

O-069-05

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No. 2010923
IN THE NAME OF PARTAGAS Y CIA S.A. TO REGISTER THE
TRADE MARK CIFUENTES IN CLASS 34**

AND

**IN THE MATTER OF OPPOSITION No. 91003
BY GENERAL CIGAR CO INC.**

AND

**IN THE MATTER OF REGISTRATION No. 2020149
IN THE NAME OF PARTAGAS Y CIA S.A.**

AND

**IN THE MATTER OF AN APPLICATION FOR
A DECLARATION OF INVALIDITY No. 80966
BY GENERAL CIGAR CO INC.**

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in the name of Partagas Y Cia S.A.**

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**IN THE MATTER OF an Application for a
declaration of invalidity No. 80966
by General Cigar Co Inc.**

BACKGROUND

1. Partagas Y Cia, S.A. Antonio Maura No 9, Madrid, Spain is the applicant for registration and registered proprietor in respect of the following trade marks:

Application No. 2010923

Trade Mark: CIFUENTES

Class 34: Tobacco; smokers' articles; matches

Date of Application: 9 February 1995

Registration No. 2020149

Trade Mark:



Class 34: Tobacco, cigars, cigarettes; tobacco products; smokers' articles
Date of Application: 11 May 1995

2. The General Cigar Co Inc, 387 Park Avenue South, New York, United States of America, opposes the registration of Partagas' application and seeks to have Partagas' registration declared invalid. For convenience I will use the terms General Cigar and Partagas to identify the parties.

3. In respect of the application for registration, the grounds of opposition set out by General Cigar are based upon Section 5(2)(b) of the Act; they claim that they are the proprietors of an earlier registered trade mark which they consider to be confusingly similar to that of the applicant and that it is registered for goods which are the same or similar to those for which Partagas seeks registration. Details of General Cigar's trade mark are shown below:

Registration No. 1475209

Trade Mark: CIFUENTES WINKS
Class 34: Cigars; all included in Class 34.
Date of Application: 2 September 1991

4. This registration is the subject of a disclaimer which states:

“Registration of this mark shall give no right to the exclusive use of the word “CIFUENTES.”

5. I note that in their statement of grounds of opposition, General Cigar state:

“The presence or absence of a disclaimer in respect of a registration cannot possibly affect whether or not the public is likely to confuse two trade marks in the market place.”

6. General Cigar's application for a declaration of invalidity in respect of Partagas' registration (under Section 47(2) of the Act) is based upon Section 5(1) and 5(2)(b) of the Act. The Section 5(1) ground is based upon Cigar's application No 2019582 details of which are shown below:

Application No. 2019582

Trade Mark: CIFUENTES
Class 34
All goods included in Class 34
Application of Date: 4 May 1995

7. The Section 5(2)(b) ground is also based upon Cigar's application No. 2019582 and trade mark registration No 1475209, details of both are already set out earlier.

8. Both sides filed evidence which is largely the same in respect of each set of proceedings and the matter came before me for a hearing on 28 January when Partagas was represented by Mr Julius Stobbs of Boulton Wade & Tennant, their trade mark attorney, General Cigars were represented by Mr Mark Engelman of Counsel.

The Evidence

9. In respect of the evidence filed by both Partagas and General Cigar, having read it in association with the pleadings and the submissions made, none is relevant, in my view, to the issues before me. However, for the record, I record that General Cigar's evidence consists of statutory declarations by Michael Arthur Lynd and Edgar M Cullman.

10. Mr Lynd, who is General Cigar's Trade Marks Attorney, provides background information on the acceptance by the Trade Marks Registry of the trade mark the subject of General Cigar's registration No 1475209 and in particular on the Trade Marks Registry's requirement for a disclaimer of the word CIFUENTES. He also states that that application was opposed by Partagas. That opposition was unsuccessful and application No 1475209 proceeded to registration. I note that the application and the opposition were all dealt with under the provisions of the Trade Marks Act 1938 which has now been repealed. Mr Lynd's statutory declaration also provides background information on Ramon Cifuentes and the Cifuentes name, which he states is well known in the tobacco industry and well known as being the family name of the people behind the applicant company. He exhibits some material which he believes supports that claim.

11. The statutory declaration of Mr Edgar M Cullman, Chairman of the Board of General Cigar Holdings, Inc, the parent company of General Cigar Co Inc, also details the position of Ramon Cifuentes and the family in relation to the cigar industry and to the relationship between them and the applicant company.

12. Partagas' evidence consists of a witness statement by Mr Julius Stobbs, a partner in Boulton Wade & Tennant, Partagas' trade mark attorneys. He comments that the information set out in Mr Lynd's statutory declaration concerning the history and reputation of Ramon Cifuentes is not, in his view, relevant to the proceedings.

However, in order to provide an even handed overview of the Cifuentes name he provides copies of documentation which was supplied to the Trade Marks Registry as part of the prosecution of the application.

DECISION

13. As Mr Stobbs states in his skeleton argument, there are a ‘cascade’ of rights owned by the parties which are relevant to these proceedings.

14. These trade marks together with the relevant information are set out below:

PROPRIETOR	No.	DATE OF APPLICATION	MARK	DISCLAIMER
General Cigar	1475209	02.09.1991	CIFUENTES WINKS (registered)	Yes to CIFUENTES
Partagas	2010923	09.02.1995	CIFUENTES (application)	No
General Cigar	2019582	04.05.1995	CIFUENTES (application)	No
Partagas	2020149	11.05.1995	CIFUENTES label (registered)	No

15. The common element in all of the trade marks owned by the parties to the dispute is the word ‘CIFUENTES’. As Mr Engelman, on behalf of General Cigar, puts it in his skeleton argument:

2. The reason its opposition proceedings should succeed is because it owns the registered trade mark CIFUENTES WINKS filed 02.09.91, which pre-dates the application, filed 09.02.95, of PYC [Partagas]. That CIFUENTES WINKS mark should be found to be confusing similar to the CIFUENTES application by reason of section 5(2)(b) of the Trade Marks Act 1994, (“the Act”). The goods the subject of the PYC application and those of the GCCI’s [General Cigar] registration are identical (or practically so).

3. Similarly, the reason GCCI’s invalidity proceedings should succeed is because PYC’s registration was filed 11.5.95 (which comprises as a dominant part of the mark CIFUENTES together with a device comprising a picture of the face of a man and one of a scene from a tobacco plantation) is pre-dated by the CIFUENTES WINKS registration filed on 2.09.91 and PYC’s application for CIFUENTES filed on 4.05.95. The goods the subject of the PYC registration and those of the GCCI’s registration and application are identical. It is important to note that, with regard to GCCI’s prior right in the application CIFUENTES (paras 1 & 2 of GCCI’s Statement of Case) there is no disclaimer operating on the earlier mark such that the comparison is between CIFUENTES and device versus CIFUENTES for identical goods for the purposes of ss 5(1) and 5(2) of the Act.”

16. I did not take Mr Stobbs to disagree with the submissions that identical or very similar goods were involved here. Matters rest, in respect of both the opposition and the invalidation, on a comparison of the trade marks, therefore.

17. However, before considering whether the respective trade marks are identical (as pleaded by General Cigar in the invalidation proceedings) or similar (as pleaded by General Cigar in the opposition proceedings and as an alternative in the invalidation proceedings) it is necessary to deal with two submissions from Mr Engelman. These relate to the earliest right, owned by General Cigar for the trade mark CIFUENTES WINK and which carries a disclaimer attached to the word CIFUENTES.

18. Though this registration predates the coming into force of the Trade Marks Act 1994, the transitional provisions of the Act (paragraph 3(2) of Schedule 3) provide, in effect, that disclaimers in respect of trade marks on the register under the Trade Marks Act 1938, transferred, along with the trade mark, to the new register and had effect as if placed on the register under the provisions of Section 13 of the Trade Marks Act 1994. This states:

“13.-(1) An applicant for registration of a trade mark, or the proprietor of a registered trade mark, may –

- (a) disclaim any right to the exclusive use of any specified element of the trade mark, or
- (b) agree that the rights conferred by the registration shall be subject to a specified territorial or other limitation;

and where the registration of a trade mark is subject to a disclaimer or limitation, the rights conferred by section 9 (rights conferred by registered trade mark) are restricted accordingly.

(2) Provision shall be made by rules as to the publication and entry in the register of a disclaimer or limitation.”

19. In his skeleton argument Mr Engelman submitted:

“The problem for GCCI [General Cigar] in succeeding in its opposition and invalidity proceedings (with regard to its CIFUENTES WINKS mark) is the contention that the major element of its prior right trade marks comprise the word CIFUENTES, which GCCI has disclaimed. Following the decision of the TMO in the Paco Rabanne Parfums of 13 October 1999, the TMO publishes its PAC 3/00, which states that “*where the only component of the earlier trade mark which could be regarded as creating a similarity with the latest mark is the subject of a disclaimer to any exclusive right, the examiner will not consider the marks to be similar enough to create a likelihood of confusion*”. That decision, despite its application in the Torremar decision of Mr Hobbs acting as the Appointed Person, is wrong for the reasons set out below.”

20. If I was not persuaded that the Trade Marks Registry's practice was wrong, then I was asked to refer questions to the Court of Justice which covered the interpretation of The First Council Directive 89/104 EEC of 21 December 1988 to approximate the laws of the Member States covering trade marks.

21. The Trade Marks Registry's practice (Disclaimers – Section 5) is set out in Practice Amendment Circular 3/00 (PAC 3/00) and is based upon the decision of Mr Allan James, one of the Registrar's Hearing Officers, in *PACO/PACO LIFE IN COLOUR Trade Marks* [2000] RPC 451.

22. Mr Engelman submitted that a disclaimer under Section 13 only operated after a trade mark had been placed on the register and not as part of the pre-registration process. He considered that Mr James had in effect, misdirected himself in analysing the role of disclaimers. This was because in comparing the parallel registration and infringement process of the Act, he stated that he “found it difficult to see how Parliament could have intended a disclaimer to be taken into account for infringement purposes but not when it comes to an application to register which could lawfully be used as a trade mark”. But, Mr Engelman submitted, Parliament had done just that in contemplating the prospect of registration without the ability to prevent use of the same or similar signs by others. He said that Section 48 (acquiescence) and some of the transitional provisions – paragraph 4(2) of Schedule 3 - contemplated a situation where an existing registered right may not be relied upon post registration for infringement purposes.

23. Mr Engelman suggested that Mr James had further misdirected himself by relying on the ‘parochial’ approach he adopted to the provisions of Section 5 and 10 and concluding that in his view the Trade Marks Act 1994, unlike earlier trade marks legislation, did not allow disclaimers to deny a registrant (or applicant for invalidation), to assert rights in their trade marks.

24. Mr Engelman went on to submit that Mr James had mistakenly considered that by limiting the effect of a disclaimer attached to a national registration to infringement, the Registrar would be in the unsatisfactory position of attributing a broader meaning to disclaimers associated with Community Trade Marks, based upon Article 38 of Council Regulation EC/40/94 which set up the Community Trade Mark system and which states:

“Where the trade mark contains an element which is not distinctive, and where the inclusion of said element in the trade mark could give rise to doubts as to the scope of protection of the trade mark, the office may request, as a condition for registration of said trade mark, that the applicant states that he disclaims any exclusive right to such element. Any disclaimer shall be published together with the application or the registration of the community trade mark as the case may be.”

25. In support of his submissions he referred to an opinion by Advocate General Colomer in *DKV Deutsche Krankenversicherung AG v OHIM* (case C-104/00P – ‘Companyline’) where, in Mr Engelman's view it was clear that disclaimers are post registration issues. I was referred to paragraph 78-81 of the opinion which states:

“DKV argues that the Court of First Instance should have given consideration to Article 12(b) of the Regulation which by limiting the effects of a trade mark, thus preventing the owner from monopolizing any descriptive indications contained in a sign, mitigates the strictness with which Article 7(1)(b) is to be applied. In other words, registration of the sign would not have prevented the appellant’s competitors from continuing to use the words ‘company’ and ‘line’ for descriptive purposes in regard to goods and services in the class claimed.

That is confirmed by the appellant’s express disclaimer under Article 38(2) and (3) of the Regulation.

In the Office’s estimation, the appellant’s submissions are not capable of supporting an allegation of infringement of the rules on trade mark registration. First of all, the purpose of Article 12(b) is to delimit the protection afforded by a mark that has already been registered, not to determine the conditions for registration. Secondly, no disclaimer made under Article 38 can affect a sign’s distinctiveness or descriptiveness.

I wholly concur with the views expressed by the Office in its defense; nothing in the Regulation requires a sign to be assessed more ‘leniently’ on the basis of other provisions limiting the protection afforded by descriptive signs.”

26. Mr Stobbs relied upon the Practice Amendment Circular PAC 3/00 to argue that a disclaimer should be taken into account in both pre and post registration procedures. He also submitted that the ‘Companyline’ opinion was dealing with an issue outwith that before this tribunal namely an absolute grounds issue. In particular he stated:

“I would just like to briefly address what Mr. Colomer must have been talking about here. Broadly speaking, the ruling was that a disclaimer cannot be taken to affect the distinctive character or the descriptiveness of a mark, and that is absolutely right. He is addressing absolute grounds for refusal of a mark and so by entering a disclaimer of the word “company” or the word “line”, or both separately, he is saying that entry of a disclaimer in relation to the mark cannot affect the overall distinctive character of a mark and so cannot waive an objection on the overall distinctive character of a mark simply because we enter a disclaimer.”

27. Both parties also referred me to a decision of the Appointed Person in *Torreomar Trade Mark* [2003] RPC 4, in which Mr Geoffrey Hobbs QC in his decision, at paragraph 28 and 29 stated:

“Objections under Section 5(2) are conceptually indistinguishable from actions under Section 10(2) of the Act: they serve to ensure that trade marks whose use could successfully be challenged before the courts are not registered: Case C-39/97 Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc [1998] ECR I-5507, para 21.

It follows that an objection under Section 5(2) cannot succeed in a case where the resemblance between the marks in issue is attributable to nothing more

than the presence in the earlier trade mark of an element for which protection has been disclaimed: Paco/Paco Life In Colour Trade Marks [2000] RPC 451.”

28. Mr Stobbs relied upon these paragraphs in his submissions that a disclaimer was both a pre and post registration issue and Mr Engelman stated that Mr Hobbs had not himself analysed the position but had merely relied on Mr James’s decision.

29. The issue of the disclaimer attached to registration No 1475209 is key to the resolution of this dispute. If the word ‘CIFUENTES’ is not to be taken into account because of the disclaimer entered against it in the register under Section 13 then it is likely (but by no means certain) that General Cigar will lose its case and Partagas’ trade mark for the word CIFUENTES will be placed on the register.

30. The Trade Marks Registry’s position is set out in PAC 3/00 in relation to disclaimers and that was based, as the parties recognised, on the analysis of the relevant provisions of the Trade Marks Act (and the parallel provision in the regulation implementing the Community Trade Mark regime). Mr Engelman asks me to set this aside and conclude on the basis of his analysis and submissions that Mr James and the Trade Marks Registry was wrong and that the provisions of Section 13 only apply to post registration issues. That I am not going to do. There was nothing in Mr Engelman’s analysis or submissions which had not already been the subject of consideration in Mr James’ decision. The fact that the Trade Marks Act 1994 brought into effect a whole new regime for the registration and protection of trade marks made it as likely as not that the sweeping changes included change to the disclaimer regime. Simply because it is a domestic provision (but within the scope of the provisions of the Directive) does not mean that the old domestic regime, as derived from the old Act, should continue. And, for the reasons set out at length in Mr James’ decision, I believe it does not. It is also worth noting that the Community Trade Mark Regulation (Council Regulation (EC) 40/94) is a stand alone regulation, not dependent upon the Directive. Therefore, the former, unlike the Trade Marks Act, does not directly restrict the rights of proprietors because of the application of a disclaimer. Moreover the Trade Marks Registry’s practice in relation to disclaimers has the endorsement of one of the Appellate Tribunals in the shape of the decision by Mr Geoffrey Hobbs QC in *Torrema Trade Mark* [2003] RPC 4. I note that he quotes Mr James’ decision with, it would seem, approval. And indeed states in that decision that disclaimers apply in both pre and post registration procedures. I would not be inclined to disagree with that view without the strongest of indications that he too misdirected himself.

31. The only material provided which could have caused me to set aside the views of Mr James and Mr Hobbs was the opinion of Advocate General Colomer in *Companyline* (Case C-104/00P). But the issue in that case was one directed to the criteria necessary for assessing the registrability of a sign. The point made there was that a disclaimer does not effect the descriptiveness or distinctiveness of the sign sought to be registered as a trade mark. The opinion does not go to the issue of the application of a disclaimer in relation to an earlier right based on relative grounds of refusal. For that reason I do not consider that the opinion carries any weight in this case. For the reasons stated, I consider that the Trade Marks Registry’s practice as set

out in PAC 3/00, and as endorsed by the Appointed Person, stands, and must be taken into account in this case.

32. I go on to consider whether, in the light of the submissions made to me about the effect of the domestic provisions relating to disclaimers insofar as they effect the rights of earlier rights holders as laid down by the Directive, I should refer questions to the Court of Justice.

33. The request to do so was made by Mr Mark Engelman and Mr Michael Lynd, the opponent's Counsel and Attorney respectively, in an Application Notice dated 26 January 2004.

34. I was referred to *H P Bulmar Ltd v Bollinger* [1974] Ch 401 in support of the view that a) this Tribunal had the power to refer questions to the Court of Justice - which Mr Stobbs did not dispute - and b) that in interpreting an Act based upon European Law it is the latter that should be looked at rather than the former, particularly in a case such as this, where the former may impinge on the latter.

35. In Mr Engelman's view the matter of a disclaimer and its effects on the application of a prior right under Article 4 needed to be considered by the Court of Justice. He proposed the following questions:

- 3.1 in accordance with Article 234 of the EC Treaty the questions fall within the jurisdiction of the Court of Justice; and
- 3.2(i) in circumstances where an applicant is entitled to a prior right which has a component the subject of a disclaimer which is the only component as creating similarity between that mark and a later mark,
- 3.2(ii) in the circumstances set out in (i) the proprietor is permitted to rely upon Article 4(1)(a) of First Council Directive 89/104, ("the Directive") from which Section 5(1) of the Trade Marks Act 1994, ("the Act"), is derived, in both opposition and invalidity proceedings for the purpose of challenging the later mark.
- (iii) in circumstances set out in (i) does a disclaimer operate as a factor in the test of global appreciation established in Sabel BV v Puma AG in order to assess the distinctive and dominant components of the earlier mark and thereafter evaluating the likelihood of confusion presented by the later mark for the purposes of Article 4(1)(a) of the Directive/section 5(1) of the Act.
- (iv) in the circumstances set out in (i), whether an applicant is entitled to rely upon section 5(2)(b) of the Act 1994 in both opposition and invalidity proceedings for the purpose of challenging a later sign.
- (v) in circumstances in (iv) does the disclaimer operate as a factor in the test of global appreciation established in Sabel BV v Puma AG [1998 RPC 199] and developed in Lloyd Schufabrik Meyer & Co GmbH v Klijsen Handel B.V. [1999] ETMR 690 in order to assess the

distinctive and dominant components of the trade mark earlier mark and thereafter evaluating the likelihood of confusion presented by the later mark.

- 3.3 that for a comparison of trade marks pursuant to Section 5(1) of the Act, whether the global appreciation test referred to in LTJ Diffusion SA v Sadas Vertebaudet SA C-291/00 permits a finding of identity in circumstances in which the 2 trade marks under comparison are visually different but orally identical when applied for identical goods, when the circumstances of the sale of the respective goods the subject of the 2 marks are undertaken substantially in an environment where the goods are chosen by the average consumer by reference to their name alone.”

36. In my view, the Law, in relation to Section 13 (disclaimers), a domestic provision and its application to pre and post registration issues, as set out in Section 5 and 10 of the Act, are clear and there is no need to refer questions to the Court of Justice.

37. Earlier in my decision I stated that the Appointed Person had endorsed the Trade Marks Registry's practice and interpretation of the Law on the point in *Torremer Trade Mark* [2003] RPC 4. Had he had reservations, he could have sought submission from the parties in that case on a reference to the Court of Justice. That he did not do so suggests he too saw the interpretation as clear.

38. Insofar as the issue of disclaimers and other questions posed I do not consider that any further clarification of the Directive is necessary for me to reach a decision and I go on to consider matters below based on the jurisprudence on the issues to which the proposed questions relate.

Opposition Proceedings

39. I turn now to the substantive proceedings, dealing first with Opposition No 91003 by General Cigar against Application No 2010923 in the name of Partagas. The opposition is based upon Section 5(2)(b) of the Act which states:

“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”.

40. An earlier trade mark is defined in Section 6, as follows:

“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,
- (b) a Community trade mark which has a valid claim to seniority from an earlier registered trade mark or international trade mark (UK), or
- (c) a trade mark which, at the date of application for registration of the trade mark in question or (where appropriate) of the priority claimed in respect of the application, was entitled to protection under the Paris Convention or the WTO agreement as a well known trade mark.

(2) References in this Act to an earlier trade mark include a trade mark in respect of which an application for registration has been made and which, if registered, would be an earlier trade mark by virtue of subsection (1)(a) or (b), subject to its being so registered.

(3) A trade mark within subsection (1)(a) or (b) whose registration expires shall continue to be taken into account in determining the registrability of a later mark for a period of one year after the expiry unless the registrar is satisfied that there was no *bona fide* use of the mark during the two years immediately preceding the expiry.”

41. The earlier right on which the opposition is based is registration No 1475209 owned by General Cigar. The respective goods are, and accepted by the parties representatives, identical or very similar, therefore I only have the respective trade marks to consider. These are.

Applicant's Trade Mark

Opponent's Trade Mark

CIFUENTES

CIFUENTES WINKS

42. The guidance provided by the European Court of Justice (ECJ) in *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77 and *Marca Mode CV v Adidas AG* [2000] E.T.M.R. 723 sets out the 'tests' to be applied in respect of proceedings under this head. It is established from these cases that:

- (a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v Puma AG*;
- (b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel BV v. Puma AG*, who is deemed to be reasonably well informed and reasonably circumspect and observant - but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind; *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V.*;
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v. Puma AG*;
- (d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel BV v. Puma AG*;
- (e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*;
- (f) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either per se or because of the use that has been made of it; *Sabel BV v. Puma AG*;
- (g) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v. Puma AG*;
- (h) further, the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense; *Marca Mode CV v. Adidas AG*;

- (i) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc.*

43. There is of course a disclaimer of the word CIFUENTES attached to the opponent's registration. Therefore applying the practice set out in PAC 3/00, based upon the reasoning set out in *Paco Holdings Ltd v Paco Rabanne Parfums*, the comparison in this case is between the word CIFUENTES and the word WINK.

44. I have applied the global appreciation tests set out above and the practice in PAC 3/00 which states:

“Where the only component of the earlier trade mark which could be regarded as creating a similarity with the later trade mark is the subject of a disclaimer to any exclusive right the examiner will not consider the marks to be similar enough to create a likelihood of confusion.”

45. I find that CIFUENTES is not similar to CIFUENTES WINK such as to cause confusion amongst the relevant public and the opposition based upon Section 5(2)(b) fails.

Invalidation Proceedings No 80966

46. These are directed to Partagas' registration No 2020149 which is a label as shown below. The grounds of invalidation are alleged under Section 47 and are sought by references to Sections 5(1) and 5(2) of the Act. The relevant sections read as follows:

“47.-(2) The registration of a trade mark may be declared invalid on the ground -

- (a) that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, or
- (b) that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied,

unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.”

“5.-(1) A trade mark shall not be registered if it is identical with an earlier trade mark and the goods or services for which the trade mark is applied for are identical with the goods or services for which the earlier trade mark is protected.

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

(a) it is identical with an earlier trade mark and is to be registered for goods or services similar to those for which the earlier trade mark is protected, or

(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.”

47. The allegation under Section 5(1) is founded in General Cigar’s trade mark No. 2019582 for the word CIFUENTES. The respective trade marks are shown below.

Partagas’ Trade Mark

General Cigar’s Trade Mark



CIFUENTES

48. The relevant jurisprudence is *LTJ Diffusion SA and Sadas Vertbaudet SA C-291/00* where the Court of Justice held as follows:

“LIV. In those circumstances, the answer to the question referred must be that Article 5(1)(a) of the directive must be interpreted as meaning that a sign is identical with the trade mark where it reproduces, without any modification or addition, all the elements constituting the trade mark or where, viewed as a whole, it contains differences so insignificant that they may go unnoticed by the average consumer.”

49. In his skeleton, Mr Engelman submitted:

“The ECJ in LTJ Diffusion SA and Sadas Vertbaudet SA C-291/00, held that for a sign to be considered identical to an earlier registered mark for the purpose of Article 5(1)(a) of the Directive *it reproduces, without any modification or addition, all the elements constituting the trade mark or where, viewed as a whole, it contains differences so insignificant that they may go unnoticed by an average consumer*. The PYC CIFUENTES label mark does reproduce all elements constituting the GCCI trade mark (in adopting the word CIFUENTES) but with the addition of the device (which does encompass a large part of the later trade mark).

However, the addition is “insignificant” when viewed as a whole, and would go unnoticed by an average consumer because, in the purchase of cigars bearing the PYC device mark, such goods are to all intents and purposes never on offer to the public without the intervention of a sales assistant at point of sale for 3 reasons: (i) the relative value of the goods in question, cigars are expensive (ii) the environmental conditions (cigars are stored in controlled humidity and temperature environments – humidors), to which the consumer is not provided direct access (iii) they, as regulated products cannot be sold to under 18 years olds.

In consequence, they will be universally sold by reference to the name of the product, rather than by reference to design features of the label, hence rendering the impact of otherwise significant additions, to insignificant, to the average consumer. The goods for which both conflicting marks are registered, would therefore be asked for orally and both referred to as “CIFUENTES”. Hence, for the purposes of S. 5(1) which is derived from Art. 4(1)(a) of the Directive, the sign CIFUENTES label and mark CIFUENTES are identical and the goods in respect of which they have applied are also identical.”

50. In my view the differences between the two trade marks visually and conceptually are very significant and will be seen to be so by the relevant public – wholesalers, tobacconists as well as by the cigar smoking population. Yes, the Partagas trade mark encompasses the whole of the word CIFUENTES which is the word the subject of the application for registration by General Cigar, but the added items which are apparent above mean that the respective trade marks could not be considered identical even when taking the broadest view possible of the way in which the trade marks might be used and I so hold. The ground of invalidation based upon Section 5(1) is dismissed.

51. I should add that I reiterate what I said earlier in that I did not consider it necessary to refer any question the Court of Justice. The law and jurisprudence are clear.

52. In relation to the grounds of invalidation based upon Section 5(2)(b) the applicant, General Cigar, puts forward two earlier trade marks, they are numbers 2019582 and 1475209. For the reasons given in the opposition, the disclaimed element CIFUENTES may not be taken into account in the comparison of trade marks

under Section 5, and I dismiss the invalidation allegation based upon trade mark No 1475209.

53. Insofar as General Cigar application No 2019582 is concerned, this is an application for registration which pre-dates the registration in suit here. The respective trade marks are shown below.

**Partagas' Registration No. 2020149
2019582**

General Cigar's Application No.



CIFUENTES

54. The main element in each trade mark is the word CIFUENTES.

55. Though there are other features in the trade mark of Partagas, it is, in my view, the word CIFUENTES which will both strike the eye and be the element used by all the relevant public to request the product. Therefore, using all of the tests laid down by the Court of Justice, as set out above, I reach the view that there is such a degree of similarity between the registered trade mark of Partagas and the earlier trade mark applied for by General Cigar that there does exist a likelihood of confusion on the part of the public. Therefore the request for a declaration of invalidity in respect of registration number 2020149 based upon application 2019582 succeeds.

56. However, that does not end matters because as a result of my decision in the opposition case, Partagas have an earlier right than General Cigar to the word CIFUENTES in number 2010923. It may well be therefore that General Cigar's earlier application will not be accepted by the Trade Marks Registry or if accepted Partagas may choose to oppose General Cigar's application, No. 2019582 on the basis of it. It seems sensible therefore to stay the implementation of this part of my decision until the matter of the General Cigar application has been decided and either it has been placed on the register, in which case the Partagas registration will be declared invalid, or if that earlier right is not sustained then the Partagas registration will remain on the register.

COSTS

57. As both sides have had a measure of success in these proceedings I consider that each should bear their own costs.

Dated this 10th day of March 2005

**M KNIGHT
For the Registrar
the Comptroller-General**