O/0406/26

TRADE MARKS ACT 1994

APPLICATION NO. 3937768

IN THE NAME OF BAKHSH GROUP LTD

TO REGISTER UK TRADE MARK

IN CLASSES 32, 33 AND 35

AND

OPPOSITION NO.444577 THERETO

BY CONSTELLATION BRANDS, INC.

BACKGROUND AND PLEADINGS

1. On 25 July 2023 ("**the Relevant Date**"), Bakhsh Group Limited ("**the Applicant**") applied to register the figurative sign shown on the cover of this Decision (a presentation of "CONSTELLATION X") as a UK Trade Mark for goods and services in Classes 32, 33 and 35 as follows:

Applied-for goods:

Class 32: *Non-alcoholic beverages; energy drinks; vegetable juices; fruit beverages; fruit drinks; fruit juices; smoothies; waters; soda water; aerated water; aerated beverages; aperitifs, non-alcoholic; beer; beers; shandy; non-alcoholic beers; beverages (preparations for making -); cider, non-alcoholic; cocktails, nonalcoholic; de-alcoholised drinks; essences for making beverages; ginger ale; isotonic beverages; lemonades; liqueurs (preparations for making -); mineral water [beverages]; non-alcoholic fruit extracts; pastilles for effervescing beverages; powders for effervescing beverages; smoothies; soda water; sorbets [beverages]; syrups and other preparations for making beverages; whey beverages; non-alcoholic wines; parts and accessories for all the aforesaid goods.*

Class 33: *Spirits; alcoholic beverages; botanical-based alcoholic beverages; bitters; cider; cocktails; distilled beverages; spirits and drinks having a base of spirits; rum; gin; brandy; vodka; whisky; malt whisky; blended whisky; whisky based liqueurs; whisky for export; mixtures containing all of the aforesaid.*

And the following services:

Class 35*: Advertising; advertising services; rental of advertising space; sales promotion services; business promotional services; celebrity endorsement; business management; business administration; office functions; organisation, operation and supervision of loyalty and incentive schemes; providing price comparison information; customer and affiliate loyalty, reward, affinity and incentive programs for commercial promotion and for advertising purposes; compilation of statistics; advertising services provided via the Internet; business networking services; merchandising; business collaboration services; business and product development services; advertisement*

and marketing services provided by means of social media; advertisement and marketing of social media accounts, texts, blogs and video logs; social media strategy and marketing consultancy; providing business advice in the field of social media; advertisement and marketing services provided by means of blogs and vlogs; advertisement and marketing provided by means of blogging; production of television and radio advertisements; auctioneering; trade fairs and exhibitions; marketing, including on digital networks; market research; opinion polling; compilation of statistical information; data processing; purchasing goods and services for others; import and export services; marketing; marketing services; marketing consultancy services; on-line affiliate marketing; promotion, advertising and marketing of on-line websites; promoting the goods and services of others by arranging for sponsors to affiliate their goods and services with an awards program, a competition and entertainment activities; online subscription services for the purpose of allowing individuals to subscribe and access content uploaded by members of the service for sporting, cultural and entertainment purposes; business introduction services; market analysis services; market research services; the provision of management and consultancy services relating to all aspects of business management, statistical review and analysis, compiling statistics, market research, advertising services and making information available to the public through all forms of advertising media, including electronic media, and including all manner of direct approaches to customers, providing business information, public relations, computerised business administration for the provision of entry tickets and vouchers; advertising; business management; business administration; marketing and public relations services; business management and organisational services; registration and composition of written and digital communications; production of television and radio advertisements; incentive schemes; business consulting and management services in the field of drinks; advice for consumers; dissemination of advertisements; sales promotion; advertising matter (dissemination of -); direct mail advertising; distribution of samples; retail services, mail order retail services, electronic retail services, online retail services, wholesale services connected with the sale of alcoholic and non-alcoholic drinks, bottles, printed matter, printed publications, containers made from cardboard, calendars, printed certificates, diaries, boxes, information books, coasters, toys, games and playthings, sporting apparatus, merchandise namely digital recordings provided from the Internet, books, booklets, promotional literature,

programmes, flyers, leaflets, tickets and passes, photographs, posters, stickers, temporary tattoos, stationery, notebooks, folders, greetings cards and postcards, calendars and diaries, leather and imitation leather, bags, satchels, hand bags, wallets, cases, umbrellas, clothing, headgear, footwear; the bringing together, for the benefit of others, of a variety of design, research and development, drinks consultation and advisory services enabling customers to conveniently view and purchase those services and products relating thereto; provision of business information; provision of business, customer, product and service advice and information; digital data processing; information, advisory and consultancy services relating to all the aforesaid services, including such services provided online from a computer network and/or via a computer database or the Internet and/or extranets; none of the aforesaid services relating to vehicles, vehicle parts, vehicle maintenance or appraisal, vehicle distribution or delivery; none of the aforesaid services relating to company administration and management, and corporate finance advice; none of the aforesaid services relating to recruitment, employment or personnel; none of the aforesaid services relating to food, catering supplies or catering equipment, the procurement of food, catering supplies or catering equipment, distribution and storage services relating to food, catering supplies or catering equipment, or catering, restaurant and hospitality products or services.

2. The Application was published for opposition purposes on 8 September 2023. On 8 December 2023, Constellation Brands, Inc. ("**the Opponent**") filed an opposition based on claims under **sections 5(2)(b)**, **5(3)** and **5(4)(a)** of the Trade Marks Act 1994 ("**the Act**").

Representation, papers filed, and hearing

3. The Opponent's legal representative is Stobbs (IP) Ltd; the Applicant's is Cloch Solicitors. During the evidence rounds, the Opponent filed evidence in support of its opposition claims, comprising: a **Witness Statement of Taco Lucassen**, dated 21 May 2024, with **Exhibits TL1 – TL9** and a **Witness Statement of Geoffrey Weller** (of Stobbs), dated 22 May 2024, with **Exhibits GW1 – GW2**. The Applicant filed no evidence or submissions. The Opponent requested an oral hearing, which took place before me via video-conference on 4 March 2026. Mr Weller attended for the Opponent and filed a helpful skeleton argument beforehand. The Applicant chose

not to attend the oral hearing and did not file submissions in lieu of attending. I have read all the papers filed and will refer to points as I consider necessary for the purposes of this Decision.

The Opposition grounds

4. The claims under **sections 5(2)(b)** and **5(3)** rely on the Opponent's registered UK trade mark No. 2326825 ("**the Earlier Trade Mark**"), as follows

CONSTELLATION (Word Mark)

Filing date: 17 March 2003

Registered: 29 August 2003

Class 32: *Beers; mineral and aerated waters and other non-alcoholic drinks; fruit drinks and fruit juices*

Class 33: *Alcoholic beverages (except beers).*

5. Under **section 5(2)(b)** it is claimed that the applied-for mark is similar to the Opponent's mark, and that all of the applied-for goods and services, in Classes 32, 33, and 35, are identical or similar to the Opponent's goods, and that these factors give rise to a likelihood of confusion on the part of the consumer as to the source of the goods or services.

6. Under **section 5(3)** the claim is that, at the Relevant Date, the Opponent's trade mark had a reputation in the UK in respect of all of its goods and that use of the Applicant's trade mark, without due cause, would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the Opponent's trade mark.

7. **Section 5(4)(a)** is based on the Opponent's claim that the use of the Application in the United Kingdom was liable to be prevented by virtue of the law of passing off protecting unregistered marks and other signs in the course of trade.

8. As expressed in the Form TM7 Notice of Opposition filed on 8 December 2023, the section 5(4)(a) claim is that, by the Relevant Date, the Opponent had established goodwill in the UK in the sign / trade mark "CONSTELLATION", used throughout the UK since 2001, in respect of alcoholic beverages, non-alcoholic beverages and the

production, retail and marketing of those goods as a result of significant use of the sign throughout the United Kingdom.

Expansion of 5(4)(a) claim

9. On 17 April 2024, the Opponent filed a request to the Tribunal to formally add "CONSTELLATION BRANDS" as a second sign / mark on which to base its section 5(4)(a) claim. The Opponent claimed use of, and to be known by, that second sign, and that it is related and very similar to the CONSTELLATION sign already set out on the original Form TM7. The Opponent filed a new (second) Section C sheet of the TM7 form in relation to the CONSTELLATION BRANDS sign, noting too that paragraph 18 of the Opponent's statement of grounds had been amended "to clarify the list of services for which the two signs have been used under the section 5(4)(a) Passing Off ground". The list of goods and services in respect of which use of the two signs was claimed was expanded to read "in respect of alcoholic beverages, non-alcoholic beverages and the production, retail, wholesale, distribution and marketing of those goods" (my underlining). Again, use is claimed throughout the UK since 2001.

10. In support of the above request, the Opponent argued that the amendment enabled the Tribunal to assess the case "fully on its merits, considering all reasonable grounds of opposition"; no evidence had by that stage been filed in the proceedings and the Opponent argued that the amendment would cause no prejudice to the Applicant, who "could address the amendment by an amended counterstatement, if needed."

11. By letter of 26 April 2024 the Tribunal allowed the requested addition and admitted the new (second) Section C sheet of the TM7 form in relation to the sign CONSTELLATION BRANDS and slightly amended services.

Preliminary matter

12. The Tribunal's letter gave the Applicant a deadline of 10 May 2024 to amend its previously filed Form TM8 and counterstatement. The Applicant did not file an amended TM8 and counterstatement by that deadline, but the evidence rounds were nonetheless progressed, and on completion, the Opponent requested an oral hearing, which the registry duly arranged. In its preparatory review for the oral

hearing, the Opponent's legal representative wrote to the registry to submit that in the absence of a defence or denial in respect of the expanded claims, the Tribunal should treat the Opposition as uncontested, and the Application as abandoned.

13. The Applicant's legal representative responded by email, submitting (i) that *"the opponent had acquiesced to the continuation of proceedings on the basis that the application was maintained and filed evidence on that basis*." It pointed out that the Applicant filed a Form TM21 on 3 September 2024, narrowing the scope of its applied-for services in Class 35, and that the Registry wrote to the Opponent's legal representative on 19 September 2024, asking for written confirmation by 3 October 2024 whether this amendment permitted the opposition to be withdrawn. The Opponent filed no response, and in its letter of 20 October 2024 the Registry wrote that, in the absence of a response from the Opponent, it considered the opposition to be maintained. The Applicant's legal representative submitted (ii) that following the Opponent's logic, the opposition ought to have been dismissed in view of the Opponent's failure to respond.

14. I agree with the Opponent that the Applicant's point (ii) entails distinguishable circumstances, since the Opponent's lack of response to the Registry's request for confirmation of whether the changes to the Applicant's specification permitted withdrawal of the opposition would logically lead to continuation of the opposition. However, the fact that the Applicant had continued to make changes to its specification, at least indicated the Applicant's continued pursuit of its Application; considered together with the progression of the evidence rounds (wherein the Opponent filed its best evidence in support of its claims), and with the Opponent's subsequent request for an oral hearing, the Registry confirmed that the hearing would proceed as scheduled, where the substance of the use of the earlier trade mark "Constellation" would be considered on the evidence filed, as would the use of the two signs relied on for the 5(4)(a) grounds.

15. At the hearing, and by email shortly after the hearing, the Opponent revisited the Applicant's lack of a denial of the goodwill claimed in respect of the added sign "Constellation Brands" and of the extension of the claimed goodwill to encompass wholesale and distribution of beverages. The Tribunal therefore wrote to the parties in the following terms:

"*The opposition was the subject of a hearing held on 4 March 2026, attended only by Mr Weller, for the Opponent. Mr Hannay* [of Cloch Solicitors] *confirmed, on the day of the hearing, that in the absence of instruction by his client, the Applicant would not be represented at the hearing. No final submissions were filed in lieu of attending the oral hearing; as such the Applicant's position has been communicated only through its counterstatement of 19 February 2023 (and subsequent inferences). The counterstatement was of course made before the evidence rounds in which the Opponent filed evidence to support its claimed reputation and goodwill, and the proof of use requested by the Applicant.*

It is noted that at paragraph 15 of its counterstatement the Applicant's position is that:

i. *it put the Opponent to proof of its claimed use and ownership of substantial goodwill in the UK of the Constellation Sign since 2001 for "all alcoholic beverages, all non-alcoholic beverages, and each and every aspect of production, retail and marketing of those goods";*

ii. *it does not accept the claimed similarity of the earlier sign/mark "Constellation" or prospect of any misrepresentation or real damage to the Opponent's claimed goodwill.*

The additional sign relied on by the Opponent, subsequent to the counterstatement, is "Constellation Brands".

Subsequent to the addition of that ground (though not implying a causal effect) the Applicant amended its Application specification as indicated above.

Mr Hannay's email reproduced above confirmed the maintenance of the application, and the Applicant's points (i) and (ii) may likely be understood to apply mutatis mutandis to the amended statement of grounds. Nonetheless, given that the Applicant has not filed any document beyond its initial Form TM8, and did not take part in the oral hearing or file submissions in lieu, the hearing officer considers that it is sensible, in line with rule 74, to rectify the irregularity of the lack of a formal denial of the 5(4)(a) ground insofar as it is based on the second sign and where the claimed goodwill has been extended to cover wholesale and distribution of beverages.

The Applicant is therefore again directed to file an amended Form TM8 counterstatement making clear whether it accepts or denies the section 5(4)(a) as amended. Please do so as soon as possible, preferably by no later than Thursday 26 March 2026."

16. Mr Hannay filed an amended Form TM8 and counterstatement, clarifying that the Opponent's claims are not accepted and depend on the Tribunal's conclusions about the quality and substance of the Opponent's proof.

Goods relied on

17. The claims under all three grounds are directed against all of the applied-for goods and services. In its Form TM7, for the section 5(2)(b) and 5(3) grounds, the Opponent claimed reliance on the whole of its specification and that the earlier trade mark had been used in respect of all of those registered goods. By the time of the hearing, the Opponent had narrowed its case as initially pleaded, such that it now claimed that the evidence demonstrated use and reputation in respect only of wine and whisky. The scope of its goodwill was similarly narrowed such that its original claims should be understood as relating only to wine and whisky.

Applicant's defence

18. The Form TM8 with counterstatement (as amended) is the only formally filed response to the opposition claims; it contests the claims, putting the Opponent to proof of its use of the earlier mark and of its claimed reputation and goodwill. It also included some points of admission, to which I shall refer where relevant in this Decision.

RELEVANCE OF EU LAW

19. 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.

DECISION

THE SECTION 5(2)(B) CLAIM

20. Section 5(2)(b) of the Act provides as follows:

> **Section 5** Relative grounds for refusal of registration.
>
> […]
>
> **(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".

Proof Of Use

21. Section 6 of the Act defines what is meant by an "earlier trade mark" for the purposes of section 5; by virtue of its earlier filing date, the Opponent's trade mark qualifies as such. As it had been registered for more than five years at the filing date of the Application, it is subject to the use conditions pursuant to section 6A of the Act. Relevant provisions are set out below.

> Section 6A
>
> (1) This section applies where—
>
> (a) an application for registration of a trade mark has been published,
>
> (b) […]
>
> (c) the registration procedure for the earlier trade mark was completed before the start of the relevant period.
>
> (1A) In this section "the relevant period" means the period of 5 years ending with the date of the application for registration mentioned in subsection (1)(a) […]

(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

(3) The use conditions are met if—

(a) within the relevant period the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or

(b) the earlier trade mark has not been so used, but there are proper reasons for non-use.

(4) For these purposes—

(a) use of a trade mark includes use in a form (the "variant form") differing in elements which do not alter the distinctive character of the mark in the form in which it was registered (regardless of whether or not the trade mark in the variant form is also registered in the name of the proprietor), and

(b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

[...]

(6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.

22. In line with section 6A(2), the Opponent can rely on its Earlier Mark only to the extent that the evidence filed establishes that it had been put to genuine use in respect of the registered goods relied on, within the five years up to the date on which the Application was filed. The relevant period in which the Opponent must establish use of the Earlier Mark is therefore 26 July 2018 to 25 July 2023 ("**the Relevant Period**").

Evidence of Use

23. Section 100 of the Act makes it clear that the onus is on the Opponent to provide evidence to support the claimed use. Genuine use of the Earlier Mark must be

established during the Relevant Period and in the relevant territory – the United Kingdom.

24. This part of the Decision examines the evidence filed of use of the earlier registered trade mark. That Earlier Mark is identical to one of the signs (unregistered trade marks) relied on by the Opponent for its section 5(4)(a) claims, and the (reduced) list of registered goods relied on – namely wine and whisky - are the same as those for which a reputation is claimed and in respect of which the goodwill is claimed. Whereas genuine use of the Earlier Mark is framed by the dates of the five-year Relevant Period, evidence of goodwill is not so strictly defined by a timeframe (though goodwill is required to be shown to have existed at the Relevant Date). Some of the evidence is from outside the Relevant Period, but I nonetheless bear it in mind to the extent that there may be comment to be made on its potential contribution to the evidence of goodwill for the purposes of the section 5(4)(a) claim (and, indeed, the claimed reputation).

Proof of use - general case law

25. The applicable legal principles relating to genuine use of a registered trade mark, derived from a series of EU decisions were summarised in *easyGroup Ltd v Nuclei Ltd & Ors* [2023] EWCA Civ 1247 by Arnold LJ as follows (where I have emphasised certain points in bold):

““106. […]:

(1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Centrotherm* at [71]; *Leno* at [29]; *Ferrari* at [32].

(3) The use must be consistent with the essential function of a trade mark, which is **to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods**

or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Centrotherm* at [71]; *Leno* at [29]; *Gözze* at [37], [40]; *Ferrari* at [32].

(4) Use of the mark **must relate to goods** or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial **exploitation of the mark on the market for the relevant goods** or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is **to create or preserve an outlet for the goods** or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such **use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods** and services in question; (b) the **nature of the goods** or services; (c) the characteristics of the market concerned; (d) the **scale and frequency** of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or **just some of them**; (f) **the evidence that the proprietor is able to provide**; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34]; *Leno* at [29]-[30], [56]; *Ferrari* at [33].

(7) Use of the mark **need not always be quantitatively significant** for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of

creating or preserving market share for the relevant goods or services. For example, **use of the mark by a single client which imports the relevant goods can be sufficient** to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32].

107. […] The General Court of the European Union has repeatedly held that **genuine use of a trade mark cannot be proved by means of probabilities or suppositions, but must be demonstrated by solid and objective evidence of effective and sufficient use of the trade mark on the market concerned**: see e.g. Case T-78/19 *Lidl Stiftung & Co KG v European Union Intellectual Property Office [EU:C:2020:166*] at [25]. It has also repeatedly held that the smaller the commercial volume of the exploitation of the mark, the more necessary it is for the proprietor to produce additional evidence to dispel any doubts as to the genuineness of its use: see e.g. Lidl at [33]. In *Awareness Ltd v Plymouth City Council [2013] RPC 24* Daniel Alexander QC, sitting as the Appointed Person said:

19. For the tribunal to determine in relation to what goods or services there has been genuine use of the mark during the relevant period, **it should be provided with clear, precise, detailed and well-supported evidence** as to the nature of that use during the period in question from a person properly qualified to know. …

22. … **it is not strictly necessary to exhibit any particular kind of documentation but if it is likely that such material would exist and little or none is provided, a tribunal will be justified in rejecting the evidence as insufficiently solid.** That is all the more so since the nature and extent of use is likely to be particularly well known to the proprietor itself. **A tribunal is entitled to be sceptical of a case of use if, notwithstanding the ease with which it could have been convincingly demonstrated, the material actually provided is inconclusive.** By the time the tribunal … comes to

take its final decision, the evidence must be sufficiently solid and specific to enable the evaluation of the scope of protection to which the proprietor is legitimately entitled to be properly and fairly undertaking, having regard to the interests of the proprietor, the opponent and, it should be said, the public."

26. The genuine use provision is not there to assess economic success or large-scale commercial use.[1] An assessment of genuine use is a global assessment, which includes looking at the evidential picture as a whole, not whether each individual piece of evidence shows use by itself.[2]

Does the evidence filed establish genuine use?

27. As noted above, by the time of the hearing, the Opponent had substantially reduced the claimed scope of use of its earlier mark. It no longer relied on any of the goods registered in Class 32, and the "alcoholic beverages" in Class 33 were focused down to "wine" and "whisky". This narrowed position was not expressly referenced or conceded by the witness during the evidence rounds, but it was put forward as a fair specification in the Opponent's skeleton argument.

28. The sufficiency and relevance of the evidence of use was a focal point of the hearing. The issues discussed included:

    (i) the types and numbers of consumers exposed to the earlier trade mark;
    (ii) whether the mark shown in the evidence is use in an acceptable variant form of the word mark "Constellation", which is the Opponent's earlier registered trade mark;
    (iii) the sufficiency of the volume of sales evidenced in the UK;
    (iv) the clarity of the nature of the goods sold;
    (v) the connection of the earlier mark to those goods.

29. **The witness**: The evidence of use is given by Mr Lucassen, who is a senior officer within the Opponent's group of companies.

1 *MFE Marienfelde GmbH v OHIM*, Case T-334/01.
2 *New Yorker SHK Jeans GmbH & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-415/09, paragraph 53.

30. **The Opponent's company: Exhibit TL1** is a printout from cbrands.com (the Opponent's website) with a 2022 copyright symbol. It shows the Opponent (Constellation Brands, Inc) is listed on the New York Stock Exchange and is "a leading international producer and marketer of beer, wine and spirits, with operations in the U.S., Mexico, New Zealand and Italy." The Opponent "owns the brand license for Corona and Modelo in the U.S. to import, market and sell, exclusively and perpetually."

31. **The Opponent's brands:** Beyond those two lager beer brands, **Exhibit TL2** gives details of other drinks brands owned by the Opponent, including:
    - Kim Crawford;
    - Meiomi;
    - Double Diamond;
    - Ruffino;
    - The Prisoner Wine Company;
    - Robert Mondavi Winery;
    - Casa Noble Tequila;
    - High West Whiskey.

32. **Customers in the UK:** My assessment of genuine use is concerned only with use in the UK and, of course, with use of the earlier trade mark as an indicator of origin for the Opponent's registered goods on which it relies (wine and whisky). Mr Lucassen states that the Opponent "has a long history in the UK, beginning with the acquisition of Matthew Clark Wholesale Ltd (now Matthew Clark Bibendum) in 1998 through which [its] products are still distributed to this day." He states that the Opponent "has traded continuously in the UK since at least 2001" and that its "products reach the consumer through an extensive distribution network" selling its products "to wholesalers and retailers and distributors" including:

    - Alvini Company Ltd;
    - Liberty Wines ;
    - Marussia Beverages UK Limited;
    - Matthew Clark;
    - Bibendum Ltd;

- Four Corners Wine Company Limited.

33. It is not entirely clear whether this list of six companies is exhaustive, and it is not clear at what date Matthew Clark (listed separately as one of the six, along with Bibendum) may have united with Bibendum, as the witness indicates. Information about these companies is set out at **Exhibit TL3**, from which I note the following points, for example: Alvini Company Ltd describes itself as "*The UK's favourite Italian product specialist since 1975*"[3]); Liberty Wines offers "*Premium wines for leading restaurants and retailers throughout the UK*"[4]; Marussia is "*an international producer and distributor of spirits, and liqueur, wines and sake … [and] … is the UK's leading artisanal spirits business with an exceptional portfolio of authentic spirit brands"*; Matthew Clark Wholesale Limited, is described as "*the UK's largest independent premier drink wholesaler and distributor serving the on-trade drinks industry*."[5]

34. It is trite law that trade mark questions must be viewed through the eyes of the average consumer of the goods in question.[6] It is therefore necessary to determine who is the average consumer of the relevant goods. The Opponent's position, as argued at the hearing, is that the relevant average consumer for the purpose of the establishing genuine use includes business intermediaries such as those listed above – wholesalers, distributors and retailers. While wine and whisky will be purchased by an adult member of the general public, I accept that case law is clear that the relevant public for genuine use is not confined to the end user (i.e. the retail environment) and can include professional intermediaries.[7] Use of the earlier trade mark directed to such consumers may therefore be considered in the assessment of genuine use. The evidence does not address the general public (the end consumer), but I base my assessment of genuine use in relation to the wholesalers and other intermediary companies listed above, who comprise a legitimate constituent of the average consumer group. This gives the Opponent its best case though, for reasons that will become clear below, nothing will turn on this.

---

3 Page 3 of Exhibit TL3.
4 Page 31 Exhibit TL3.
5 Page 45 Exhibit TL3.
6 *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), paragraph 60
7 See for instance paragraph 40 of Appeal Decision BL O/0984/25, *Eros Bodyglide* trade mark, Professor Phillip Johnson as the Appointed Person.

Variant form use

35. Mr Weller stated that Constellation Brands is "routinely referred to simply as CONSTELLATION" and his skeleton argument identifies instances shown in the evidence. I note that the examples identified are these:

Exhibit TL2 (which comprises approximately 70 pages)
Page 38 shows an article on cbrands.com from August 2015, with the title "Constellation Brands completes Meiomi Wine Acquisition". **Pages 42-44** show an article on cbrands.com from October 2011, with the title "Constellation purchases remaining portion of iconic Ruffino Wine business". **Page 51** shows an article on cbrands.com from August 2014, with the title "Constellation Brands to purchase Casa Noble Tequila".
Exhibit TL3 (which comprises approximately 118 pages)
Pages 45-46 show an article on cbrands.com dated April 2007, with the title "Constellation Brands announces UK Joint Venture for Matthew Clark Wholesale Business". **Page 109** shows an article dated 15 November 2022, from winespectator.com. The article is headed "TOP 10 #2 Schrader Cellars Cabernet Sauvignon Oakville Double Diamond 2019". In the ten short paragraphs of the article, one refers to the Opponent, noting that the wine in question is from a brand "purchased in 2016 by Constellation" and that the Cabernet in question (Schrader Cellars Double Diamond) functions as a "second wine" (as distinct from a "grand vin") and is able "to include additional fruit from Constellation's considerable arsenal of vineyards." The top ten article shows no sign of direction or exposure to a UK audience and the price of the wine is given in dollars.

Exhibit TL7 (which comprises approximately 29 pages)

Page 24 shows an article from drinks-insight-network.com dated 1 October 2019, headed “Marussia to distribute Constellation craft spirits in UK”. All other references in the article are to “Constellation Brands”. The article states, for example, that Marussia Beverages (“the UK's premium spirits distributor) signed a distribution agreement with “alcoholic beverages producer Constellation Brands to distribute 3 craft spirit brands of Constellation Brands across the UK in both the on- and off- trade, introducing the UK to the Real McCoy, Casa Noble and High West.”

Page 25 shows an article dated 3 July 2023 from thedrinksbusiness.com, with the title “Constellation Brands sees over 40% rise in eCommerce D2C (direct-to-consumer) sales in first quarter”. The article later refers to “Constellation’s president” / “Constellation-owned brand Ruffino” / “Constellation’s strategy”. Mr Lucassen states at paragraph 15 of his witness statement that “The Drinks Business” is a UK-based trade publication, though the article shows no sign of obvious direction to a UK audience and the success of the strategy is referenced in dollars. In any event, there is no evidence of the reach of the article to the UK (trade) consumer, and the use is not trade mark use.

Pages 28-29 shows an article dated 12 April 2024 from thedrinksbusiness.com with the title “Constellation forecasts profits above expectations”. This is from after the Relevant Date and again shows no sign of direction to a UK audience – referring to the behaviour only of “US consumers” and the success of the results is referenced in dollars.

Exhibit TL8 (which comprises 2 pages)

I did not find this exhibit to make the point suggested by Mr Weller (regarding the claimed common shortening of Constellation Brands to “Constellation”), but I shall refer below to what it does show, in connection with the evidence of award recognition.

36. My view on Mr Weller's claim stated that Constellation Brands is "routinely referred to simply as CONSTELLATION", is that the evidence in that regard in the table above suffers from various flaws: much of the evidence falls outside the Relevant Period (though some references are within period); none of it is shown as likely to have been encountered by the UK average consumer, rather the references are often in articles on the Opponent's own seemingly US-based website focused on the US consumer (with no obvious direction to or engagement of a UK audience); and none of the evidence is clearly use as a trade mark, rather it tends to show only that the company name of the Opponent (in one or other of its incorporations) is sometimes referred to as "Constellation", where it functions simply as an understandable abbreviated shortcut reference to "Constellation Brands" – the Opponent company – as is consistently made clear in the context of the surrounding article text.

37. Mr Weller argued that the BRANDS element is non-distinctive in this context, that use of "Constellation Brands" is still use of "Constellation" (the earlier mark) and that even if "Constellation Brands" were considered a unit, "Constellation" still continues to indicate origin. He referred me to the case law of *Lactalis McLelland Limited v Arla Foods AMBA,* BL O/265/22. Pertinent paragraphs in that case are 13 - 17, where, Professor Phillip Johnson, sitting as the Appointed Person, stated, among other things that the addition of descriptive or suggestive words is unlikely to change the distinctive character of the mark. Professor Johnson's examples included ARKTIS LINE as acceptable use of the registered mark ARKTIS.[8] Contrastingly, I note paragraph 17 of that Appeal Decision, where Professor Johnson states:

> "*17. It is also worth highlighting the recent case of T-615/20 Mood Media v EUIPO, EU:T:2022:109 where the General Court was considering whether the use of various marks amounted to the use of the registered mark MOOD MEDIA. It took the view that the omission of the word "MEDIA" would affect the distinctive character of the mark (see [61 and 62]) because MOOD and MEDIA were in combination weakly distinctive, and the word MOOD alone was less distinctive still.*"

8 T-258/13 Artkis, EU:T:2015:207, [27]

38. In the present case, I find that Constellation Brands falls closer to the Arktis Line side of things, than to Mood Media. I find that the evidence contains very few references to the earlier mark "Constellation" as a stand-alone word as registered. For what its worth, I am inclined to find that the Opponent is able to rely on evidence of "Constellation Brands" as an acceptable variant of the "Constellation" mark for the purposes of establishing genuine use of its registered Earlier Mark. However, it remains necessary for the evidence to show use *as a trade mark* and that that trade mark use is in respect of the registered goods on which it relies (now just wine and whisky). Use that refers simply to a company name is insufficient.

Evidence of sales

39. Mr Lucassen addresses sales information at paragraphs 10 - 13 of his witness statement. He states that Constellation Brands's net sales in the UK for all its brands for 2015 to 2024 totalled $19,929,639 – so just under 20 million US dollars in nine years from 1 March 2015 to 28 February 2024. Mr Lucassen states that a "breakdown" is shown at **Exhibit TL4.** The witness does not give the dollar value arising from the five-year Relevant Period. **Exhibit TL4** is the table reproduced below, listing approximate "Number of 12 bottle / 9L cases" "for all its brands" for the fiscal years 2018 – 2024.

Fiscal Year (1 March - 28 February)	**Approximate No. of 12 bottle / 9L cases**
FY24	7500
FY23	22,500
FY22	22,500
FY21	10,000
FY20	15,000
FY19	15,000
FY18	20,000

40. The witness states that the Opponent sold a total of "328,535 units of 12 bottle cases in the UK for all its brands from 2015 to 2024". Based on these data points, I have tried to "do the math". From the table above, it appears that 112,500 units of 12-bottle

cases were sold in the UK from 1st March 2018 – 28 February 2024. (This equates to a total of 1.35 million bottles for all of the Opponent's brands – the products are not specified; it is clear that they include wine, though the invoice evidence tends to refer to cases of 6 bottles) The Relevant Period spans from 26 July 2018 to 25 July 2023, so the dates in the table seemingly predate the Relevant Period by nearly five months, and extend seven months beyond it. Even so, the Opponent appears to have sold, on average, perhaps 20,000 cases of bottles – covering of all its brands (so perhaps 240,000 bottles, annually, averaged across the Relevant Period). I note that the Opponent's brands include tequila; tequila is not among the goods relied on, and it is unclear to what extent brands other than for wine and whisky may (or not) factor into the product figures given. Mr Lucassen states that "some of Constellation Brands's biggest selling products in the UK include":

(i) KIM CRAWFORD - said to have sold "over 65,898 units of 12-bottle cases from 2015 - 2024" – the figure for the Relevant Period is not given.

(ii) ROBERT MONDAVI WINERY - said to have sold "over 5720 units of 12-bottle cases from 2015 - 2024" – the figure for the Relevant Period is not given.

(iii) DOUBLE DIAMOND - said to have sold "over 244 12-bottle cases from 2022 to 2024 in the UK". That totals 2928 bottles of that wine sold in those years, but the figures for the Relevant Period are not given.

(iv) HIGH WEST said to have sold "over 872 12-bottle cases from 2022 to 2024 in the UK". That totals 10,464 bottles of whiskey sold in those years, but the figures for the Relevant Period are not given.

Invoices

41. **Exhibit TL5** shows copies of five invoices, described by the witness as "a sample selection of invoices from 2021 to 2023 showing sales of various Constellation Brands products from Constellation Brands Europe Trading S.R.L to one of our UK customers namely Four Corners Wine Company Limited." It is perhaps worth detailing the content of each of those five invoices. All five are to the same address of the Four Corners Wine Company in Henley-on-Thames, and the dates and orders are these:

6 September 2021
Double Diamond Cabernet Sauvignon 2018 750 ml - 6 bottles in a case

"**Double Diamond**" 10 cases - unit price $246 – Total to pay $2460
7 September 2021
119 cases of Double Diamond - Total $29,274
30 May 2022
To Kalon Vineyard Co Highest Beauty Cabernet Sauvignon Oakville 2017 "**To Kalon Vineyard**" 3 cases – unit price $315 – Total to pay $945
15 June 2022
Various To Kalon Vineyard wines – Total 11 cases 44 cases Double Diamond wine Total to pay – $15,039
4 January 2023
Double Diamond (2019) (6 bottle case) 264 cases – Total to pay $68,112

42. Those 5 single invoices are all that is shown in evidence by way of corroboration of sales. No explanation is given for why the sample of invoices is quite so restricted – relating to a single customer over the span of just 14 months and relating to just two wine brands. However, there has been no challenge to the evidence, so I accept the sales totals stated by the witness, as per my summary interpretation at paragraph 40 above. Certainly, the invoices individually show substantial and repeated sales of wine.

43. Each of the five invoices bears a European head office address in Italy, the cbrands.com URL and this sign at the top right corner:

44. A central issue at the hearing, as noted at paragraph 28(v) above, was whether the evidence demonstrated a sufficient connection, for the purposes of genuine use, between the Earlier Mark and the registered goods on which the Opponent relies. Shortly after the hearing, Mr Weller contacted the tribunal hearings team to draw my

attention to the recent Decision of the Appointed Person in EROS BODYGLIDE,[9] and to the points it highlighted from *T-71/13 Anapurna GmbH v OHIM*.

45. The *Annapurna* case was concerned with use establishing genuine use of that mark in respect, inter alia, of bags and clothing.[10] I note the following relevant extracts from that case:

> *"44 … a connection between the use of the mark at issue and the goods concerned can be established without it being necessary for the mark to be affixed on the goods (see, to that effect, Case C-17/06 Céline[2007] ECR I-7041, paragraphs 21 to 23, and Case T-132/09 Epcos v OHIM – Epco Sistemas (EPCOS) [2010], not published in the ECR, paragraphs 38 to 40).*
>
> *45 Secondly, although the probative value of an item of evidence is limited to the extent that, individually, it does not show with certainty whether, and how, the goods concerned were placed on the market, and although that item of evidence is therefore not in itself decisive, it may nevertheless be taken into account in the overall assessment as to whether the use is genuine.*
>
> *…*
>
> *46 The applicant claims with regard to the 'bags' in Class 18 that the Board of Appeal could not establish genuine use by relying on several invoices which refer to leather bags with cashmere lining and woven bags. According to the applicant, despite photographs and statutory declarations, it is not certain that the bags have in fact been sold under the mark ANNAPURNA.*
>
> *…*
>
> *48 It should be observed that the mark at issue is affixed, in large letters and at the top of the page, on each of the invoices included in Annex 2 of the evidence presented before OHIM. Those invoices establish therefore a clearly visible connection between the mark at issue and the goods mentioned on the invoices, more than ten of which refer to the sale of bags. Furthermore, other items of evidence also refer to bags. Annex 4 of the evidence presented before*

9 O-0984-25, paragraphs 39-43. Mr Hannay, having been copied into Mr Weller's email, confirmed that he took no issue with the request to draw the tribunal's attention to the case law cited by Mr Weller.

10 Paragraph 58 of that case refers to the conclusive evidence filed in respect of clothes , slippers and headgear' in Class 25, including hundreds of invoices

OHIM includes, for example, lists of goods referring ten times to bags, and six photographs of those articles. If it is the case that the probative value of that annex is limited, in so far as the photographs it includes are not dated and do not allow it to be concluded that there was in fact a sale of the photographed goods, it nevertheless confirms the finding resulting from the analysis of the invoices included in Annex 2 (see, to that effect, the case-law cited in paragraph 45 above). That is the case in relation to the pictures included in Annexes 5 and 6 of the evidence presented before OHIM. Those pictures, taken from fashion reviews, show bags of the mark ANNAPURNA.

49 It follows that the Board of Appeal was correct to hold that the use of the mark had been demonstrated in relation to the 'bags' in Class18.

…

60 Regarding the applicant's argument that the pictures do not show the mark at issue affixed on the goods and cannot therefore constitute proof of use of the mark in relation to the goods, it is necessary to note the finding made in paragraph 44 above that it is not necessary that the mark at issue be affixed on the goods for there to be genuine use of it in relation to those goods. It suffices that the use of the mark establishes a connection between the mark and the sale of its goods. The presence of the mark at issue on the invoices, articles and advertisements relating to the goods concerned establishes that connection.

46. The *Eros Bodyglide* case concerned a need to establish genuine use in respect, inter alia, of "*an applicant and coating for superficial epidermal anti-chafing balm*" in Class 3. At paragraph 39 of that appeal decision, Professor Johnson, as the Appointed Person, states:

"The Appellant filed evidence of numerous invoices having dates throughout the relevant period. Each of these included the "body glide" logo in blue in the top left-hand corner. While these invoices include a variety of products, a large number of the invoiced products were "anti-chafe balm" or "anti-blister and chafing stick". The Hearing Officer discussed this evidence at Decision, [40] and stated that, while they "include the wording 'body glide', there is nothing to

suggest how the end consumers would be confronted with this branding in the retail environments."

47. The Appointed Person, having confirmed that the relevant public for genuine use can include professional intermediaries, stated:

42 While these invoices are redacted, they clearly show supplies of "anti-chafe balm" throughout the relevant period to businesses in the United Kingdom, Denmark, Greece*, Germany, Ireland and Spain in small, but not negligible, quantities. In light of Anapurna, it does not matter whether the goods the invoice record being sold had the BODYGLIDE or BODY GLIDE trade mark affixed to them. There is a clear connection between the trade mark being used on the invoices and the goods recorded on those invoices.*

43 Therefore, the invoice evidence is sufficient to suggest that BODY GLIDE has been used in relation to anti-chafe balm during the relevant period.

48. It is clear that genuine use of a registered trade mark does not require that the mark be affixed to the goods in question.[11] However, I do not accept that the invoice evidence in this case establishes actual or genuine use in respect of the registered goods claimed, for the following reasons.

49. Firstly, the *Eros Bodyglide* case involved evidence of "numerous invoices". In the present case, the Opponent has filed only five invoices, confined to one distributor, with no explanation of why it filed no invoices for its other named intermediaries; moreover, the witness does not state that the Constellation Brands sign (alongside the shooting star logo, as shown above) is presented on all invoices to all its UK consumers.

50. Secondly, the invoices in the present case relate only to wine, so cannot show use in respect of whisky.

11 This point is consistent with the fact that a trade mark may be registered in respect of services, which are, of course, non-physical.

51. Thirdly, the invoices featuring the Body glide logo, referred to various goods of a sort falling within the scope of the specified anti-chafing goods, but failed to show how the goods themselves were labelled or if they bore the Bodyglide mark. In the present case, there is no suggestion - in the witness evidence, the invoices or in any other exhibit - that the wine goods bear the Earlier Mark, but. most importantly, it is instead clear that the two wines shown in the invoices are referred to, and would be labelled ““To Kalon Vineyard” and “Double Diamond”.

52. The evidence must of course be assessed in the round, but although there are some references to the fact that the Opponent company, Constellation Brands, owns various wines and spirit brands, I am not satisfied, even viewed through the eyes of a specialised tranche of the average consumer (professionals buying wholesale) that the evidence shows a sufficient connection between the Earlier Mark “Constellation” and the purchased wine goods. There is no robust evidence as to what exposure that UK average consumer may have had to any of the materials exhibited in evidence. The evidence does not show that the exhibited content was directed to UK consumers and even if some UK buyers may know that Constellation Brands owns various wines and spirit brands, the evidence tends very much to show that the responsibility for the goods lies with various undertakings that are not the Opponent. For instance, in **Exhibit TL3**, Kim Crawford wine is described as “a New Zealand Sauvignon Blanc that is a top-seller in the U.S”;[12] the Meiomi Pinot Noir, Monterey-Sonoma-Santa Barbara 2019 blend shown at page 51 of TL3 identifies the “Producer” as Meiomi; and at page 67 of the exhibit, the Double Diamond Cabernet sauvignon, Oakville, Napa Valley is identified as vinted & bottled by Schrader Cellars.

53. Mr Lucassen states that “Constellation Brands and its products regularly appear in the mainstream and drinks industry press.” **Exhibit TL7** is described as a selection of such media coverage; most of those articles date from after the Relevant Period. Only three examples of articles from “mainstream” press are referenced: one from The Standard, one from The St Alban’s Times and one Instagram post by @thelondonwinegirl. All three date from 2024 (after the Relevant Period) and although they include some mention of, for example, Schrader’s Cellars, To Kalon

12 Page 32 of Exhibit TL3.

Vineyard, Robert Mondavi and The Prisoner Wine Company, I saw no reference at all to Constellation Brands (let alone to the Earlier Mark).

Other evidence

54. **Social media:** There is very little evidence of the Opponent engaging in advertising or promotion of goods under the Earlier Mark to the UK market. The witness refers to social media in the form of Constellation Brands having a presence on LinkedIn and that **Exhibit TL6** shows "a selection of LinkedIn posts illustrating the promotion of Constellation Brands and our products." Only three pages from LinkedIn are shown, and none of them suggest any targeting of UK consumers. There are references to the US, New York ("NY") and dollars and an undated page (266 likes) mentioning that La Fête rosé "is set to enter France, the UK, Mexico and the Caribbean and West Africa this year." All of the other articles in Exhibit TL6 are from 2024 (after the Relevant Date).

55. **Awards:** The witness states that "Constellation Brands's products were awarded medals in the Bartenders Brand Awards 2023, a UK bar industry competition." **Exhibit TL8** shows a notifying email dated 6 February 2023 from the Bartender Brand Awards (to Paolo Pozzi); it contains a table detailing the awards, where the "Brand Name" includes High West Campfire and High West American Prairie Bourbon in the American Whiskey category (Bronze award) and the "Company Name" is given as Constellation Brands Europe Trade Srl. Casa Noble Tequila is also shown as an award recipient.

56. The witness states that:

"*Constellation Brands's products have won numerous medals at The Drink Business Global Masters competitions, in the last 5 years. Constellation Brands only submits wines that have/had distribution in the UK Market, using Constellation Brands's company name. Constellation Brands' products have received many awards from IWSC (The International Wine & Spirit Competition Ltd) a leading alcoholic drinks industry body based in the UK. Attached at Exhibit TL9 are prints from the IWSC website giving background on that body and the competition and its prominent position in the UK drinks industry and showing the numerous Constellation Brands products that have been recognised over the*

years including the Robert Mondavi Chardonnay which won an award in 2023 and the Kung Fu Girl Riesling which won an award in 2020 – both of these Constellation Brands products have been and are sold in the UK."

57. This awards evidence does not, in my view, show actual use of the Earlier Mark. Taking the evidence in the round, I find that the Opponent has failed to satisfy the onus on it to show genuine use of the Earlier Mark in respect of wine or whisky. Not only is the scale and frequency of use of the Constellation Brands sign unclear, but the Earlier Mark has not been used to create or preserve an outlet for the goods that bear the mark nor to guarantee the identity of the origin of the goods to the consumer or end user by enabling him to distinguish the goods from others which have another origin. The evidence of use fails to establish a connection between the mark and the goods sold. The evidence in respect of whisky is weaker still, lacking any evidence of invoices to professional intermediaries in respect of whiskey.

OUTCOME OF THE SECTION 5(2)(B) CLAIM

58. Since I find that the Opponent has not provided evidence that satisfies the requirements of genuine use, then it follows from section 6A(2) of the Act, that it is unable to rely on its Earlier Mark for the purposes of section 5(2)(b) of the Act. The opposition under this ground therefore inevitably fails.

THE SECTION 5(3) CLAIM

59. Section 5(3) of the Act provides as follows:

(3) A trade mark which is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark."

(3A) Subsection (3) applies irrespective of whether the goods and services for which the trade mark is to be registered are identical with, similar to or not similar to those for which the earlier trade mark is protected.]

60. In the present case, a prerequisite to reliance on a reputation claimed for the Earlier Mark, is that it must satisfy the use conditions set out in section 6(A) of the Act, proof of which was requested by the Applicant. Since the Opponent's evidence fails, for all of reasons I have previously explored, to demonstrate the required genuine use, it is unable to rely on its Earlier Mark for the purposes of section 5(3) of the Act. The opposition under this ground therefore also inevitably fails. For the sake of completeness, I anyway find that the evidence does not demonstrate the required reputation, without which the ground cannot succeed.

61. A trade mark has a reputation within the meaning of section 5(3) if it was known to a significant part of the relevant public at the relevant date; the relevant public are those concerned by the products or services covered by the trade mark. There is no fixed percentage threshold which can be used to assess what constitutes a significant part of the public;[13] it is proportion rather than absolute numbers that matters. Reputation constitutes a knowledge threshold, to be assessed according to a combination of geographical and economic criteria. All relevant facts are to be taken into consideration when making the assessment, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.[14]

62. The relevant public for the registered goods is the UK public at large (including professional intermediaries). It is clear from my close account of the evidence that it is insufficient to establish any reputation in the Earlier Mark (in respect of wine and whisky). There is no evidence of marketing spend, customer base/reach, geographic spread or market share. The sales figures taken at their highest do not suggest knowledge by a significant part of the relevant public, where the market for wine and whisky in the UK is very sizeable.

43 **OUTCOME UNDER SECTION 5(3):** The claim under section 5(3) fails.

13 General Motors, C-375/97, EU:C:1999:408; paragraph 26
14 See, for instance, ruling of Judge Hacon in *Burgerista Operations GmbH v Burgista Bros Limited* [2018] EWHC (IPEC),

THE SECTION 5(4)(a) CLAIM

44 Section 5(4)(a) of the Act provides as follows:

> **(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, where the condition in subsection (4A) is met,
>
> ….
>
> A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an "earlier right" in relation to the trade mark.
>
> (4A) The condition mentioned in subsection (4)(a) is that the rights to the unregistered trade mark or other sign were acquired prior to the date of application for registration of the trade mark or date of the priority claimed for that application.
>
> 5A Grounds for refusal relating to only some of the goods or services
>
> Where grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the trade mark is applied for, the application is to be refused in relation to those goods and services only.

45 The section 5(4)(a) ground requires evidence of relevant actionable goodwill associated with the unregistered signs – "Constellation" and "Constellation Brands" ("**the Signs**") - in relation to the goods and services detailed in the expanded statement of grounds, namely: in respect of "alcoholic beverages, non-alcoholic beverages and the production, retail, wholesale, distribution and marketing of those goods", though since, by the time of the hearing, the Opponent had narrowed its claimed use to *wine* and *whisky*, I consider the claimed goodwill reduced accordingly.

Applicable principles

46 In *Discount Outlet v Feel Good UK,* [2017] EWHC 1400 IPEC, Her Honour Judge Melissa Clarke, sitting as a Deputy Judge of the High Court, conveniently summarised the essential requirements of the law of passing off as follows:

"55. The elements necessary to reach a finding of passing off are the 'classical trinity' of that tort as described by Lord Oliver in the Jif Lemon case (*Reckitt & Colman Product v Borden* [1990] 1 WLR 491 HL, [1990] RPC 341, HL), namely **goodwill** or reputation; **misrepresentation** leading to deception or a likelihood of deception; and **damage** resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all three limbs.

56. In relation to deception, the court must assess whether *"a substantial number"* of the Claimants' customers or potential customers are deceived, but it is not necessary to show that all or even most of them are deceived (per *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21)."

47 **Goodwill:** The first element described in *Reckitt & Colman* refers to "goodwill or reputation", although case law has developed so as to distinguish between goodwill and "mere reputation" – the latter being insufficient alone to sustain a claim of passing off. To satisfy the first element of the tort, the Opponent is required to show that it has goodwill among UK consumers.

48 The best-known case as to the meaning of 'goodwill' is given in *IRC v Muller and Co's Margarine Limited* [1901] AC 217. At 223, Lord MacNaghten said:

"What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation, and connection of a business. It is the attractive force which brings in custom."

49 In *Hart v Relentless Records*, Jacob J. (as he then was) stated his view that "the law of passing off does not protect a goodwill of trivial extent. …. one is looking for more than a minimal reputation."[15] This does not mean that a small business is incapable of establishing goodwill - even though its goodwill may be modest, a business can protect signs which are distinctive of that business under the law of passing off. Thus, in *Lumos Skincare Ltd v Sweet Squared Ltd*,[16] the Court of Appeal upheld a claim for passing off based on the claimant's use of the mark "LUMOS" for around three years

15 *Hart & Anor v Relentless Records* [2002] EWHC 1984 (Ch) [62]
16 [2013] EWCA Civ 590

before the defendant's use of the same mark, even though sales volumes and turnover were modest.

50 Halsbury's Laws of England Vol. 97A (2021 reissue) contains guidance on establishing the likelihood of **misrepresentation** or deception, in particular, paragraph 636, in which it is noted (with footnotes omitted) that:

> "Establishing a likelihood of deception generally requires the presence of two factual elements:
>
> (1) that a name, mark or other distinctive indicium used by the claimant 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 indicium 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 two successive hurdles which the claimant must surmount, consideration of these two aspects cannot be completely separated from each other.
>
> The question whether deception is likely is one for the court, which 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 claimant and the defendant carry on business;
> (c) the similarity of the mark, name etc used by the defendant to that of the claimant;
> (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 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."

My findings on the section 5(4)(a) claim

51 As I have summarised above, the evidence of use tends to be almost exclusively in respect of "Constellation Brands", so to the extent that the evidence supports goodwill at all, I find that is founded only on that Sign.[17] However, it is also clear that the distinctive part of that Sign is the word "Constellation", and I find that the applied-for trade mark – the lightly stylised Constellation X – is sufficiently similar to the Opponent's Sign that it has the potential to give rise to a misrepresentation. Want of similarity is not therefore a particularly significant consideration amongst my findings under this ground.

52 In my view, the main significant factors in the present claim centre around: the strength and scope of the evidenced goodwill in the UK (the nature and extent of the reputation relied upon); the manner in which the Opponent has used its Sign, how that trade operates and what class of persons is likely to be deceived.

53 The Opponent claims to have used its Sign since 2001, and the uncontested evidence is that, taking together all of the brands owned by the Opponent, sales in the UK between 1 March 2015 to 28 February 2024 totalled just under 20 million US dollars, based on 328,535 units of 12 bottle cases, including a total of 1.35 million bottles from 1 March 2018 – 28 February 2024. The products and brands are not precisely stated, but it is clear that they include wines, which is the main focus of the evidence. The invoice evidence shows, for example, that 119 cases of Double Diamond totalling over $29k were sold in September 2021. This volume of sales across nine years is certainly not insignificant, though given the size of the wine (and whisky) market in the UK, it is not apparent that the sales by the Opponent to its network of wholesalers and distributors (of whom six are identified) are of a scale likely to generate a high degree of goodwill.

54 There is no significant evidence of promotional activity directed to the UK that may drive reputation or goodwill – even among the narrower slice of consumer group made up of trade intermediaries. Some of the drink brands owned by the Opponent have won awards, but whatever (unclear) degree of reputation or attractive force that

17 Alternatively put, this sign represents the Opponent's best case, because any claim based on the sign CONSTELLATION solus could only possibly be founded on the use of the sign CONSTELLATION BRANDS.

may result from such recognition is likely to attach more substantially to the individual brand names, rather than to the company name of the ultimate owner of the brand.

55 There is evidence of wine sales, and some (very limited) evidence relating the *High West* whiskey brand owned by the Opponent. However, in respect of such goods, the goodwill will attach not to the claimed Signs but to the relevant brand name - *Double Diamond*, *The Prisoner Wine Company*, *High West* and so on. **Exhibit GW1** to the witness statement of Mr Weller shows a couple of printouts from the website of bacardilimited.com. The pages refer to "the outstanding breadth and depth of our family of brands and labels" – which are shown to include not only Bacardi rum, but also *Grey Goose* vodka,*Tequila Patrón*, *Dewar's* whisky and *Bombay Sapphire* gin. While it is possible that Bacardi Limited may own the goodwill associated those brands, the name Barcardi is not distinctive of those goods. It is, for example, the sign "*Grey Goose*" that is the attractive force that brings in custom for that vodka. The same applies in the present case – *Constellation* is not distinctive of the goodwill that may attach to, say *Robert Mondavi*, wine. I find that the Opponent does not own distinctive goodwill based on its claimed Signs for any of its claimed *goods*.

56 Moreover, although the evidence refers to the Opponent at least having access to vineyards, it does not provide detail enough for a finding that the Opponent owns relevant goodwill for the claimed "production" of beverages. Nor does the evidence show that the Opponent has goodwill in the UK for the *retail* of such goods. I am not even satisfied, absent clear promotional or other relevant content, that the evidence convincingly shows goodwill in the UK in respect of *marketing* or *distribution* activity. That said, I find the evidence does show that the Opponent has fulfilled bulk and repeated orders of wine to trade intermediaries in the UK; if I hesitate to consider this to equate to distribution services, I nonetheless find that the Opponent benefits from goodwill based on its wholesale services (from outside the UK) to its UK customers, who may themselves be wholesalers, distributors or even retailers of the goods in the UK.

57 As I am satisfied that, based on its wholesale sales of imported wine to suppliers in the UK, the Opponent has the benefit of goodwill in connection with the sign Constellation Brands, I therefore move to consider the second component of passing off – the question of misrepresentation. I have already acknowledged that the

Applicant's mark is similar to the Opponent's Sign(s). In my view, given the important similarity between the parties' signs, the key issue is the extent to which the Opponent's goodwill in the UK -- which I find to be modest and narrowly confined to wholesale wine import / export services - may reasonably and properly be considered to give rise to a misrepresentation, likely to deceive the Opponent's customers or potential customers. And if there is a real risk of misrepresentation / deceit, is there then also the required consequent damage?

58 With regard to the applied-for goods in Classes 32 or 33, I find the goodwill for wholesale of wine (bearing trade marks distinctive of undertakings other than the Opponent) is too modest to give rise to misrepresentation among the relevant public, nor any damage to the Opponent's goodwill in the UK. The section 5(4)(a) claim fails in respect of those goods in the application.

59 Looking across the applied-for specification of services in Class 35, I find that the Opponent's goodwill footprint is deep and strong enough to give rise to misrepresentation and damage in respect of the following:

- *import and export services*
- *online retail services, wholesale services connected with the sale of alcoholic drinks,*
- *distribution of samples*

60 The above specified services appear to me to be sufficiently aligned or integral to the activities that have given rise to the earlier right owned by the Opponent. I have given consideration to whether other terms might also be objectionable on the grounds of passing off, including: *business collaboration services; trade fairs and exhibitions; sales promotion services; marketing services; business consulting and management services in the field of drinks*. These services may be adjacent to the wholesale wine services that underpin the earlier right, but the evidence is not clear enough to establish that the Opponent's goodwill extends to such terms, and while the evidence does establish goodwill extending to services comprising wholesale distribution of imported wine, the strength of that goodwill is itself relatively modest even among the trade relevant public. The protection afforded by the Opponent's earlier right is

limited, and, it seems to me, sufficient to deny the Applicant trade mark registration only in respect of the most closely related services that are bulleted above. The section 5(4)(a) claim fails in respect of all other services.

61 **OVERALL OUTCOME** The opposition succeeds only in respect of the services bulleted at paragraph 59 above and scored through in the presentation of Class 35 below. Subject to any successful appeal of this decision, trade mark application **3937768** may proceed to registration in respect of all of the goods in Classes 32 and 33 and all of the services in Class 35 that not scored through below.

Class 35*: Advertising; advertising services; rental of advertising space; sales promotion services; business promotional services; celebrity endorsement; business management; business administration; office functions; organisation, operation and supervision of loyalty and incentive schemes; providing price comparison information; customer and affiliate loyalty, reward, affinity and incentive programs for commercial promotion and for advertising purposes; compilation of statistics; advertising services provided via the Internet; business networking services; merchandising; business collaboration services; business and product development services; advertisement and marketing services provided by means of social media; advertisement and marketing of social media accounts, texts, blogs and video logs; social media strategy and marketing consultancy; providing business advice in the field of social media; advertisement and marketing services provided by means of blogs and vlogs; advertisement and marketing provided by means of blogging; production of television and radio advertisements; auctioneering; trade fairs and exhibitions; marketing, including on digital networks; market research; opinion polling; compilation of statistical information; data processing; purchasing goods and services for others;* ~~***import and export services***~~*; marketing; marketing services; marketing consultancy services; on-line affiliate marketing; promotion, advertising and marketing of on-line websites; promoting the goods and services of others by arranging for sponsors to affiliate their goods and services with an awards program, a competition and entertainment activities; online subscription services for the purpose of allowing individuals to subscribe and access content uploaded by members of the service for sporting, cultural and entertainment purposes; business introduction services; market analysis services; market research services; the provision of management and*

consultancy services relating to all aspects of business management, statistical review and analysis, compiling statistics, market research, advertising services and making information available to the public through all forms of advertising media, including electronic media, and including all manner of direct approaches to customers, providing business information, public relations, computerised business administration for the provision of entry tickets and vouchers; advertising; business management; business administration; marketing and public relations services; business management and organisational services; registration and composition of written and digital communications; production of television and radio advertisements; incentive schemes; business consulting and management services in the field of drinks; advice for consumers; dissemination of advertisements; sales promotion; advertising matter (dissemination of -); direct mail advertising; ~~***distribution of samples***~~*; retail services, mail order retail services, electronic retail services,* ~~***online retail services, wholesale services connected with the sale of alcoholic and non-alcoholic drinks,***~~ *bottles, printed matter, printed publications, containers made from cardboard, calendars, printed certificates, diaries, boxes, information books, coasters, toys, games and playthings, sporting apparatus, merchandise namely digital recordings provided from the Internet, books, booklets, promotional literature, programmes, flyers, leaflets, tickets and passes, photographs, posters, stickers, temporary tattoos, stationery, notebooks, folders, greetings cards and postcards, calendars and diaries, leather and imitation leather, bags, satchels, hand bags, wallets, cases, umbrellas, clothing, headgear, footwear; the bringing together, for the benefit of others, of a variety of design, research and development, drinks consultation and advisory services enabling customers to conveniently view and purchase those services and products relating thereto; provision of business information; provision of business, customer, product and service advice and information; digital data processing; information, advisory and consultancy services relating to all the aforesaid services, including such services provided online from a computer network and/or via a computer database or the Internet and/or extranets; none of the aforesaid services relating to vehicles, vehicle parts, vehicle maintenance or appraisal, vehicle distribution or delivery; none of the aforesaid services relating to company administration and management, and corporate finance advice; none of the aforesaid services relating to recruitment, employment or personnel; none of the aforesaid services relating to food, catering supplies or catering equipment, the*

procurement of food, catering supplies or catering equipment, distribution and storage services relating to food, catering supplies or catering equipment, or catering, restaurant and hospitality products or services.

COSTS

62 The opposition has been largely unsuccessful and the Applicant is entitled to a contribution towards its costs, based upon the scale published in Tribunal Practice Notice 1/2023. The costs awarded reflect the Applicant's limited engagement in the proceedings and that the Opponent achieved its own degree of success.

Considering the Notice of opposition and preparing the counterstatement: £250
Considering the Opponent's evidence of use: £250

TOTAL **£500**

63 I order CONSTELLATION BRANDS, INC to pay BAKHSH GROUP LTD the sum of £500, to be paid within 21 days of the end of the period allowed for appeal or, if there is an appeal, within 2 days of the conclusion of the appeal proceedings (subject to any order of the appellate tribunal).

Dated this 11th day of May 2026

Matthew Williams
For the Registrar