

O-065-17

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No. 3126959
BY JAMES McEWAN
TO REGISTER THE SERIES OF TWO TRADE MARKS
Jim McEwan / JIM MCEWAN
IN CLASSES 16, 21, 25, 33, 35, 39, 41 & 43
AND**

**IN THE MATTER OF OPPOSITION
THERE TO UNDER No. 405902 BY
CHARLES WELLS BREWERY LIMITED**

BACKGROUND

1) On 15 September 2015, James McEwan (hereinafter the applicant) applied to register the series of two trade marks Jim McEwan / JIM MCEWAN. The specification has been the subject of amendment, dated 18 November 2016, and currently is as follows:

- Class 16: Printed matter, printed publications, magazines, periodical publications, books, booklets; posters and prints; stationery; bags; writing sets; writing paper; paper; drinks packaging and boxing, marketing stands, containers made from cardboard; calendars, paper ornaments, postcards, diaries, albums, boxes, greeting cards, pens and pencils; instructional and teaching materials; information books; promotional literature; programmes; flyers; leaflets; tickets and passes (not magnetically encoded); photographs; posters, banners and wall hangings made of paper or cardboard; stickers; diaries; office requisites; packing materials; labels; stickers; binders and folders; book markers; envelopes; maps; napkins; photographs; scrap books; tokens, all made of paper or card; Tour and sightseeing books; Instructional and teaching materials; instructional and teaching materials (other than apparatus) relating to Scotland, whisky, gin, botanics, history, trade, business, management, branding, the provision of whisky and gin related services, all included in Class 16; address books; manuscript books; pocket memorandum books; activity books; log books; guide books; account books; copy books; pocket books [stationery]; signature books; note books; writing or drawing books; books; all of the aforesaid goods relating to whisky, gin and the production of whisky and gin; none of the aforesaid goods relating to beer or to public houses.
- Class 21: Household and kitchen utensils and containers (not of precious metal or coated therewith); coasters not of paper and other than table linen; cocktail stirrers; combs; brushes; corkscrews; decanters; drinking glasses and vessels; glassware; flasks (not of precious metal); glass stoppers; ice buckets; ice cube moulds; earthenware, pottery and porcelain; all of the aforesaid goods relating to whisky, gin and the production of whisky and gin or whisky and gin based drinks; none of the aforesaid goods relating to beer or to public houses; whisky glasses; nosing glasses.
- Class 25: Clothing, footwear and headgear; all of the aforesaid goods relating to master blender distillers, whisky, gin and botanical based drink; none of the aforesaid goods relating to beer.

- Class 33: Botanical-based whisky; botanical-based gin; whisky; malt whisky; blended whisky; scotch whisky based liqueurs; scotch whisky; scotch whisky for export; mixtures containing the aforesaid; drinks having a base of whisky or gin.
- Class 35: Advertising; business management; business administration; office functions; advertising services provided via the Internet; auctioneering; trade fairs; opinion polling; data processing; all of the aforesaid services relating to whisky, gin and drinks made from botanical items and the production and distillation of whisky, gin and drinks made from botanical items or whisky, gin or botanical based drinks; none of the aforesaid services relating beer, public houses or breweries; business consultation in respect of whisky, gin and food and drinks made from botanical items (but not beer); business consultation in respect of the operation of tours and provision of information, all relating to the production of whisky, gin and drinks made from botanical items (but not beer); advisory services for others for business purposes in the fields of whisky, gin food and botanical based drinks (but not beer) and their distillation and design; provision of business information relating to whisky, gin and botanical based drinks (but not beer) and their distillation; retail services and on-line retail services connected with the sale of whisky, gin, botanical based drinks (but not beer), waters [beverages], mineral water, aerated water, glassware, porcelain, earthenware, drinking glasses, jewellery, cufflinks, bracelets, pendants, necklaces, earrings, maps, printed matter, magazines, newspapers, periodicals, booklets, cooling stones for drinks, pastries, confectionery, biscuits, shortbread, chocolate, gift boxes, hip flasks, drinks measures, umbrellas, books, food & drink and works of artistic craftsmanship.
- Class 39: Packaging of goods (whisky, gin and botanical based drinks); travel arrangement; arranging and conducting of tours and sightseeing; booking agency services for sightseeing tours; booking and reservation services for tours; operating of tours; organisation of tours; personal tour guide services; organization, booking and arrangement of excursions, day trips and sightseeing tours; provision of tourist travel information; provision of tours; reservation services for tours; services for arranging tours; services for the arranging of excursions for tourists; tour arranging; tour conducting or escorting; tour guide services; tour operating; tour reservation services; tourist guide services; all of the aforesaid services relating to tours concerning whisky, gin and botanical based drinks, and their distillation; none of the aforesaid services relating to tours concerning beer, public houses or breweries.

- Class 41: Education; providing of training; entertainment; cultural activities; entertainment services; organisation of tours and events; arranging and conducting of workshops, seminars and conferences; conducting training seminars; arranging of courses of instruction for tourists; conducting courses, seminars and workshops; arranging and conducting of conferences; conducting of educational courses; provision of club recreation services; corporate hospitality (entertainment); whisky tasting services (education); whisky tastings (entertainment services); gin tasting services (education); gin tastings (entertainment services); publication of tasting notes and bottling lists; publication of books; presentation of live performances; consultancy, information and advisory services relating to all of the aforesaid services; all of the aforesaid services relating to whisky, gin and botanical based drinks, and their distillation; none of the aforesaid services relating to beer or public houses.
- Class 43: Services for providing whisky and gin; hiring of rooms for social functions in relation to whisky and gin; corporate hospitality (provision of whisky and gin); whisky tasting services (provision of beverages); consultancy, information and advisory services relating to whisky and gin; consultancy, information and advisory services relating to whisky and gin.

2) The application was examined and accepted, and subsequently published for opposition purposes on 23 October 2015 in Trade Marks Journal No.2015/043.

3) On 22 January 2016 Charles Wells Brewery Limited (hereinafter the opponent) filed a notice of opposition, subsequently amended. The opponent is the proprietor of the following trade mark:

Mark	Number	Dates of filing and registration	Class	Specification relied upon
McEWAN'S	UK 3046157	11.03.14 13.06.14	32	Beer
McEWANS	EU 191742	01.04.96 07.10.98	32	Beer, ale, lager, stout, porter, shandy; hop extracts; non-alcoholic and low-alcohol drinks; mineral water; aerated water; fruit drinks; fruit juices; mixtures containing any of the aforesaid goods; preparations for making any of the aforesaid goods.

			33	Alcoholic drinks other than beers and preparations for making them; but insofar as whisky and drinks containing whisky are concerned, only Scotch Whisky and drinks produced in Scotland containing Scotch Whisky.
			42	Provision of temporary accommodation; catering services; holiday camp, campground, hotel, boarding house and holiday centre services; travel agency services; hotel, restaurant, bar, nightclub, cafe, cafeteria and canteen services; creche services; cattery and kennel services; information and advisory services relating to the aforesaid services.

a) The opponent contends that its mark and the mark applied for are very similar in that they share the same word MCEWAN. Also that the following goods and services applied for are similar to the goods and services for which its mark is registered or are complementary to the goods and services for which the opponent's mark is registered. The list below has been amended as a result of the changes to the specification of the application which resulted in some of the goods and services which were opposed being withdrawn from the specification. As such the mark in suit offends against Section 5(2)(b) of the Act.

- Class 16: drinks packaging and boxing, all made of paper or card; none of the aforesaid goods relating to beer or to public houses.
- Class 33: Botanical-based whisky; botanical-based gin; whisky; malt whisky; blended whisky; scotch whisky based liqueurs; scotch whisky; scotch whisky for export; mixtures containing the aforesaid; drinks having a base of whisky or gin.
- Class 35: business consultation in respect of whisky, gin and drinks made from botanical items (but not beer); advisory services for others for business purposes in the fields of whisky, gin

and botanical based drinks (but not beer) and their distillation and design; retail services and on-line retail services connected with the sale of whisky, gin, botanical based drinks (but not beer), waters [beverages], mineral water, aerated water.

- Class 39: Packaging of goods (whisky, gin and botanical based drinks).
- Class 43: Services for providing whisky and gin; hiring of rooms for social functions in relation to whisky and gin; corporate hospitality (provision of whisky and gin); whisky tasting services (provision of beverages); consultancy, information and advisory services relating to whisky and gin; consultancy, information and advisory services relating to whisky and gin.

b) The opponent relies upon its marks UK 3046157 & CTM 191742 shown above in respect of its contention that the mark applied for is similar to the opponent's earlier marks, which have a reputation in the UK. Use of the mark in suit without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the opponent's earlier marks at least to the extent that the applicant's goods and services relate to beer, or have beer as their subject, or are likely to be offered by producers or suppliers of beer. The relevant public would believe that the applicant's goods and services are an extension of, or are otherwise linked to, the opponent's beer products. The mark in suit therefore offends against section 5(3) of the Act.

c) The opponent contends that it has substantial goodwill and reputation in the mark McEwan's in the UK in relation to beer. Use of the mark in suit would lead to misrepresentation and offend against section 5(4)(a) of the Act.

4) On 3 May 2016 the applicant filed a counterstatement, basically denying that the marks are similar. The applicant states that it owns an EU trade mark (4780888) for the mark "JimMcEwan's" registered on 30 November 2005, and states that the opponent acquiesced to the use of this mark. The applicant also relies upon the "own name" defence. The applicant puts the opponent to strict proof of use.

5) Only the opponent filed evidence. Both parties seek an award of costs in their favour. Neither side wished to be heard. Only the opponent provided written submissions which I shall refer to as and when necessary in my decision.

OPPONENT'S EVIDENCE

6) The opponent filed a witness statement, dated 11 July 2016, by Justin Phillimore the Managing Director of the opponent, a position he has held since 2012 prior to which he was the Finance Director (2006-2012). He states that his company has sold beer under the McEwan's mark "since no later than 2013". He states that neither he nor any of the other officers in his company were aware of the applicant trading under its mark as claimed. He provides a detailed history of the use of McEwan's on beers since 1856 and includes, at exhibit JP04 a copy of an assignment of the mark CTM 191742 along with a large number of marks some of which had as part of the mark the word MCEWAN'S although others relate to the marks Cavalier, William Younger etc. The assignment included the goodwill in these marks. The beer has been advertised on football jerseys and shorts, and on advertisements on the website "youtube" during the 1980s and 1990s. He provides the following sales figures in thousands of hectolitres:

Product	2005	2006	2007	2008	2009	2010	2011
McEwans 60/-	35	30	25	20	16	13	10
McEwans 70/-	70	60	49	40	33	28	23
McEwans 80/-	60	51	47	42	37	32	27
McEwans Best Scotch	63	47	39	30	25	20	17
McEwans Export	176	162	149	149	146	130	115
McEwans Lager	56	54	50	46	42	35	25

7) Mr Phillimore does not provide any figures regarding market share so as to put the above figures in context. He does state that in 2009 McEwan's Export was the top selling premium canned beer in the UK with a market share of 22.8%. The term "premium canned beer" is not explained. In 2011 the opponent company purchased the rights to the mark MCEWANS. This achieved some publicity, as did subsequent launches of new beers. The mark (along with the additional words shown in the table above and also terms such as "Amber", "IPA", "Signature", "Red" and "Champion") has been used upon beer cans, bottles cask and keg labels, promotional leaflets, beer mats, bar runners, drip mats, pump clips and beer glasses.

8) Mr Phillimore provides examples of invoices for the period November 2011 to October 2015 to a variety of customers throughout the UK which included various McEwan's beers. The suffixes being those outlined previously. He provides sales figures for the years 2011/12 to 2014/15. These have been the subject of a confidentiality order but suffice to say they are substantial with a respectable

market share in the UK. It is also clear from a survey provided that beer drinkers are aware of the McEwans brand. He includes the following exhibits:

- JP06: These are examples of advertising for MCEWAN's dated 1906 – 1975.
- JP08: Examples of various UK football team jerseys which feature the name MCEWAN YOUNGER from 1982-88 or MCEWAN'S LAGER from 1986-1999 & 1991-1995 as a jersey sponsor.
- JP09: Nine stills from the "youtube" website which shows adverts for McEwan's beer dated 1981-1994.
- JP16: Artwork said to have been used on various items (see paragraph 7 above). The artwork does not include photographs of the labels depicted actually used on beer bottles, pump clips etc. Although exhibits JP 17 & 18 do show use of the mark McEwan on such items.

9) That concludes my summary of the evidence filed, insofar as I consider it necessary.

DECISION

10) The first ground of opposition is under section 5(2)(b) which reads:

"5.-(2) A trade mark shall not be registered if because -

(a)

(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."

11) An "earlier trade mark" is defined in section 6, the relevant part of which states:

“6.-(1) In this Act an "earlier trade mark" means -

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

12) The opponent is relying upon its trade marks listed in paragraph 3 above which are clearly earlier trade marks. The applicant requested that the opponent provide proof of use and, given the interplay between the dates that the opponent’s marks were registered and the date that the applicant’s mark was published (23 October 2015), the proof of use requirement only bites in respect of EU 191742.

Section 6A of the Act states:

“6A Raising of relative grounds in opposition proceedings in cases of non-use.

(1) This section applies where-

- (a) an application for registration of a trade mark has been published,

- (b) there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and

- (c) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication.

(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 period of five years ending with the date of publication of the application 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 differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, 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.

(5) In relation to a Community trade mark, any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Community.

(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.

(7) Nothing in this section affects –

(a) the refusal of registration on the grounds mentioned in section 3 (absolute grounds for refusal) or section 5(4) (relative grounds of refusal on the basis of an earlier right), or

(b) the making of an application for a declaration of invalidity under section 47(2) (application on relative grounds where no consent to registration).”

13) I must first consider whether the opponent has fulfilled the requirement to show that genuine use of its mark (EU 191742) has been made. In the instant case the publication date of the application was 23 October 2015, therefore the relevant period for the proof of use is 24 October 2010 – 23 October 2015. In *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Ecotive Limited*, [2016] EWHC 52, Arnold J. summarised the case law on genuine use of trade marks. He said:

“I would now summarise the principles for the assessment of whether there has been genuine use of a trade mark established by the case law of the Court of Justice, which also includes

Case C-442/07 *Verein Radetsky-Order v Bunderversvereinigung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I-9223 and Case C-609/11 *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR 7, as follows:

(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].

(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].

(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].

(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].”

14) The opponent has used the mark McEWANS/ McEWAN'S along with a number of different suffixes. I have to determine whether the use shown has been in a form differing in elements which alter the distinctive character of the mark in the form in which it is registered. I look to *Colloseum Holdings AG v Levi Strauss & Co.*, Case C-12/12, which concerned the use of one mark with, or as part of, another mark, the Court of Justice of the European Union found that:

“31. It is true that the ‘use’ through which a sign acquires a distinctive character under Article 7(3) of Regulation No 40/94 relates to the period before its registration as a trade mark, whereas ‘genuine use’, within the meaning of Article 15(1) of that regulation, relates to a five-year period following registration and, accordingly, ‘use’ within the meaning of Article 7(3) for the purpose of registration may not be relied on as such to establish ‘use’ within the meaning of Article 15(1) for the purpose of preserving the rights of the proprietor of the registered trade mark.

32. Nevertheless, as is apparent from paragraphs 27 to 30 of the judgment in *Nestlé*, the ‘use’ of a mark, in its literal sense, generally encompasses both its independent use and its use as part of another mark taken as a whole or in conjunction with that other mark.

33. As the German and United Kingdom Governments pointed out at the hearing before the Court, the criterion of use, which continues to be fundamental, cannot be assessed in the light of different

considerations according to whether the issue to be decided is whether use is capable of giving rise to rights relating to a mark or of ensuring that such rights are preserved. If it is possible to acquire trade mark protection for a sign through a specific use made of the sign, that same form of use must also be capable of ensuring that such protection is preserved.

34. Therefore, the requirements that apply to verification of the genuine use of a mark, within the meaning of Article 15(1) of Regulation No 40/94, are analogous to those concerning the acquisition by a sign of distinctive character through use for the purpose of its registration, within the meaning of Article 7(3) of the regulation.

35 Nevertheless, as pointed out by the German Government, the United Kingdom Government and the European Commission, a registered trade mark that is used only as part of a composite mark or in conjunction with another mark must continue to be perceived as indicative of the origin of the product at issue for that use to be covered by the term 'genuine use' within the meaning of Article 15(1)". (emphasis added)

15) In its submissions the opponent contends that it has used its mark upon "Beer" only. The mark McEWANS is used in conjunction with a range of suffixes which relate to the type or strength of beer being offered. The term "Best Scotch" would be viewed by the average consumer as a reference to the fact that the beer was a bitter, whilst the term "lager" speaks for itself. The other suffixes used such as 60/- or sixty shilling etc. indicate the strength of the beer. To my mind, the use of such suffixes would not alter average consumer's view that the term McEWANS is the indicator of origin. The opponent's evidence is more than sufficient to show that in the relevant five year period it had used its mark on beer.

16) When considering the issue under section 5(2)(b) I take into account the following principles which are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P.

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

(k) if the association between the marks creates a risk that the public will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

The average consumer and the nature of the purchasing decision

17) As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' goods. I must then determine the manner in which these goods are likely to be selected by the average consumer in the course of trade. In *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), Birss J. described the average consumer in these terms:

“60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

18) As a result of my finding above the opponent only has a specification of beer. The applicant has applied for a wide range of goods and services most of which, although not all, revolve around alcohol. As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' goods. I must then determine the manner in which these goods are likely to be selected by the average consumer in the course of trade.

19) The goods at issue in these proceedings are alcoholic beverages or related to them. The average consumer for beer and other alcoholic beverages will be the public at large over the age of 18 who are not teetotal. Beer and other alcoholic beverages may be sold through a range of channels, including retail premises such as supermarkets and off-licences (where the goods are normally displayed on shelves and are obtained by self-selection) and in public houses (where the goods are displayed on, for example, shelves behind the bar and where the trade marks will appear on dispensers at the bar etc.). When the goods are sold in, for example, public houses the selection process is likely to be an oral one. However, there is nothing to suggest that the goods are sold in

such a manner as to preclude a visual inspection. In *Simonds Farsons Cisk plc v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-3/04, the Court of First Instance (now the General Court) said:

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

20) Consequently, while the goods may be ordered orally in public houses, it is likely to be in the context of, for example, a visual inspection of the bottles containing the goods prior to the order being placed. Considered overall, the selection process is likely to be predominantly a visual one, although I accept that aural considerations will also play their part. Turning now to the level of attention the average consumer will display when selecting the goods, given that for the most part the cost of the goods is likely to be relatively low, but bearing in mind that the average consumer will wish to ensure they are selecting the correct type, flavour, strength etc. of beverage, **they are, in my view, likely to pay at least a medium level of attention to the selection of the goods at issue.**

Comparison of trade marks

21) It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by them, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

“.....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and

then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

22) It would be wrong, therefore, artificially to dissect the trade marks, although, it is necessary to take into account their distinctive and dominant components and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by them. I take note of the following cases, *Harman International Industries, Inc. v OHIM*, Case C-51/09P (Court of Justice of the European Union) and the General Court (GC) in *El Corte Inglés SA v OHIM*, Case T-39/10. The trade marks to be compared are:

Opponents' trade mark	Applicant's trade mark
McEWAN'S / McEWANS	Jim McEwan / JIM MCEWAN

23) With regard to the opponent's marks I do not consider that the presence of apostrophe has any effect upon the mark. Although it marks out whatever follows as belonging to McEwan the average UK consumer is, these days, sadly lacking in the appreciation, or use, of such grammatical devices. Both marks will be seen as either indicating the possessive or will be viewed as indicating a number of people called McEWAN. Whichever version is seen by the consumer it will be viewed as identical to the second word of the applicant's mark. Similarly, the applicant's marks will both be seen as indicating an individual called Jim McEwan as the use of upper or lower font does not alter a trade mark. Visually and orally the first word of the opponent's mark and the second word of the applicant's mark are identical or highly similar. However, the applicant's mark has the word "JIM" as its first element. This is a well-known forename and has the effect of identifying which person called McEwan is being referred to. Thus whilst there are visual and aural similarities there are also visual and aural differences. Conceptually there is a significant difference, instead of referring to anybody with the surname McEwan, a relatively common surname in the UK, it refers to a particular individual. **Overall the marks are similar to only a low degree.**

Comparison of goods and services

24) In the judgment of the CJEU in *Canon*, Case C-39/97, the court stated at paragraph 23 of its judgment that:

“In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating

to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary”.

25) The relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, for assessing similarity were:

- a) The respective users of the respective goods or services;
- b) The physical nature of the goods or acts of services;
- c) The respective trade channels through which the goods or services reach the market;
- d) In the case of self-serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- e) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

26) In *Kurt Hesse v OHIM*, Case C-50/15 P, The CJEU stated that complementarity is an autonomous criteria capable of being the sole basis for the existence of similarity between goods. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06, the General Court stated that “complementary” means:

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

27) In *Sanco SA v OHIM*, Case T-249/11, the General Court indicated that goods and services may be regarded as ‘complementary’ and therefore similar to a degree in circumstances where the nature and purpose of the respective goods and services are very different, i.e. *chicken* against *transport*

services for chickens. The purpose of examining whether there is a complementary relationship between goods/services is to assess whether the relevant public are liable to believe that responsibility for the goods/services lies with the same undertaking or with economically connected undertakings. As Mr Daniel Alexander Q.C. noted as the Appointed Person in *Sandra Amelia Mary Elliot v LRC Holdings Limited* BL-0-255-13:

“It may well be the case that wine glasses are almost always used with wine – and are, on any normal view, complementary in that sense - but it does not follow that wine and glassware are similar goods for trade mark purposes.”

Whilst on the other hand:

“.....it is neither necessary nor sufficient for a finding of similarity that the goods in question must be used together or that they are sold together.

28) The relevant goods and services of the two parties are:

Applicant’s goods opposed (see paragraph 3 above)	Opponents’ goods
In Class16: drinks packaging and boxing, all made of paper or card; none of the aforesaid goods relating to beer or to public houses.	Class 32: Beer.
In Class 33: Botanical-based whisky; botanical-based gin; whisky; malt whisky; blended whisky; scotch whisky based liqueurs; scotch whisky; scotch whisky for export; mixtures containing the aforesaid; drinks having a base of whisky or gin.	
In Class 35: business consultation in respect of whisky, gin and drinks made from botanical items (but not beer); advisory services for others for business purposes in the fields of whisky, gin and botanical based drinks (but not beer) and their distillation and design; retail services and on-line retail services connected with the sale of whisky, gin, botanical based drinks (but not beer), waters [beverages], mineral water, aerated water.	
In Class 39: Packaging of goods (whisky, gin and botanical based drinks).	
In Class 43: Services for providing whisky and gin; hiring of rooms for social functions in relation to whisky and gin; corporate hospitality (provision of whisky and gin); whisky tasting services (provision of beverages); consultancy, information and	

advisory services relating to whisky and gin; consultancy, information and advisory services relating to whisky and gin.	
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29) I shall first consider the goods applied for in class 16. The opponent contends that:

“Trade customers for beer, such as drinks wholesalers and retailers and providers of bar services are one and the same as trade customers for other beverages, (such as whisky and gin). These trade customers will commonly purchase special drinks packaging and boxing, beer mats and coasters for use in the merchandising and/or dispensing of the goods provided by the suppliers of the drinks themselves. Suppliers and producers of beer are commonly also suppliers and producers of other alcoholic beverages as well as the suppliers to trade customers of drinks packaging and boxing and of beer mats and coasters for use in the merchandising, promotion, dispensing and consumption of those drink products.”

30) Whilst I accept that it is common for beer and other alcohol producers to advertise their products by way of coasters/beer mats the specification is limited to packaging and boxing and so does not include coasters/beer mats. As to packaging for bottles of drink, these would not usually be produced by the actual brewers/distillers/producers of said drink, but would be produced for them bearing the trade name of whatever drink they were seeking to sell i.e. Coca Cola, Irn-Bru, Teachers etc. Whilst I accept that multiples of bottles of beer may be sold in cardboard containers, this does not make the containers complementary to beer. **I find no similarity between the opponent’s class 32 specification “beer” and the applicant’s class 16 specification.**

31) Turning next to the class 33 goods which are opposed, the opponent contends that using the test outlined in paragraph 25 above the users, uses, nature trade channels are the same, and that they are complementary as a whisky chaser is commonly served with a glass of beer, and also citing the existence of beer and whisky mixed in a cocktail. In determining this issue I look to two General Court (GC) cases. The first, *The Coca-Cola Company v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-175/06, involved the comparison between wine on the one hand and beer on the other. In that case, the Court accepted (at paragraphs 63-70), that the goods constitute alcoholic beverages obtained by a fermentation process and that they are both consumed during a meal or drunk as an aperitif. However, it noted the different basic ingredients and methods of production (albeit ones which might include fermentation) and the differences in colour, aroma and taste of the end products. It concluded that, notwithstanding a certain similarity of purpose,

i.e. enjoyment of a drink during a meal or as an aperitif, the consumer would perceive the end products as different and belonging to different families of alcoholic beverages. It acknowledged a certain degree of competition between the goods but found there to be no complementary relationship. Overall, it found little similarity between wine and beer.

32) In *Bodegas Montebello, SA v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-430/07, the GC found that rum and wine were “manifestly different” (its analysis is at paragraphs 29-37). This was again based on an assessment of the different ingredients and methods of production, which result in end products different in taste, colour and aroma. In addition, it noted that wine is often drunk with a meal, while that is not generally the case for rum, and that the goods have a markedly different alcohol content. Although the Court accepted that rum and wine may share the same distribution channels, it considered that the goods would not generally be sold on the same shelves and that the goods were neither complementary nor in competition.

33) I shall first consider the opponent’s “beer” to the class 33 goods of the applicant. In decision O-175-16 the Hearing Officer considered specifications very similar identical to those in the instant case, she concluded:

“36. These decisions of the GC [Case T-175/06 & T-430/07] are weighted differently from the earlier decision of Mr Geoffrey Hobbs QC, sitting as the Appointed Person, in *Balmoral Trade Mark* [1999] RPC 297. *Balmoral* concerned the comparison of whisky with wine. It cautioned against placing too much emphasis on factors such as the methods of production and difference in colour and taste of the drinks, and focussed instead on the shared channels of trade. Shared distribution channels were considered in *Bodegas Montebello* but were not sufficient to outweigh the other factors. *Coca-Cola* did not refer to proximity of sale or distribution channels for wine and beer.

37. The *Collins English Dictionary* (<http://www.collinsdictionary.com/dictionary/english>, accessed 30 March 2016) gives the following definitions of lager, ale and porter:

Lager: “a light-bodied effervescent beer, fermented in a closed vessel using yeasts that sink to the bottom of the brew”

Ale: “a beer fermented in an open vessel using yeasts that rise to the top of the brew”

Porter: “a dark sweet ale brewed from black malt”.

For convenience, as lager, ale and porter are all types of beer, I shall refer to the opponent's goods as “beers” and “beverages containing beers” but this should be taken to refer to the entire specification.

38. Beers and beverages containing beers are clearly alcoholic beverages, as are gin and whisky. The goods at issue are consumed for a pleasurable drinking experience, which may include the intoxicating effects of alcohol. The users, namely adults over 18, are identical. In addition, the goods are sold through the same channels, for example in retail premises such as supermarkets and off-licences, or in restaurants and bars.

39. Having said that, there is a notable difference in the alcoholic content of the goods at issue. In retail premises, spirits are usually sold in large bottles, while beers are sold in smaller bottles or cans. In restaurants and bars, gin would normally be dispensed into a tall glass and mixed with other spirits or a non-alcoholic beverage (such as tonic water) to make a long drink. The same may apply to whisky but whisky is also frequently sold for consumption by itself. Spirits are generally dispensed in small measures, often from optics displayed behind the bar. By contrast, beers would customarily be sold in half pint or pint measures dispensed from a tap, or be sold in bottles. While beverages containing beers are likely to consist of beers mixed with non-alcoholic beverages (for example, with lemonade to make shandy), like beer they would be sold in half pint or pint measures and are likely to be perceived as beer-based beverages. In retail premises, the goods at issue are not normally sold on the same shelf and, while I accept that they may be sold in the same aisle, there is ordinarily a clear demarcation between the area for spirits and that for beers and beverages containing beers. Although the base ingredients for all the goods at issue may be the same (e.g. grain or malt), the production methods are different, gin and whisky being made by distillation and beers by fermentation. I do not consider that there is a complementary relationship between the goods of the earlier mark and those in the applied-for specification, neither being essential or important for the consumption of the other. It is possible that there may be a degree of competition between the goods at issue, though I do not consider that the competitive choice between drinking beers (or beverages containing beers) on the one hand and gin or whisky on the other will be commonly made. In my experience, producers of

beers do not routinely also produce either gin or whisky, or vice versa. Bearing all of the above in mind, I find that the goods are similar but only to a low degree.

34) This decision was subject to an appeal (O-382-16) where the Appointed Person (Mr Johnston) set out the following comments:

“20. A third case, not mentioned by the Hearing Officer, which seems to be the closest factually to the instant case is T-584/10 *Yilmaz v OHIM* (ECLI:EU:T:2012:518). In this case, the goods found to be dissimilar were a spirit (Tequila) and beer. In making its assessment, the General Court applied the approach from *MEZZOPANE* and started at paragraph 51:

...the differences between those goods [that is Tequila and beer], in respect of all the relevant factors relating to them, are clearer and more substantial than the differences between beer and wine established by the Court in *MEZZOPANE*, with the result that those differences make it even more unlikely that the relevant public would believe that the same undertaking would produce and market the two types of beverage at the same time.

21. The General Court went on at paragraph 54:

In that regard, it must be borne in mind, in particular, that, while the goods to be compared in the present case belong to the same general category of beverages, and more specifically to the category of alcoholic beverages, they are different in particular as regards their ingredients, method of production, colour, smell and taste, with the result that the average consumer perceives them to be different in nature. Those goods are not normally displayed in the same shelves in the areas of supermarkets and other outlets selling drinks. As regards their use, a significant difference between the goods is that beer quenches thirst which is not normally the case for the alcoholic beverages covered by the mark applied for. While it is true that those goods may be consumed in the same places and on the same occasions and satisfy the same need – for example, enjoyment of a drink during a meal or as an aperitif – the fact remains that they do not belong to the same family of alcoholic beverages and that the consumer perceives them as two distinct products, as the Court held, so far as concerns beer and wine, in paragraph 66 of *MEZZOPANE*.

22. The Court then went to state that the existence of alcoholic cocktails does not affect this conclusion (paragraph 55); that Tequila and beer are not complementary (paragraph 56); and, furthermore, that there is a lower degree of competition between Tequila and beer than there is between wine and beer (paragraph 57). Ultimately, the Court upheld the Board of Appeal's finding that the goods were dissimilar (at paragraph 72, which upheld the finding at R 1162/2009-2 *TEQUILA CUERVO*, paragraph 44).

23. While it is true that each of the three assessments by the General Court are factual findings based on a different relevant public than in the instant case, it is clear that the Court's view is that in general there is either no similarity, or very little similarity, between beer (and wine) on one hand, and spirits on the other.

24. In addition to these General Court cases, the Hearing Officer referred to a decision by Geoffrey Hobbs QC, sitting as an Appointed Person, in *BALMORAL TM* [1999] RPC 297. While the Hearing Officer did not set out the relevant passage, I will:

At the heart of the argument addressed to me on behalf of the application is the proposition that whisky and wines are materially different. I am willing to accept that wine production and the production of whisky are activities which call for the exercise of perceptibly different skills directed to the production of qualitatively different alcoholic drinks. It may be the case that few undertakings produce both whisky and wines and it may be the case that the same trade mark is seldom used to signify that whisky and wines emanate from one and the same producer. However, I am not able to say on the basis of the materials before me whether there is any substance in either of those points. Beyond that, I consider that the arguments advanced on behalf of the applicant over-emphasise the part played by producers and under-emphasise the part played by other traders in the business of buying and selling whisky and wines.

It is common to find whisky and wines bought and sold by merchants whose customers expect them to stock and sell both kinds of products. Many such merchants like to be known for the range and quality of the products they sell. The goodwill they enjoy is affected by the judgment they exercise when deciding what to offer their customers. In some cases the exercise of judgment is backed by the use of "own brand" or "merchant-specific" labelling. Those who supply retail customers may be licensed to do so under an

“off-licence” or a licence for “on and off sales” in appropriate circumstances. It is not unusual for resellers of whisky and wines to be suppliers of bar services as well.

When the overall pattern of trade is considered in terms of the factors identified by Jacob J. in the British Sugar case (uses, users and physical nature of the relevant goods and services; channels of distribution, positioning in retail outlets, competitive leanings and market segmentation) it seems clear to me that suppliers of wines should be regarded as trading in close proximity to suppliers of whisky and suppliers of bar services. In my view the degree of proximity is such that people in the market for those goods or services would readily accept a suggestion to the effect that a supplier of whisky or bar services was also engaged in the business of supplying wines.

25. Once more these statements are factual determinations as to the British market in 1998 when the hearing took place. However, they do view the market very differently from the General Court in the cases mentioned above.

26. Having considered this case law (albeit not *Yilmaz*) the Hearing Officer, based on her own experience, considered whether whisky and beer were similar (Decision, paragraph 39, which is set out above). The Hearing Officer’s decision in this respect closely followed the approach adopted by the General Court in *MEZZOPANE*. Indeed, following that approach, it would have been entirely possible to conclude that beer and whisky were not similar at all. However, the Hearing Officer, probably mindful of the points made by Mr Hobbs in *BALMORAL* as to the British market for wine and spirits, concluded that the goods were similar to only a low degree. Such a finding is entirely proper and in accordance with case law.”

35) I therefore adopt the reasoning of both the Hearing Officer and the Appointed Person in finding that the opponent’s goods of “Beer” are similar to the opponent’s goods but only to a low degree. The opponent contended that beer can be enjoyed with a shot of whisky. I would venture that beer can also be enjoyed with a variety of other products from pickled eggs, pork scratchings and peanuts to name but a few. This does not make these goods similar, or even complementary, to beer. It further contended that the existence of beer and whisky cocktails should be taken into account. No evidence of such beer/whisky cocktails was provided, although I am prepared to accept that they exist if only because I doubt that there is a combination of drinks that has not been tried. However, even when provided in a cocktail it does not make beer and whisky complementary any more than umbrellas and

alcoholic cocktails are complementary despite cocktails frequently having an umbrella, albeit very small, included in the glass. **Consequently, the opponent's Class 32 goods "beer" is similar to the opponent's goods in Class 33 but only to a low degree.**

36) I next turn to the services in classes 35, 39 and 43 applied for by the applicant, which for ease of reference are:

"Class 35: Business consultation in respect of whisky, gin and drinks made from botanical items (but not beer); advisory services for others for business purposes in the fields of whisky, gin and botanical based drinks (but not beer) and their distillation and design; retail services and on-line retail services connected with the sale of whisky, gin, botanical based drinks (but not beer), waters [beverages], mineral water, aerated water.

Class 39: Packaging of goods (whisky, gin and botanical based drinks).

Class 43: Services for providing whisky and gin; hiring of rooms for social functions in relation to whisky and gin; corporate hospitality (provision of whisky and gin); whisky tasting services (provision of beverages); consultancy, information and advisory services relating to whisky and gin; consultancy, information and advisory services relating to whisky and gin."

37) The opponent's submissions on this all have the same caveat "at least insofar as beer is the subject of those services". The opponent also states in its submissions:

"It is admitted that since the aforesaid similarities between the services of the application and the goods of the opponent's trade marks rely on beer being the subject of those services, the amendments to the specification of those services requested in the form TM21B, which limit the subject drinks so as to exclude beer, may remove the similarities referred to above."

38) If the specification had not been amended to exclude beer I would have agreed with the points made by the opponent in its detailed submissions regarding each class of services. However, the change to the specification has undermined all of the opponent's submissions, and I regard the statement above to an admission by the opponent that it cannot succeed in respect of the specification as it now stands. **I therefore find that there is no similarity or complementarity**

between the opponent's goods (beer) and the services in classes 35, 39 and 43 applied for by the applicant.

Distinctive character of the earlier trade mark

39) In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated that:

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

40) In *Kurt Geiger v A-List Corporate Limited*, BL O-075-13, Mr Iain Purvis Q.C. as the Appointed Person pointed out that the level of ‘distinctive character’ is only likely to increase the likelihood of confusion to the extent that it resides in the element(s) of the marks that are identical or similar. He said:

“38. The Hearing Officer cited *Sabel v Puma* at paragraph 50 of her decision for the proposition that ‘the more distinctive it is, either by inherent nature or by use, the greater the likelihood of confusion’. This is indeed what was said in *Sabel*. However, it is a far from complete statement which can lead to error if applied simplistically.

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

40. In other words, simply considering the level of distinctive character possessed by the earlier mark is not enough. It is important to ask 'in what does the distinctive character of the earlier mark lie?' Only after that has been done can a proper assessment of the likelihood of confusion be carried out".

41) The opponent's mark consists of a relatively common surname McEwan. **The mark is inherently distinctive to a medium degree. The opponent has shown use of its mark which has been at a level such that the opponent can benefit from enhanced distinctiveness.**

Likelihood of confusion

42) In determining whether there is a likelihood of confusion, a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and services and vice versa. As I mentioned above, it is also necessary for me to keep in mind the distinctive character of the opponent's trade mark as the more distinctive this trade mark is, the greater the likelihood of confusion. I must also keep in mind the average consumer for the goods and services, the nature of the purchasing process and the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he has retained in his mind.

43) I also take into account the comments of Mr Iain Purvis Q.C. as the Appointed Person in *L.A. Sugar Limited v By Back Beat Inc*, Case BL-O/375/10, where he noted that:

"16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental

process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: “The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark.

17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

(a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right (“26 RED TESCO” would no doubt be such a case).

(b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as “LITE”, “EXPRESS”, “WORLDWIDE”, “MINI” etc.).

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension (“FAT FACE” to “BRAT FACE” for example).”

44) Earlier in this decision, I concluded that:

- the average consumer is a member of the general public (including businesses), who will select the goods and services by predominantly visual means, although not discounting aural considerations and that the degree of care and attention they pay will vary but they are likely to pay a medium degree of attention to the selection of such items.
- the marks of the two parties are similar to a low degree.
- the opponent’s mark has a medium level of inherent distinctiveness and can benefit from an enhanced distinctiveness through use.

- The class 33 goods of the applicant are similar or complementary to the opponent's goods to a low degree.
- The class 16, 35, 39 & 43 goods and services of the applicant are neither similar nor complementary to the opponent's goods.

45) In view of the above, and allowing for the concept of imperfect recollection, there is no likelihood of consumers being confused into believing that the goods and services in Classes 16, 35, 39 and 43 applied for under the mark in suit and provided by the applicant are those of the opponent or provided by some undertaking linked to it. I take into account the comments in *eSure Insurance v Direct Line Insurance*, [2008] ETMR 77 CA, and *Waterford Wedgwood plc v OHIM – C-398/07 P* (CJEU).

46) I found earlier that the goods applied for in class 33 by the applicant are similar to a low degree to the class 32 goods of the opponent and I also found that the marks were only similar to a low degree. To my mind the relevant consumers are used to distinguishing between a surname and a full name particularly when both the forename and surname are relatively common and easily pronounced. Taking all the factors into account, even allowing for the concept of imperfect recollection, there is no likelihood of consumers being confused into believing that the applicant's goods in class 33, applied for under the mark in suit and provided by the applicant are those of the opponent or provided by some undertaking linked to it. Nor will there be indirect confusion. **The opposition under Section 5(2) (b) therefore fails in relation to all the goods and services opposed.**

47) I next turn to the ground of opposition under section 5(3) which reads:

“5-(3) A trade mark which –

(a) 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 (or, in the case of a Community trade mark or international trade mark (EC) in the European Community) 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.

48) The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, [1999] ETMR 950, Case 252/07, *Intel*, [2009] ETMR 13, Case C-408/01, *Addidas-*

Salomon, [2004] ETMR 10 and C-487/07, *L'Oreal v Bellure* [2009] ETMR 55 and Case C-323/09, *Marks and Spencer v Interflora*. The law appears to be as follows.

a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors*, paragraph 24.

(b) The trade mark for which protection is sought must be known by a significant part of that relevant public; *General Motors*, paragraph 26.

(c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Saloman*, paragraph 29 and *Intel*, paragraph 63.

(d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark's reputation and distinctiveness; *Intel*, paragraph 42

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel*, paragraph 68; whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel*, paragraph 79.

(f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; *Intel*, paragraphs 76 and 77.

(g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel*, paragraph 74.

(h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact of the earlier mark; *L'Oreal v Bellure NV, paragraph 40*.

(i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora, paragraph 74 and the court's answer to question 1 in L'Oreal v Bellure*).

49) The onus is upon the opponent to prove that its earlier trade marks enjoy a reputation or public recognition and it needs to furnish the evidence to support this claim. Earlier in this decision I considered the evidence of use provided by the opponent. **To my mind, the opponent has easily satisfied the General Motors reputation requirement in relation to “Beer” under its trade mark McEWAN.**

50) Once the matter of reputation is settled any opponent must then show how the earlier trade mark would be affected by the registration of the later trade mark. In the instant case the opponent alleges that the applicant is taking unfair advantage of its reputation and that it could damage that reputation if the goods and services offered were inferior. Although it is not necessary for the goods and services of the two parties to be similar under this round of opposition it is a factor which I must take into account in determining whether the consumer will make a link between the marks of the two parties. It is clear that the level of similarity required for the public to make a link between the marks for the purposes of 5(3) may be less than the level of similarity required to create a likelihood of confusion.

51) In *Intra-Press SAS v OHIM*, Joined cases C-581/13P & C-582/13P, the Court of Justice of the European Union stated (at paragraph 72 of its judgment) that:

“The Court has consistently held that the degree of similarity required under Article 8(1)(b) of Regulation No 40/94, on the one hand, and Article 8(5) of that regulation, on the other, is different. Whereas the implementation of the protection provided for under Article 8(1)(b) of Regulation No 40/94 is conditional upon a finding of a degree of similarity between the marks at issue so that there exists a likelihood of confusion between them on the part of the relevant section of the public, the existence of such a likelihood is not necessary for the protection conferred by Article 8(5) of that regulation. Accordingly, the types of injury referred to in Article 8(5) of Regulation No 40/94 may be the consequence of a lesser degree of similarity between the earlier and the later marks, provided that it is sufficient for the relevant section of the public to make a connection between those marks, that is to say, to establish a link between them (see judgment in *Ferrero v OHMI*, C-552/09 P, EU:C:2011:177, paragraph 53 and the case-law cited).”

52) The opponent contends that it is common for major drinks suppliers and producers to offer a variety of types of beverages and also a range of other related goods and services including all of those to which the application relates. The opponent also states that whilst the amendment to the specification removes beer as the subject, the opponent contends that:

“.....they would also confirm that all of the applicant’s goods and services relate to whisky and gin or to their production and thus that they are likely to be offered by producers or suppliers of beer such as the opponent and that consequently the use of the mark applied for in relation to those goods and services would form an association with the opponent’s trade marks.”

53) Whilst I accept that the opponent’s business also includes other beverages, it is not clear from the evidence that these are marketed under the McEwan brand, indeed I think this highly unlikely. Nor is it clear that it offers services akin to those applied for under the McEwan brand. I note the following comment from Mr Geoffrey Hobbs Q.C. (sitting as a Deputy Judge) in *Electrocoin Automatics Limited and Coinworld Limited and Others* [2005] FSR 7:

“102. I think it is clear that in order to be productive of advantage or detriment of the kind prescribed, ‘the link’ established in the minds of people in the market place needs to have an effect on their economic behaviour. The presence in the market place of marks and signs which call each other to mind is not, of itself, sufficient for that purpose.”

54) I also note that in *Intel Corporation Inc. v CPM United Kingdom Ltd* [2006] EWCH 1878 Patten J said at para 28:

“But the first step to the exploitation of the distinctive character of the earlier mark is necessarily the making of the association or link between the two marks and all that Neuberger J is, I think, saying in this passage [Premier Brands at p. 789] is that the existence of a later mark which calls to mind the earlier established mark is not sufficient to ground an objection under s.5(3) or s.10(3) unless it has one or other of the consequences specified by those provisions. It must be right that the making of the association is not necessarily to be treated as a detriment or the taking of an unfair advantage in itself and in cases of unfair advantage it is likely to be necessary to show that the making of the link between the marks had economic consequences beneficial to the user of the later mark. But in relation to detriment the position is more complicated. The association between two marks and therefore potentially between the products or services to which they relate may be detrimental to the strength and reputation of the earlier mark if it tarnishes it by association or makes it less distinctive. This is likely to take place as a consequence of the same mental process which links the two marks in the minds of consumers and is essentially a negative reaction and effect.”

55) Earlier in this decision I found that the applicant’s opposed goods and services in classes 16, 35, 39 & 43 were not similar to the opponent’s goods of “beer” in class 32. I also found that the opposed goods in class 33 were similar to the opponent’s goods in class 32 to a low degree. I also found that the average consumer is well versed in discriminating between individual’s names, particularly a surname and a forename and surname. I accept that the mark in suit may bring the opponent’s mark to mind, but I do not believe that it will form a link between the marks such that it would affect the consumers’ economic behaviour or damage the opponents’ mark by tarnishing or blurring. Nor will the applicant be able to ride the coat tails of the opponent and benefit from its reputation and/or advertising as the consumer will be aware that they companies are different. **The opposition under Section 5(3) of the Act fails in full.**

56) I now turn to consider the ground of opposition under section 5(4)(a) which states:

“A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented –

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

(b) [.....]

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.”

57) When considering this ground I take into account Halsbury’s Laws of England (4th Edition) Vol. 48 (1995 reissue) which at paragraph 165 provides the following analysis of the law of passing off. The analysis is based on guidance given in the speeches in the House of Lords in *Reckitt & Colman Products Ltd v. Borden Inc.* [1990] R.P.C. 341 and *Erven Warnink BV v. J. Townend & Sons (Hull) Ltd* [1979] AC 731. It is (with footnotes omitted) as follows:

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

(1) that the plaintiff’s goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;

(2) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that the goods or services offered by the defendant are goods or services of the plaintiff; and

(3) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant’s misrepresentation.

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

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

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

(1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and

(2) that members of that class will mistakenly infer from the defendant’s use of a name, mark or other feature which is the same or sufficiently similar that the defendant’s goods or business are from the same source or are connected.

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

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

(a) the nature and extent of the reputation relied upon;

(b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;

(c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;

(d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and

(e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.”

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

58) I must first determine the relevant date. In *Advanced Perimeter Systems Limited v Multisys Computers Limited*, BL O-410-11, Mr Daniel Alexander QC as the Appointed Person considered the relevant date for the purposes of s.5(4)(a) of the Act and concluded as follows:

“39. In *Last Minute*, the General Court....said:

‘50. First, there was goodwill or reputation attached to the services offered by LMN in the mind of the relevant public by association with their get-up. In an action for passing off, that reputation must be established at the date on which the defendant began to offer his goods or services (*Cadbury Schweppes v Pub Squash* (1981) R.P.C. 429).

51. However, according to Article 8(4) of Regulation No 40/94 the relevant date is not that date, but the date on which the application for a Community trade mark was filed, since it requires that an applicant seeking a declaration of invalidity has acquired rights over its non-registered national mark before the date of filing, in this case 11 March 2000.’

40. Paragraph 51 of that judgment and the context in which the decision was made on the facts could therefore be interpreted as saying that events prior to the filing date were irrelevant to whether, at that date, the use of the mark applied for was liable to be prevented for the purpose of Article 8(4) of the CTM Regulation. Indeed, in a recent case before the Registrar, *J Sainsbury plc v. Active: 4Life Ltd* O-393-10 [2011] ETMR 36 it was argued that *Last Minute* had effected a fundamental change in the approach required before the Registrar to the date for assessment in a s.5(4)(a) case. In my view, that would be to read too much into paragraph [51] of *Last Minute* and neither party has advanced that radical argument in this case. If the General Court had meant to say that the relevant authority should take no account of well-established principles of English law in deciding whether use of a mark could be prevented at the application date, it would have said so in clear terms. It is unlikely that this is what the General Court can have meant in the light of its observation a few paragraphs earlier at [49] that account had to be taken of national case law and judicial authorities. In my judgment, the better interpretation of *Last Minute*, is that

the General Court was doing no more than emphasising that, in an Article 8(4) case, the *prima facie* date for determination of the opponent's goodwill was the date of the application. Thus interpreted, the approach of the General Court is no different from that of Floyd J in *Minimax*. However, given the consensus between the parties in this case, which I believe to be correct, that a date prior to the application date is relevant, it is not necessary to express a concluded view on that issue here.

41. There are at least three ways in which such use may have an impact. The underlying principles were summarised by Geoffrey Hobbs QC sitting as the Appointed Person in *Croom's TM* [2005] RPC 2 at [46] (omitting case references):

- (a) The right to protection conferred upon senior users at common law;
- (b) The common law rule that the legitimacy of the junior user's mark in issue must normally be determined as of the date of its inception;
- (c) The potential for co-existence to be permitted in accordance with equitable principles.

42. As to (b), it is well-established in English law in cases going back 30 years that the date for assessing whether a claimant has sufficient goodwill to maintain an action for passing off is the time of the first actual or threatened act of passing off: *J.C. Penney Inc. v. Penneys Ltd.* [1975] FSR 367; *Cadbury-Schweppes Pty Ltd v. The Pub Squash Co. Ltd* [1981] RPC 429 (PC); *Barnsley Brewery Company Ltd. v. RBNB* [1997] FSR 462; *Inter Lotto (UK) Ltd. v. Camelot Group plc* [2003] EWCA Civ 1132 [2004] 1 WLR 955: "date of commencement of the conduct complained of". If there was no right to prevent passing off at that date, ordinarily there will be no right to do so at the later date of application.

43. In *SWORDERS TM* O-212-06 Mr Alan James acting for the Registrar well summarised the position in s.5(4)(a) proceedings as follows:

'Strictly, the relevant date for assessing whether s.5(4)(a) applies is always the date of the application for registration or, if there is a priority date, that date: see Article 4 of Directive 89/104. However, where the applicant has used the mark before the date of the application it is necessary to consider what the position would have been at the date of the start of the behaviour complained about, and then to assess whether the position would have been any different at the later date when the application was made.'

59) The filing date of the application (15 September 2015) is, therefore, the material date. However, if the applicant had used its trade mark prior to this, then this use must also be taken into account. It could, for example, establish that the applicant is the senior user, or that there had been common law acquiescence, or that the status quo should not be disturbed; any of which could mean that the applicant's use would not be liable to be prevented by the law of passing-off – the comments in *Croom's Trade Mark Application* [2005] RPC 2 and *Daimlerchrysler AG v Javid Alavi (T/A Merc)* [2001] RPC 42 refer. There is no evidence that the applicant has used its mark. **The relevant date is therefore 15 September 2015.**

60) Earlier in this decision I found that the opponent had goodwill and reputation in its mark McEwans in relation to beer. I also found that use of the mark in suit, actual or on a fair and notional basis would not result in confusion with the opponent's marks. Accordingly, it seems to me that the necessary misrepresentation required by the tort of passing off will not occur. The opposition under Section 5(4)(a) of the Act must fail.

CONCLUSION

61) The opposition under Sections 5(2) (b), 5(3) & 5(4)(a) have failed in relation to all the goods and services opposed. The application will therefore be registered for all of the goods and services listed in its amended specification.

COSTS

62) As the applicant has been successful it is entitled to a contribution towards its costs.

Preparing a statement and considering the other side's statement	£300
Considering the other side's evidence	£200
TOTAL	£500

63) I order Charles Wells Brewery Limited to pay James McEwan the sum of £500. This sum to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 15th day of February 2017

A handwritten signature in black ink, appearing to be 'G. W. Salthouse', written in a cursive style.

**George W Salthouse
For the Registrar,
the Comptroller-General**