

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No 2123735
BY GLEN CATRINE BONDED WAREHOUSE LIMITED
TO REGISTER A TRADE MARK IN CLASS 33**

AND

**IN THE MATTER OF OPPOSITION THERETO UNDER
No 49313 BY WILLIAM GRANT & SONS LTD**

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**IN THE MATTER OF Opposition No 49313
thereto by William Grant & Sons Ltd**

BACKGROUND

1. On 14 February 1997 Glen Catrine Bonded Warehouse Limited of Catrine, Ayrshire, Scotland applied, under No 2123735 to register the word GIANT'S for a specification of goods falling within Class 33, namely spirits and liqueurs.

2. Following examination the application for registration was accepted and published. On 22 December 1998, William Grant & Sons Ltd of Banffshire, Scotland filed a notice of opposition against the application. The grounds were extensive. However, those pursued before me can be summarised as follows:

1. Under Section 5(2)(b) because the trade mark in suit is similar to the opponents' earlier trade marks and is sought to be registered for goods which are the same or similar to those for which the earlier trade marks are protected. The earlier trade marks in question are as follows:

Number	Trade Mark	Specification
B542300	GRANT'S (word)	Blended Scotch Whisky all for export and all being bottled
827774	GRANT'S (word)	Scotch Whisky for export
1341503	GRANT'S (word)	Whisky included in Class 33

Application No	Mark	Goods	Application Date
1453484	GRANT'S (word)	Whisky and gin; all included in Class 33	22 January 1991 - Published in Trade Mark Journal No 6086 at page 5561

2. Under the provisions of Section 5(4)(a) because of the reputation accruing to their trade marks as a result of their use the opponents consider that they could prevent the applicants' use of their trade mark under the common law tort of passing off.
3. Under Section 3(3)(a) because it was in the interests of public policy that the applicants' behaviour should prevent registration.
4. Under Section 3(6) because the application was made in bad faith.

3. Only the opponents filed evidence in these proceedings. I understand that two extensions of time were granted for the filing of their evidence-in-chief but the applicants had a third extension of time refused because the Registrar's Hearing Officer was not satisfied that they had been diligently pursuing the collation of evidence in the defence of their application for registration.

4. The matter came to be heard on 12 September 2001 when the applicants were represented by Mr Ian Purvis of Counsel instructed by Murgitroyd & Co, their attorneys. The opponents were represented by Mr Michael Edenborough of Counsel instructed by Wildbore & Gibbons, their attorneys.

Opponents' Evidence

5. This consists of statutory declarations by Mr George Daniel Tait and Ms Susan Patricia Bennett.

6. Mr Tait's statutory declaration is dated 20 September 1999. Mr Tait is the Company Secretary of the opponents, a position he has held since 1996, and the facts contained within his declaration are either within his own personal knowledge or have been obtained from the books and other records of William Grant & Sons Ltd.

7. Mr Tait says that the opponents and their predecessors in business have used the trade mark GRANT'S since the year 1898. The trade mark is used on the company's core product which is whisky. However, the opponents also sell gin using the trade mark GRANT'S and sample labels are exhibited.

8. The average annual sales of the opponents' GRANT'S whisky in the United Kingdom for the years 1995 to 1998 inclusive are over 450,000 cases per annum, representing a total volume of 3.78 million litres. Mr Tait states that the opponents' whisky, sold under the GRANT'S trade mark is the fourth highest selling scotch whisky in the United Kingdom, a position which it has held for some years. For the years 1995 to 1998 the average annual amount spent on advertising and promoting whisky under the GRANT'S trade mark in this country was in excess of £4 million. Sample promotion material is exhibited.

9. Mr Tait goes on to provide details of proceedings in the Court of Session in Scotland in relation to the opponents' request for an interdict against the applicants inter alia from using

the name GRANT'S in relation to alcoholic beverages. Mr Tait exhibits a copy of the judgement by Lord Cameron of Lochbroom who found in favour of William Grant & Sons Ltd and held that Glen Catrine Bonded Warehouse Limited had undertaken what amounted to passing off. In reaching that decision Lord Cameron found that the name GRANT'S was distinctive of the opponents in the alcoholic beverages trade, that use of the name GRANT'S by Glen Catrine Bonded Warehouse Limited in relation to alcoholic beverages confused the public into believing that their products were those of or connected with the opponents and that as a result the opponents had suffered and was likely to continue to suffer damage.

Lord Cameron issued his opinion (interdict) on 18 August 1999 and this is exhibited. At page 21 it states that the applicants are prevented from using upon gin, vodka or other alcoholic beverage the name GRANT'S or other names "colourably similar thereto or otherwise calculated to deceive or confuse the public or to induce the belief that the products of the defenders are in any way connected with those of the pursuers". Glen Catrine Bonded Warehouse Limited have, I understand, lodged an appeal.

10. Mr Tait states that the opponents are concerned about the applicants' application to register the word GIANT'S. This is because GIANT'S is only one letter different from GRANT'S and they believe that the applicants intend to replace the name GRANT'S currently used for their alcoholic beverages with the name GIANT'S once they are interdicted by the Scottish Courts from using the name GRANT'S.

11. The statutory declaration by Ms Susan Patricia Bennett is dated 20 April 2000. She is an Associate Director of Test Research Limited, a market research company and a member of the MORI group of companies. She states that she was approached on behalf of William Grant & Sons Ltd with a request to conduct some research into the name GIANT'S as applied to certain alcoholic beverages. As a result in March 2000 her company conducted a research study and subsequently compiled a report which she exhibits. This study is, in essence, a survey conducted amongst small retailers by Ms Bennett's company the aim of which was to establish what, if any, confusion existed between the name GIANT'S and GRANT'S in a particular context.

12. The survey covered 20 interviews face to face with small retailers who stocked the applicants' GRANT'S gin or vodka. No details of the interviewees are given other than the fact that they were managers of grocers, off licences and supermarkets. The interviewees were shown photographs of bottles of gin and bottles of vodka - some of the bottles contained labels which had been specially prepared for the survey and had the word GIANT'S in place of where the applicants' trade mark GRANT'S would normally appear on the respective bottle of gin or vodka. The result was, says Ms Bennett, that when shown examples of GIANT'S vodka and gin products over half of the retailers appeared initially confused into thinking that they had seen a product bearing the trade mark GRANT'S and after a long opportunity to examine the photograph almost a third were still confused. I will come back to this survey later in my decision.

13. That completes my summary of the evidence insofar as it is relevant.

DECISION

14. Mr Edenborough summarised his clients position as follows:

- (i) under Section 5(2)(b) the respective trade marks were similar and the opponents' trade marks had an extended reputation (but not such as to go into Section 5(3))
- (ii) under Section 5(4)(a) the opponents had an established reputation in their GRANT'S trade marks and the applicants were estopped from using that name. The word GIANT'S was colourably similar to GRANT'S and therefore use of the former by the applicants would still amount to misrepresentation
- (iii) under Sections 3(6) and 3(3) because the applicants were seeking to wriggle their way through and ride on the back of the opponents goodwill and it ought to be public policy to prevent such mischief by refusing to register the trade mark.

15. I deal first with the ground of opposition based upon Section 5(2)(b) which states:

- "(2) 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."

16. The term 'earlier trade mark' is defined in Section 6 of the Act as follows:

"6.-(1)

- (a) a registered trade mark, international trade mark (UK) or Community trade mark which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks,"

All the trade marks listed earlier are earlier trade marks.

17. In determining the question under Section 5(2)(b), I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v Puma AG* [1998] E.T.M.R. 1, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] E.T.M.R. 1, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77 and *Marca Mode CV v Adidas AG* [2000] E.T.M.R. 723. It is clear from these cases that:-

- (a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v Puma AG*, paragraph 22;

- (b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel BV v. Puma AG*, paragraph 23, 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; *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V.* paragraph 27;
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v. Puma AG*, paragraph 23;
- (d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel BV v. Puma AG*, paragraph 23;
- (e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17;
- (f) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either per se or because of the use that has been made of it; *Sabel BV v. Puma AG*, paragraph 24;
- (g) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v. Puma AG*, paragraph 26;
- (h) further, 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; *Marca Mode CV v. Adidas AG*, paragraph 41;
- (i) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 29.

18. There was no disagreement between the parties that identical goods were involved and therefore that it was the comparison of the respective trade marks which was the only issue here, taking into account the other factors set out above.

19. In comparing the two trade marks GIANT'S and GRANT'S I note that both are words of the English language. The former is the possessive form of the word meaning a large creature (human or otherwise) and the latter the possessive form of the christian name or surname. There is no conceptual similarity and no aural similarity between the applicants' and the opponents' trade marks. Even visually, although there is only one letter different, I would not say that there was any similarity between the two trade marks. The differences set out here in

my view ensure that. Therefore, even taking account of the reputation of the earlier trade marks, which I believe has been demonstrated fully in the evidence (and which was not challenged by the applicants) I do not consider that, when considering the respective trade marks on the basis of notional and fair use (*REACT* Trade Mark (2000) RPC 285), that they are similar such that registration will lead to a likelihood of confusion on the part of the public. The ground of opposition under Section 5(2)(b) fails.

20. I turn to Section 5(4)(a) which states:

"5.-(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented -

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

21. The law on the common law tort of passing off is clearly set out by Geoffrey Hobbs QC, acting as the Appointed Person, in *Wild Child* [1998] 14 RPC, 455:

"A helpful summary of the elements of an action for passing off can be found in Halsbury's Laws of England 4th Edition Vol 48 (1995 reissue) at paragraph 165. The guidance given with reference to the speeches in the House of Lords in *Reckitt & Colman Products Ltd v Borden Inc* [1990] RPC 341 and *Erven Warnink BV v J Townend & Sons (Hull) Ltd* [1979] ACT 731 is (with footnotes omitted) as follows:

"The necessary elements of the action for passing off have been restated by the House of Lords as being three in number:

- (i) that the plaintiff's goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;
- (ii) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by the defendant are goods or services of the plaintiff; and
- (iii) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant's misrepresentation."

The restatement of the elements of passing off in the form of this classical trinity has been preferred as providing greater assistance in analysis and decision than the formulation of the elements of the action previously expressed by the House. This latest statement, like the House's previous statement, should not, however, be treated as akin to a statutory definition of 'passing off', and in particular should not be used to exclude from the ambit of the tort recognised forms of the action for passing off which were not under consideration on the facts before the House."

22. Further guidance is given in paragraphs 184 to 188 of the same volume with regard to establishing the likelihood of deception or confusion. In paragraph 184 it is noted (with footnotes omitted) that:

"To establish a likelihood of deception or confusion in an action for passing off where there has been no direct misrepresentation generally requires the presence of two factual elements:

- (1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and
- (2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other feature which is the same or sufficiently similar that the defendant's goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact.

In arriving at the conclusion of fact as to whether deception or confusion is likely, the court will have regard to:

- (a) the nature and extent of the reputation relied upon;
- (b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;
- (c) the similarity of the mark, name etc used by the defendant to that of the plaintiff;
- (d) the manner in which the defendant makes use of the name, mark etc complained of and collateral factors; and
- (e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.

In assessing whether confusion or deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action."

23. As already indicated, I believe the opponents' trade marks (GRANT'S) have a reputation and the evidence satisfies me (as it satisfied the Court of Session) that the opponents have goodwill in the business conducted under the trade marks. Thus the first part of the trilogy set out in paragraph 21 above is satisfied. I go on therefore to consider whether there is likely to be misrepresentation by the applicants if their GIANT'S trade mark was put into use on goods covered by the specification.

24. Mr Edenborough on behalf of the opponents relied upon the survey they undertook to support their submissions that there would. Mr Purvis for the applicants sought to persuade me that there was little value in the survey because of the way in which it was conducted.

25. What was done was that a photograph of 6 bottles of spirits, three of gin and three of vodka was shown to twenty managers or equivalents of retail outlets throughout the United Kingdom, all of which stocked the applicants GRANT'S gin or vodka. Four of the products were 'genuine', BEEFEATER and VICORY gin and VLADIVAR and PETERSBURG vodka; the other two were the applicants' gin and vodka labels with the word GIANT'S substituted for the word GRANT'S. The interviewer after five seconds asked each respondent a number of questions, all of which were fair in my view. The respondents were then shown the photograph again and asked to comment specifically on the GIANT'S product. The findings are summarised in the exhibit to Ms Bennett's statutory declaration as follows:

- When initially shown the photo, eleven of the twenty retailers gave responses that suggested that they thought they had seen a GRANT'S product. (This confusion was further reinforced when all this group confirmed that they stocked a GRANT'S product when asked which, if any, of the products on the photo they currently stock.)
- Three retailers, when initially shown the photo, mentioned that they had seen GIANT'S (although one suggested at this stage that this might be a dummy name).
- Six retailers did not mention either GRANT'S or GIANT'S at the initial stage.
- When they had a chance to examine the photo for a longer period, of those eleven retailers who initially thought they had seen a GRANT'S product on the photo, four subsequently commented that they thought the products on the photo looked like GRANT'S or had a similar label to GRANT'S. One mentioned that it was called GIANT'S whilst the remaining six retailers appeared still unable to see that they had confused the name GRANT'S with GIANT'S.

CONCLUSION

- When shown examples of GIANT'S Vodka and Gin products, over half of the retailers appeared initially confused into thinking they had seen GRANT'S and after a longer opportunity to examine the photograph, almost a third were still confused.

26. The survey was done using the applicants' labels in which the word GRANT'S, which they may be interdicted not to use, is substituted by the word GIANT'S. Therefore, it is the get up along with the word GIANT'S which the respondents were asked to look at. Mr Edenborough said that

"it is perfectly reasonable to look at the get-up, because you are allowed to look at everything in that. Because what you are looking at is not confusion between mark

and mark, what you are looking at is to see where there is a misrepresentation by the other side that is false that passes off its products as and for those of the opponents. You cannot, as I said, second-guess with absolute certainty what the get-up is going to be of the other side, but in my submission what is interesting is, first of all, their get-up is actually quite different in both the vodka and the gin from that of the opponent".

He went on

"So therefore, when you are applying the applicants' new mark, the mark in suit, Giant's, it is perfectly reasonable, in my submission, to put into the old get-up the one that they have been using before and do a survey based on that especially when you see that the people who ought to know better, that is, its own distributors, still do not seem to be able to tell the difference, and even after they have been allowed to look again at the labels, at the products. In my submission that indicates that this new mark would still act as a misrepresentation for the applicants' products being mistaken for those of the opponents' products.

Sir, furthermore, you can see from the judgment of Lord Cameron that this is the get-up the applicant's have used for a long period of time. There is no reason why they would change it, but in any event, even if they did change it, the get-up was not an essential function of Lord Cameron's decision to hold that there had been passing off."

27. In response Mr Purvis submitted that even under Section 5(4)(a) (as well as under Section 5(2)(b)) the investigation or comparisons was mark for mark. He went on

"Secondly, so what? If we use it in our label, the label is not similar to the William Grant label, it is similar to our label. It has nothing to do with William Grant and therefore it is completely irrelevant. As he said, the finding on passing off had nothing to do with the get-up of the labels. There is no finding that the get-up of our existing label is confusing. Indeed, it seems to be contended to the contrary.

If we put it in our old get-up, it does not increase the likelihood of confusion. It is entirely neutral at best."

28. In the passing off case before Lord Cameron the 'get up' of the products was not an issue. As far as I can see his Lordship's judgment dealt only with the similarity/identity of the word GRANT'S. Thus it is not a PENGUIN/PUFFIN scenario (*United Biscuits (UK) Ltd v Asda Stores Ltd* (1997) RPC 513) where the 'get up' of the products was a significant part of the case. I do not know therefore how much the 'get up' did or may have influenced the responses of those involved. Thus the results are not sufficiently robust to enable any weight to be given to it. For those reasons I do not pay any regard to the survey. I therefore consider on the basis of Mr Justice Jacobs' comments in *Origins* [1995] FSR 280] where he said:

"Section 10 of the Trade Marks Act presupposes that the plaintiff's mark is in use or will come into use. It requires the court to assume the mark of the plaintiff is used in a normal and fair manner in relation to the goods for which it is registered and then to

assess a likelihood of confusion in relation to the way the defendant uses its mark, discounting external added matter or circumstances. The comparison is mark for mark."

29. This must be a fair way to proceed in this case because there is no evidence as to how the applicants intend to use and present the trade mark GIANT'S. It is not reasonable to infer, as Mr Edenborough would have me do, that the applicants' trade mark will be used in the 'get up' used in what was their GRANT'S products. Which, in any event, as both sides acknowledged is different from the opponents' 'get up'.

30. In considering the matter therefore on a mark for mark basis ie GRANT'S and GIANT'S should there be, can there be, any different finding from that in relation to Section 5(2)(b)?

31. Mr Edenborough again drew my attention to the judgment of Lord Cameron in which he injuncts the opponents on the use of "GRANT'S or any other name colourably similar thereto or otherwise calculated to deceive". Mr Purvis submitted that the two words in this case were neither similar or colourably similar. I agree. I do not see that the addition of the word 'colourably' to that of similar to the test adds anything to the equation in this case. If the words GRANT'S and GIANT'S are not similar for the purposes of Section 5(2)(b) they are not similar in the context of Section 5(4)(a). Thus there is unlikely to be any misrepresentation in their use by the applicants of the trade mark GIANT'S in respect of the opponents' trade marks. It follows that use by the applicants will not cause damage to the opponents. Thus the opposition based upon Section 5(4)(a) is not made out.

32. In reaching this view I have not needed to deal with all of the submissions made by learned Counsel on the matter of the earlier judgment.

33. The Section 3(3)(a) and Section 3(6) grounds of opposition can be dealt with very shortly. The two Sections state:

"3.-(3) A trade mark shall not be registered if it is -

- (a) contrary to public policy or to accepted principles of morality, or
- (b)"

"3.-(6) A trade mark shall not be registered if or to the extent that the application is made in bad faith."

34. In this case without considering in detail the merits or otherwise of the opponents' submissions it is suffice to hold that in making an application for registration of a trade mark which is not similar to that of an earlier trade mark an application cannot be said to be made in bad faith or to be required to be refused for the reasons based upon Section 3(3)(a). Consequently both grounds are dismissed.

35. The opposition fails on all counts and the applicants are therefore entitled to an award of costs. I order the opponents to pay to the applicants the sum of £300. This sum reflects the

fact that the applicants did not file any evidence. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 17 day of January 2002

M KNIGHT
For the Registrar
the Comptroller-General