance in the TPN, I consider the following to be fair:

Official fee for filing the opposition:	£100
Preparing the notice of opposition:	£250

Considering the applications for invalidation,

and preparing counterstatements:	£400
Considering the other side’s evidence, and preparing written submissions in lieu of a hearing:	£500
Total:	**£1,250**

116. I therefore order Linhope International (UK) Limited to pay Jim Beam Brands Co. the sum of £1,250. The above sum should be paid within twenty-one days of the expiry of the appeal period or, if there is an appeal, within twenty-one days of the conclusion of the appeal proceedings.

Dated this 21st day of January 2026

Suzanne Hitchings
For the Registrar,
the Comptroller-General