

**TRADE MARKS ACT 1994**

**IN THE MATTER OF INTERNATIONAL REGISTRATION No. 677877  
AND THE REQUEST BY CONVINCA, SDAD. COOP  
TO PROTECT A TRADE MARK  
IN CLASS 33**

**AND IN THE MATTER OF OPPOSITION THERETO  
UNDER No. 70049  
BY MIGUEL TORRES SA**

**AND IN THE MATTER OF AN APPEAL  
TO THE APPOINTED PERSON  
BY THE OPPONENT  
AGAINST THE DECISION OF MR G. W. SALTHOUSE  
DATED 8 JANUARY 2001**

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**DECISION**

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**International Registration No. 677877**

1. Convinca, SDAD. COOP (“the applicant”) on the basis of a registration held in Spain, requested on 3 April 1997 protection in the United Kingdom of the following trade mark under the provisions of the Madrid Protocol:



The mark consists of the fanciful word “Torrelongares” written in special lettering on the upper part of a rectangular area that includes at the center [sic] several straight lines and a schematic representation of a countryside scene with a building in the background.

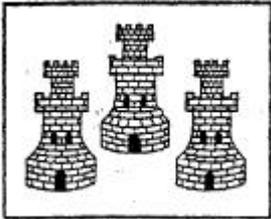
2. The applicant sought protection in Class 33 for “alcoholic wine and beverages (except beers)”.

3. Following successful examination of the request pursuant to art. 9 of the Trade Marks (International Registration) Order 1996 (“the Order”), the UK registry published particulars of International Registration No. 677877 in accordance with art. 10.

### **The Opposition**

4. On 27 April 1998 Miguel Torres SA (“the opponent”) filed notice of opposition to the conferring of protection under art. 10(2) of the Order. The statement of grounds of opposition made no reference to section 5 of the Trade Marks Act 1994 (“the TMA”) but appeared to follow the wordings of section 5(2) and (3). By agreement between the parties, the hearing of the opposition proceeded on the basis that protection should be refused to International Registration No. 677877 because the applicant’s mark was:
  - (i) within the area of protection afforded to the opponent’s earlier trade marks by section 5(2)(b) of the TMA;
  - (ii) liable to be prevented in use by virtue of the law of passing off under section 5(4)(a) of the Act.
5. The opponent reconfirmed in its skeleton argument on appeal that it did not “propose to argue” under section 5(3).
6. The opponent cited ten earlier trade marks in support of its grounds of opposition, all registered in Class 33:

<b>Mark</b>	<b>Number</b>	<b>Date</b>	<b>Goods</b>
TORRES	B1039853	17.12.94	Table wines for sale in England and Scotland
OLD TOWER	1079971	20.06.77	Scotch whisky
TRES TORRES	1123105	27.10.79	Wines, liqueurs and spirits (beverages)
TORRES	B1298955	27.01.87	Wines, brandy and brandy based orange liqueurs; all included in Class 33
MIGUEL TORRES	1404075	13.11.89	Wines, sparkling wine, brandy and liqueurs; all included in Class 33

	891250	25.02.66	Spanish wines
	857391	03.12.63	Wines
	1039854	17.12.74	Brandy
	1134608	30.05.80	Wines, spirits (beverages) and liqueurs
	1404528	20.11.89	Wines included in Class 33

### **Evidence of the Opponent**

7. The evidence in support of the opposition consisted of a statutory declaration of Senor Angel de la Rubia Perez dated 3 November 1998. He is the manager of the opponent, a position that he has held since 28 June 1989. He details the history of the TORRES family run wine business, which took root in the Penedès area of Spain near Barcelona towards the end of the nineteenth

century. He states that the opponent is the 21<sup>st</sup> largest producer and exporter of Spanish wines, spirits and liqueurs, the 12<sup>th</sup> largest producer and exporter of Spanish wines and “the leading producer of quality bottled wines with Appellation of Origin”. Areas of production have been extended to include other parts of Spain, Chile and California, USA. The opponent exports to over 80 countries and markets over 40 different wines, spirits and liqueurs worldwide.

8. Sr. Perez exhibits at ARP1 copy booklets and leaflets relating to the opponent’s products. As far as I can discern, the booklets and leaflets are undated but display either “1870” or “1628 – 1870” under the TORRES and THREE TOWERS CREST and mention various milestone dates in the 1920s, 1960s, 1970s and 1980s which are consistent with a long history of wines, brandies and liqueurs production. The first booklet in ARP1 is in Spanish but materials describing the opponent’s wines, brandies and liqueurs are presented in English.
9. In particular, the booklets and leaflets at ARP1 contain pictures of the get-ups of the opponent’s products. Generally speaking they follow the same style. The labels bear the mark TORRES in capital letters across the top with the THREE TOWERS device mark underneath followed by the name of the wine, brandy or liqueur, for example, VINA SOL, SANGREDETORO, VINA ESMERALDA, FONTENAC. The latter are also individually registered as UK trade marks. Sr. Perez lists in his declaration 13 such registrations with dates ranging from July 1964 to June 1993. It is clear from exhibit ARP1 that the opponent uses the names of the wines as subsidiary or secondary trade marks. The THREE TOWERS device mark additionally often appears on the neck label and TORRES is sometimes written on the foil. The mark MIGUEL TORRES seems to be used in place of TORRES for wines produced in Chile; MARIMAR TORRES for Californian wine. Further copies of some of the labels are exhibited at ARP2.
10. On appeal, Mr Wise of Raworth, Moss & Cook, appearing on behalf of the opponent drew my attention to the labels for the TORRES MILMANDA, MAGDALA and MAS BORRAS wines, which each contain agricultural or countryside scenes with buildings.
11. Sr. Perez gives the dates of first use in the UK of the 11 labels exhibited at ARP2 (GRAN CORONAS x 2, GRAN VINA SOL x 2, SAN VALENTIN, DE CASTA, TORRES IMPERIAL BRANDY, CORONAS, TRES TORRES SANGRE DE TORO, VINA ESMERALDA, SANGRE DE TORO ABOCADO). The earliest use was of the CORONAS label in 1964. I note that no date is given for first use in the UK of the MILMANDA, MAGDALA and MAS BORRAS labels mentioned above.
12. Sr. Perez also lists the number of cases (each containing 12 bottles) of wines and brandies and liqueurs sold in the UK in between 1990 – 1998. These totalled 54, 688 in 1990 rising to 77,185 in 1998. By the beginning of 1997 annual sales of cases in Europe (including the UK) were around 600,000 and worldwide (including Europe) 2 million. Although separate figures are given

for cases of wines on the one hand and cases of brandies or liqueurs on the other, there is no attribution of sales to the various marks owned by the opponent. However, the evidence indicates that TORRES and the THREE TOWERS device would have been affixed to many of the bottles in those cases.

13. Lastly, Sr. Perez exhibits at ARP3 three wine lists from UK retailers, which in his view show a likelihood of confusion should products bearing the applicant's mark also be included in the lists.

### **Evidence of the Applicant**

14. The evidence in answer to the opposition consisted of a statutory declaration of Senor Antonio Gasca Buil dated 23 February 1999. Sr. Buil is the manager of the applicant.
15. Sr. Buil offers views on the factors likely to influence the average (but not particularly knowledgeable) purchaser of wine. Such a purchaser may be influenced by the grape variety or more likely by the country or region from where the wine derives. He concludes that:

... a knowledgeable purchaser [who may well make their choice according to the name on the bottle] would not be confused and a customer with little knowledge of wine would be unlikely to confuse the two trade marks because they are so different.

16. Sr. Buil comments that the word "tower" is very much associated with wines in the major wine-producing areas of Europe. He exhibits copies of several UK registrations in Class 33 for marks incorporating the word "torre" belonging to Spanish and Italian proprietors. He also refers to the frequent use of "La tour" in conjunction with French wines.

### **Evidence of the Opponent in Reply**

17. The evidence in reply to the applicant's evidence consisted of a second declaration of Sr. Perez DATED 7 July 1999. In essence, he challenges the applicant's view that there is no likelihood of confusion and dismisses the registration of other UK "torre" marks in Class 33 and French wine producers' use of "La tour" as irrelevant to the present opposition.

### **The Hearing Officer's Decision**

18. The opposition proceeded to a hearing before Mr. George W. Salthouse acting on behalf of the registrar of Trade Marks on 24 October 2000. In his decision issued on 8 January 2001 (and amended by way of correction on 31 January 2001), Mr. Salthouse rejected the opposition under section 5(2)(b) and 5(4)(a) of the TMA.
19. His reasons for rejecting the opposition under section 5(2)(b) were: the opponent considered that its strongest case rested on Registration Nos.

B1039853 TORRES and 1404528 TORRES MILMANDA; agricultural scenes were commonplace on wine labels and TORRELONGARES was a distinctive and dominant component in the applicant's mark; despite having the first five letters in common the differences between TORRES and TORRELONGARES "far outweigh the commonality"; the differences in the last three syllables "far outweigh any similarities" between TORRES MILMANDA and TORRELONGARES; the average consumer is likely to exercise some care when selecting wines; any enhanced level of reputation enjoyed by the opponent rested in TORRES and the THREE TOWERS DEVICE; and "while there are superficial similarities they are more than counterbalanced by the differences, and when all factors are considered ... there was no realistic likelihood of confusion at 3 April 1997".

20. Regarding the ground for opposition under section 5(4)(a), Mr. Salthouse held:

It is clear from the opponent's evidence that they do have goodwill in the UK. Earlier in this decision I found that the marks TORRELONGARES and TORRES/TORRES MILMANDA were not confusable and so there would not be any misrepresentation. The evidence of the various wine labels and the claimed similarity in the scenes depicted on them notwithstanding, I do not believe that members of the public would confuse the two trade marks, or believe that there was a trade connection between the users of the two marks. The opponent has filed no evidence that the trade or customers would expect TORRELONGARES to be economically linked to TORRES or TORRES MILMANDA, and the onus under section 5(4)(a) is on the opponent.

In my opinion use of the applicant's trade mark would not amount to a misrepresentation resulting in the passing off of its products as those of the opponent.

### **The Appeal**

21. On 2 February 2001 the opponent gave notice to appeal to an Appointed Person under section 76 TMA. In its notice of appeal the opponent asks that the decision of the hearing officer be overturned, protection be refused to International Registration No. 677877 and that the opponent be awarded costs.
22. The applicant was neither in attendance nor represented at the hearing of the appeal. Mr. Wise for the opponent agreed that the nature of the appeal was a review so that I should not disturb the decision below unless the hearing officer made an error of principle or was plainly wrong (*South Cone Inc. v. Bessant*, 25 July 2001, Pumfrey J. and *Royal Enfield*, SRIS O/363/01, Mr. Simon Thorley QC sitting as the Appointed Person).

## **Section 5(2)(b)**

23. Having concluded his review of the evidence, Mr. Salthouse set out at pages 5 – 6 of his decision a list of the factors to be taken into account in deciding whether there existed a likelihood of confusion amongst the relevant public for the purposes of section 5(2)(b) of the TMA. He distilled this list of factors from the guidance provided by the Court of Justice of the European Communities in *Sabel BV v. Puma AG*, Case C-251/95 [1997] ECR I-6191, *Canon Kabushiki v. MGM Inc.*, Case C-342/97 [1998] ECR I-5507 and *Lloyd Schufabrik Meyer & Co. GmbH v. Klijsen Handel BV*, Case C-342/97 [1999] ECR I-3830. He also referred to the further guidance on the importance of reputation given by the Court of Justice in *Marca Mode CV v. Addidas AG and Addidas Benelux BV*, Case C-425/98 [2000] 2 CMLR 1061. Mr. Wise accepted that Mr. Salthouse correctly directed himself as to the law. Since these principles are well rehearsed I do not intend to repeat them here.

### *Family of Marks*

24. Mr. Wise’s first ground for criticism was that the hearing officer failed to give sufficient weight to the effect the opponent’s proprietorship and use of a “family” or “stable” of marks had on the likelihood of confusion. I fail to see how a “family of marks” argument (even if accepted) assists the opponent’s case. Such an argument may lead to an element that is common to a number of registrations owned and used by a proprietor achieving enhanced distinctive character for the goods or services in question (see my previous decision in *The Infamous Nut Company Ltd’s Trade Mark Application*, SRIS O/411/01). But both the applicant and Mr. Salthouse accepted that the mark TORRES had reputation in the UK for the opponent’s wines, spirits and liqueurs at the relevant date. The reputation of an earlier trade mark is a factor for consideration in the global assessment of likelihood of confusion (Council Directive 89/104/EEC, recital 10 and *Sabel*, *Canon*, *Lloyd* and *Marca Mode* supra.) and it is clear from page 8, lines 8 – 14 of the decision that Mr. Salthouse did take this factor into account.
25. If, as I instead understand, Mr. Wise is saying that the likelihood of confusion must be viewed against the totality of registrations owned by the opponent including the subsidiary marks, then he is wrong. Where the opponent relies upon more than one earlier trade mark, section 5(2)(b) requires the registrability of the applicant’s mark to be considered against each of those earlier marks separately and not in a collective manner (*ENER-CAP Trade Mark* [1999] RPC 362, *DUONEBS Trade Mark*, SRIS O/448/01, Mr. Simon Thorley sitting as the Appointed Person). I note from Mr. Salthouse’s decision (page 7, lines 11 – 13) that at the hearing of the opposition Mr. Wise considered that the opponent’s strongest case rested on Registration No. B1039853 TORRES and Registration No. 140528 TORRES MILMANDA with which I would agree.

### *Countryside scene*

26. Next, Mr. Wise says that the hearing officer should not have dismissed the opponent's contention that the countryside scene in the applicant's mark would be confused with the opponent's own labels. Mr. Wise was particularly referring here to the labels for the opponent's MILMANDA, MAGDALA and MAS BORRAS wines. None of the opponent's registrations, of course, include countryside or agricultural scenes.
27. It seems to be accepted that it is appropriate under section 5(2)(b) of the TMA to take into account normal and fair use of the opponent's earlier trade mark for the registered goods and services (*ENER-CAP Trade Mark, DUONEBS Trade Mark*, supra., Kerly's Law of Trade Marks and Trade Names, 13<sup>th</sup> Edition, para. 8-25). Further:

in the absence of argument or evidence to the contrary, the way in which the proprietor actually uses the mark can be said, at the very least prima facie, to be the paradigm case of its use in a normal and fair manner (*Premier Brands UK Ltd v. Typhoon Europe Ltd* [2000] FSR 767, per Neuberger J.).

Whilst that may encompass different ways of presenting TORRES/TORRES MILMANDA on a wine label, the opponent is not permitted effectively to extend the registrations in question by considering how they have been used in practice, although that might well be relevant to the opposition under section 5(4)(a) (*South Cone Inc. v. Bessant*, supra.). I conclude, therefore, that the hearing officer was right to dismiss the opponent's argument under section 5(2)(b) based on similarity of wine labels.

28. Mr. Wise also challenged the hearing officer's finding that the use of agricultural/countryside scenes on wine labels was commonplace and that the public attributed little importance to such devices. The word TORRELONGARES would be taken to be a distinctive and dominant component in the applicant's mark. At the hearing of the appeal, Mr. Wise abandoned his primary challenge. However, for reasons set out below he objected to the hearing officer's summation of the distinctive and dominant component in the applicant's mark.

### *Reputation*

29. Before turning to the hearing officer's analysis of the applicant's mark, there is one further point I should mention regarding the hearing officer's finding on reputation. Mr. Salthouse said (at page 8, lines 8 – 14):

I must also consider whether all or any of the opponent's marks have a particularly distinctive character either arising from the inherent characteristics of the marks or because of the use made of them. The evidence of use of the marks filed shows that TORRES is normally accompanied by the three tower device, and frequently by other trade mark matter. The volume of sales relates to all the marks shown in the

annex with no breakdown provided. Any enhanced level of reputation enjoyed by the opponents would rest in the mark “TORRES and three towers device”.

30. Mr. Wise’s criticism is that Mr. Salthouse appears to link together the marks TORRES and the THREE TOWERS device rather than according an enhanced level of reputation to the marks taken separately. I accept Mr. Wise’s criticism. However, when viewed against what the hearing officer says elsewhere in his decision, for example, his earlier reference to “TORRES or MIGUEL TORRES and three tower device” and later acceptance of the opponent’s goodwill in the UK, and the fact that in this part of his decision Mr. Salthouse was considering the likelihood of confusion under section 5(2)(b) with TORRES/TORRES MILMANDA, I am satisfied that this amounts to no more than a typographical error (“mark” should have read “marks”) and that Mr. Salthouse did in fact accord particularly distinctive character through use to TORRES *and* the THREE TOWERS device.

*Distinctive and Dominant Component in the Applicant’s Mark*

31. In the hearing officer’s view, the word TORRELONGARES was a distinctive and dominant component in the applicant’s mark. Mr. Wise says “Longares” is a geographical name that should have been disregarded in the same way as the countryside scene leaving “Torre” as the distinctive and dominant component in the applicant’s mark.
32. There is a danger, I believe, in dissecting marks in this way especially in view of the judgment of the Court of Justice in *Procter & Gamble Company v. OHIM (BABY-DRY)*, Case C-383/99P, 20 September 2001. In *Sabel BV v. Puma AG*, supra., the Court of Justice stressed that (para. 23):

... the perception of marks in the mind of the average consumer of the type of goods or services in question plays a decisive role in the global appreciation of likelihood of confusion. The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details.

33. Regarding the meanings of the opponent’s and applicant’s marks, the hearing officer said:

The opponent’s mark [TORRES] is evidently a surname but it also means “tower”. However, I doubt that either signification would be apparent to the average consumer. The applicant’s mark is said to be fanciful and has no meaning other than perhaps as “Longares tower”. Again this would not be apparent to the average consumer.

34. In the absence of evidence as to how the average UK consumer would interpret the marks, I believe those were reasonable assumptions on the part of Mr. Salthouse. Indeed, Mr. Wise relies on the non-attribution of any descriptive meaning to the word “torre” in an argument that likelihood of confusion should be presumed on the authority of the Court of Appeal

decision in *Perfetti SpA's Application (CLORETS/CHLORALIT)*, 5 July 1999, unreported. I should add that *Perfetti* was decided under section 11 of the 1938 Act on different facts than the present case (CHLORALIT for chewing gum). It goes without saying that likelihood of confusion for section 5(2)(b) of the TMA must be determined according to the particular circumstances of the case in hand.

35. Both before the hearing officer and before me on appeal, Mr. Wise suggested that "Longares" was an "Appellation Controlee" by which I presume he means Denominación de Origen. No confirmatory evidence was adduced and the applicant disputed the allegation below. It formed no part of the hearing officer's decision and Mr. Wise did not pursue his argument on appeal.

#### *Average Consumer and Channels of Trade*

36. Here, Mr. Wise challenged the hearing officer's findings on the standard of care likely to be exercised by the average purchaser of wine and the likely effect of the inclusion of the applicant's wines in wine lists containing the opponent's wines. The applicant's mark had not been used in the UK so the opponent was unable to provide evidence of actual confusion.
37. The majority of wine in the UK is supplied through supermarkets. Such consumers are unlikely to consult wine lists. However, I must also bear in mind that mail order wine companies constitute another significant source of supply. Mr. Wise says that the opponent is particularly concerned that the "middle of the road" consumer will be confused between TORRES/TORRES MILMANDA and TORRELONGARES or into thinking that TORRELONGARES is one of the opponent's wines. He defines "middle of the road" consumer as someone who wishes to spend up to ten pounds on a bottle of wine for a special occasion. He accepts that the knowledgeable purchaser will not be confused nor someone whose only interest is to buy a cheap bottle of wine for a party. Supermarkets generally stack wines on shelves according to country and he submits that the middle of the road consumer pays little attention to presentation of the bottle when putting wines in a supermarket trolley. Likewise, the wine retailer's lists exhibited by the opponent at ARP3 group wines according to country and/or price, which is likely to increase the likelihood of confusion. The Oddbins list at ARP3 is unusual in presenting wines from Spain under Denominación de Origen.
38. Mr Salthouse said:

The opponents have suggested that the applicant's mark would be shortened to TORRES in wine lists although no evidence or basis for these views is offered. It is clear that the opponent's own wines are referred to as "TORRES from Spain" or "Torres, Penedes" (Penedes being the appellation of origin). I accept that the wines would appear in the same section of wine lists. It has also been suggested that confusion will arise from the proximity of the goods of each party on shelves in retail outlets, and also that when placed on said shelves the labels will be partly obscured. Whilst the goods may be in close

proximity I do not agree with the contention that the labels would be obscured and so confuse customers. It is my opinion that the average consumer is likely to exercise some care when selecting such goods and, even allowing for the notion of imperfect recollection, is not likely to be confused.

#### **Decision on Section 5(2)(b)**

39. Although I have had some difficulty with this case, I do not find that Mr. Salthouse's decision was either mistaken in principle or plainly wrong on the facts. Taking the matter as a whole and approaching it globally, I believe Mr. Salthouse was correct in his view that there was no realistic likelihood of confusion at 3 April 1997 and that the opposition under section 5(2)(b) failed.

#### **Section 5(4)(a)**

40. Having failed under section 5(2)(b), I do not believe the opponent's case on appeal is any stronger under section 5(4)(a). The hearing officer took into account the alleged similarity in the TORRELONGARES label on the one hand and the MILMANDA, MAGDALA and MAS BORRAS labels on the other hand. However, as mentioned above, the opponent's evidence did not detail first or any other use of these labels in the UK and therefore failed to establish the necessary goodwill in them. The labels at ARP2 for which the opponent gives dates of first use in the UK generally portray a medieval image that is not reflected in the applicant's mark. Overall, I agree with the hearing officer that the opponent had not proved that at 3 April 1997 use in the UK of the applicant's mark was liable to be prevented by the law of passing off protecting the opponent's earlier rights.

#### **Conclusion**

41. In the result the appeal fails. The applicant was not represented at the hearing and I have no reason to believe that it has incurred any costs in connection with the opponent's appeal. The appeal is therefore dismissed with no order as to costs.

Professor Ruth Annand, 14 January 2002

Mr. S. J. Wise of Raworth Moss & Cook appeared on behalf of the Opponent.

The Applicant did not appear and was not represented.