O-0968-23

TRADE MARKS ACT 1994

IN THE MATTER OF

APPLICATION NO 3766499

IN THE NAME OF JULIE ANN BEAUME & PATRICK BEAUME (PARTNERS IN THE CARTFORD INN)

TO REGISTER

TOTI

AS A TRADE MARK IN CLASSES 32 & 33

AND

OPPOSITION THERETO (UNDER NO. 434659)

BY

GIOVANNI BOSCA TOSTI I.V.I S.P.A

BACKGROUND

1) On 16 March 2022, Julie Ann Beaume and Patrick Beaume (partners in The Cartford Inn) applied to register the mark shown on the cover page of this decision in respect of goods and services in various classes. For present purposes, it is necessary only to set out the goods applied for in classes 32 and 33, which are:

Class 32: Beer; non-alcoholic beverages; fruit juices; mineral, aerated and other waters; other non-alcoholic drinks; syrups; other preparations for making beverages; soft drinks; grenadine.

Class 33: Gin; wine; cider; alcoholic beverages; spirits; sweet liqueurs.

2) The application was published in the Trade Marks Journal on 01 April 2022 and notice of opposition was later filed by GIOVANNI BOSCA TOSTI I.V.I S.p.A ('the opponent'). The opponent claims that the trade mark application offends under section 5(2)(b) of the Trade Marks Act 1994 ('the Act'). Its opposition is directed against the goods applied for in classes 32 and 33 only (as shown above). The opponent relies upon the following trade mark registration:

UKTM No: 810214733

TOSTI

Class 33: Wines, spirits and liqueurs.

Filing date: 22 November 2008
Date of entry in the register: 25 January 2010

3) The trade mark relied upon by the opponent is a comparable mark IR(EU)[1], which is an 'earlier' mark, in accordance with section 6 of the Act. As it had been protected for five years or more at the application date of the contested mark, it is, in principle, subject to the proof of use conditions as per section 6A of the Act. The opponent made a statement of use in relation to all of the goods relied upon.

4) The applicant filed a counterstatement in which it does not put the opponent to proof of use of its earlier registration[2]. The consequence of this is that the opponent is entitled to rely upon all of the goods for which it made a statement of use, without having to provide evidence that it has used its mark for those goods. The applicant accepts that neither mark has a conceptual meaning that will be immediately apparent to the consumer but submits that there is only a low to moderate degree of visual and aural similarity between them. It accepts that the respective goods in class 33 are similar but submits that there is little, or no, similarity between the respective goods in classes 33 and 32. It also submits that there is little, or no, likelihood of confusion on the part of the average consumer.

5) The opponent is represented by Murgitroyd & Company. The applicant is represented by Harrison Drury & Co Ltd. Both parties filed evidence. The opponent's evidence consists of a witness statement from Claire Hutson and exhibits CH01 - CH07 thereto; the applicant's evidence consists of a witness statement from Patrick Beaume and exhibits PB1 – PB7 thereto. Both parties also filed written submissions alongside their evidence[3]. Neither party requested a hearing. Only the opponent filed submissions in lieu[4]. I now make this decision after considering all of the papers before me.

DECISION

[1] Following the end of the transition period of the UK's withdrawal from the EU, all EU trade marks ("EUTM") registered before 1 January 2021 were recorded as comparable trade marks in the UK trade mark register (and as a consequence, have the same legal status as if they had been applied for and registered under UK law). A 'comparable trade mark (EU)' retains the same filing date, priority date (if applicable) and registration date of the EUTM from which it derives.
[2] Question 7. of Form TM8 refers
[3] The opponent's submissions are dated 29 November 2022; the applicant's submissions are dated 30 January 2023
[4] Dated 28 March 2023

6) Section 5(2)(b) of the Act 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."

Case law

7) Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Act relied on in these proceedings are derived from an EU Directive. Accordingly, it is appropriate to take account of the case law of EU courts in determining the matter before me.

8) The leading authorities which guide me are from the Court of Justice of the European Union ('CJEU'): *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.

The principles

(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.

Comparison of goods

9) All relevant factors relating to the goods should be taken into account when making the comparison. In *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* the CJEU, Case C-39/97, 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."

10) Guidance on this issue has also come from Jacob J, where, in *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281, the following factors were highlighted as being relevant:

(a) The respective uses of the respective goods or services;

(b) The respective users of the respective goods or services;

(c) The physical nature of the goods or acts of service;

(d) The respective trade channels through which the goods or services reach the market;

(e) 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;

(f) 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.

11) In terms of being complementary (one of the factors referred to in *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer*), this relates to close connections or relationships that are important or indispensable for the use of the other. In *Boston Scientific Ltd v OHIM* Case T- 325/06, it was stated:

> "It is true that goods are complementary if 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.."

In Sanco SA v OHIM Case T-249/11, the General Court ('GC') found 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 was 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."

12) Finally, I note the decision in *Gérard Meric v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM* Case T-133/05), where the GC held that:

"29 In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by the trade mark application (Case T-388/00 Institut für Lernsysteme v OHIM – Educational Services (ELS) [2002] ECR II-4301, paragraph 53) or when the goods designated by the trade mark application are included in a more general category designated by the earlier mark (Case T-104/01 Oberhauser v OHIM – Petit Liberto (Fifties) [2002] ECR II-4359, paragraphs 32 and 33; Case T-110/01 Vedial v OHIM – France Distribution (HUBERT) [2002] ECR II-5275,paragraphs 43 and 44; and Case T-10/03 Koubi v OHIM – Flabesa (CONFORFLEX) [2004] ECR II-719, paragraphs 41 and 42)."

13) The goods to be compared are:

Opponent's goods	Holder's services
Class 33: Wines, spirits and liqueurs.	**Class 32:** Beer; non-alcoholic beverages; fruit juices; mineral, aerated and other waters; other non-alcoholic drinks; syrups; other preparations for

	making beverages; soft drinks; grenadine. **Class 33:** Gin; wine; cider; alcoholic beverages; spirits; sweet liqueurs.

The applicant's goods in class 33

14) The applicant concedes that its goods in class 33 are either identical or similar to the opponent's goods. It does not identify which precise goods are identical and which are similar, nor does it say anything about the degree of similarity in play. That said, it is clear to me that the applicant's 'Gin; wine; alcoholic beverages; spirits; sweet liqueurs' are either self-evidently identical to the earlier goods or identical in accordance with the *Meric* principle.

15) Turning to the applicant's 'cider' I find that the degree of similarity between these goods and the opponent's 'wine' is low-medium. I come to this conclusion on the basis that, although their respective nature is not the same, there is some overlap in nature and methods of production given that both are fermented drinks made from fruit (albeit the opponent's 'wine' will usually be made from grapes and the applicant's 'cider' from apples/pears), they share some overlap in purpose i.e. they may both be consumed to enjoy the effects of alcohol on a night out or when relaxing at home, and there may be some degree of competition between them. I cannot see that the opponent is in any stronger position as regards the degree of similarity between 'cider' and its 'spirits' and 'liqueurs'. Although they are all alcoholic drinks that may be sold in supermarkets, restaurants and nightclubs (and may, again, all both consumed to enjoy the effects of alcohol on a night out or when relaxing at home in my experience), the respective goods usually have quite different alcoholic

strengths (spirits and liqueurs usually being significantly stronger than cider) and they also have different methods of production (fermentation on the one hand against distillation, on the other).

The applicant's goods in class 32

16) In its counterstatement, the applicant disputed that there is any similarity between its goods in class 32 and the earlier goods in class 33. However, in its subsequent submissions, it begins by stating that the respective goods are 'distinct'[5] but, later, states that there is 'a low level of similarity'[6] between them. It seems to me that I should proceed on the basis of the latter statement i.e. that the applicant concedes a low degree of similarity between all of its goods in class 32 and the earlier goods in class 33. That being so, it is still necessary for me to consider whether there is, in my judgment, any higher degree of similarity in play.

i) Beer

17) In *The Coca Cola Company v Office for Harmonisation in the Internal Market (Trade Marks and Designs)(OHIM*), T-175/06, it was held that:

> "Comparison between wine and beer
>
> 63. So far as concerns, first, the nature, end-users and method of use of wines and beers, ale and porter, it is correct, as argued by the applicant, that those goods constitute alcoholic beverages obtained by a fermentation process and consumed during a meal or drunk as an aperitif.
>
> 64. However, it must be stated – as did the Board of Appeal – that the basic ingredients of those beverages do not have anything in common. Alcohol is not an ingredient used in the production of those beverages, but is one of the constituents generated by that production. Moreover, although the production of each of those beverages requires a fermentation process, their respective

[5] Submissions of 30 Jan 2023, [12]
[6] Submissions of 30 Jan 2023, [15]

methods of production are not limited to fermentation and are fundamentally different. Thus, crushing grapes and pouring the must into barrels cannot be assimilated to the brewing processes of beer.

65. Moreover, the fact that beer is obtained through the fermentation of malt, whereas wine is produced through the fermentation of the must of grapes, means that the end products generated differ in colour, aroma and taste. That difference in colour, aroma and taste leads the relevant consumer to perceive those two products as being different.

66. In addition, despite the fact that wine and beer may, to a certain extent, satisfy the same need – enjoyment of a drink during a meal or as an aperitif – the Court considers that the relevant consumer perceives them as two distinct products. The Board of Appeal was therefore correct to consider that wines and beers do not belong to the same family of alcoholic beverages.

67. As regards, next, the complementary nature of wine and beer as referred to in the case-law cited in paragraph 61 above, it should be borne in mind that complementary goods are goods which are closely connected in the sense that one is indispensable or important for the use of the other (see Case T-169/03 *Sergio Rossi* v *OHIM – Sissi Rossi (SISSI ROSSI)* [2005] ECR II-685, paragraph 60). In the present case, the Court considers that wine is neither indispensable nor important for the use of beer and vice versa. There is indeed nothing to support the conclusion that a purchaser of one of those products would be led to purchase the other.

68. As to whether wine and beer are in competition with each other, it has previously been held, in a different context, that there is a degree of competition between those goods. The Court of Justice thus considered that wine and beer are, to a certain extent, capable of meeting identical needs, which means that a certain measure of mutual substitutability must be acknowledged. Nevertheless, the Court of Justice pointed out that, in view of the significant differences in quality – and, accordingly, in price – between wines, the decisive competitive relationship between wine and beer, a popular and widely consumed beverage, must be established by reference to those wines which

are the most accessible to the public at large, that is to say, generally speaking, the lightest and least expensive varieties (see, by analogy, Case 356/85 *Commission* v *Belgium* [1987] ECR 3299, paragraph 10; see also, Case 170/78 *Commission* v *United Kingdom* [1983] ECR 2265, paragraph 8; and Case C-166/98 *Socridis* [1999] ECR I-3791, paragraph 18). There appears to be nothing to indicate that that assessment does not also apply in the present case. Accordingly, it must be acknowledged, as the applicant indicates, that wine and beer are, to a certain extent, competing goods.

69. Finally, in accordance with the Board of Appeal's assessment, it must be accepted that the average Austrian consumer will consider it normal for wines, on the one hand, and beers, ale and porter, on the other, to come from different undertakings – and will therefore expect this – and that those beverages do not belong to the same family of alcoholic beverages. There is nothing to suggest that the Austrian public is not aware, and does not notice the characteristics distinguishing beer and wine as regards their composition and method of production. On the contrary, the Court considers that those differences are perceived as making it unlikely that the same undertaking would produce and market the two types of beverage at the same time. For the sake of completeness, it should be noted that it is well known that, in Austria, there is a tradition of producing both beer and wine, and that this is done by different undertakings. Consequently, the average Austrian consumer expects beers, ale and porter, on the one hand, and wines on the other, to come from different undertakings.

70. In the light of all of the preceding factors, the Court considers that, for average Austrian consumers, there is little similarity between wines and beers."

I find that the above reasoning is equally applicable in the instant case, in respect of the average UK consumer in the UK market at the relevant date. I find no more than a low degree of similarity between the applicant's 'beer' and the opponent's 'wine' (as conceded by the applicant).

18) It seems obvious to me that the differences between 'beer' and 'spirits and liqueurs' are even more pronounced than those between 'beers' and 'wine'. I note

that this was also the finding of the court in case T-584/10, *Yilmaz v OHIM,* at paragraph 51, which concerned the comparison between a spirit (tequila) and beer. Although that finding was a factual one based upon the perception of a different relevant public at a different point in time, it seems to me that the court's reasoning there is equally applicable here, in respect of the average UK consumer at the relevant date. I find that there can be no more than a low degree of similarity between the applicant's 'beer' and the opponent's 'spirts' and 'liqueurs' (bearing in mind, again, that that degree of similarity appears to have been conceded by the applicant and therefore it is not open to me to find that they are dissimilar).

ii) fruit juices; mineral, aerated and other waters

19) The users of these goods will be the same as for the opponent's goods. However, although both parties' goods are drinks, their respective natures are, otherwise, very different, consisting, as they do, of very different ingredients. Their purpose is also not the same (the applicant's goods will be consumed primarily to quench thirst and for sustenance, whereas the opponent's goods are more likely to be consumed to enjoy the effects of alcohol). They are, in my experience, not stocked in close proximity in supermarkets and the like (even though they are, of course, commonly all sold in such establishments, along with bars and restaurants etc.). Their different nature and purpose means that they are also not in competition and neither is there a complementary relationship in play, in the sense described in the case law. I do not doubt, as the opponent submits, that the respective goods may be used together to make cocktails but that factor alone does not mean that the respective goods are important or indispensable to each other in such a way that the average consumer will believe that they come from the same undertaking. I therefore find no higher degree of similarity between the respective goods than that conceded by the applicant. I proceed on the basis of the applicant's concession that the goods are similar to a low degree.

iii) syrups; other preparations for making beverages; grenadine

20) These are non-alcoholic goods that are used to make beverages (they are not beverages per se). I find no similarity in nature between any of these goods and the

opponent's goods aside from them all being liquids that may be consumed by the same users (however, the applicant's goods are unlikely to be consumed on their own and will be mixed with other liquids before being drunk). Their respective purpose is not the same (the applicant's goods are for the purpose of making up non-alcoholic beverages which is clearly not the purpose of the earlier goods). Their respective methods of production are likely to be entirely different. Although their trade channels may sometimes overlap, they are unlikely to be stocked in close proximity in retail establishments. The goods are not in competition and I cannot see that the applicant's goods are important for the use of, or indispensable to, the opponent's goods in such a way that the average consumer is likely to believe that they come from the same source. I therefore find no higher degree of similarity between the respective goods than that conceded by the applicant. I proceed on the basis of the applicant's concession that the goods are similar to a low degree.

iv) non-alcoholic beverages; other non-alcoholic drinks; soft drinks

21) The above terms in the applicant's specification are broad terms. Although those terms would include goods such as soda pops (cola, lemonade etc.) for which there is no more than a low degree of similarity with the opponent's goods (for similar reasons as those set out in paragraph 19 above, bearing in mind the applicant's concession), the applicant's broad terms will also include non-alcoholic equivalents of alcoholic drinks. I consider this to be the case for all of those terms, including 'soft drinks' given that, to my mind, the term 'soft drinks' simply refers to drinks that are non-alcoholic. Ms Hutson's evidence, and indeed, my own experience as an average consumer, tells me that producers of alcoholic drinks (including wine, gin and other spirits) are also likely to produce non-alcoholic equivalents of the same. The respective goods are likely to be stocked in the same retailers (such as supermarkets) and in relatively close proximity to one another. Their respective users are likely to be the same, their respective nature will be similar (one merely being a non-alcoholic version of the other), they have a shared purpose of being drunk to relax at a social gathering or at home and to enjoy the flavour of the particular wine/gin/spirit in question (albeit that the alcoholic version will also be drunk to experience the effect and taste of alcohol too) and there may be an element of competition between them, with consumers choosing between the alcoholic or

non-alcoholic version of a drink depending on their particular mood or circumstance. On that basis, I find that the above terms in the applicant's specification cover goods which are similar to the opponent's goods to a medium-high degree.

Average consumer and the purchasing process

22) It is necessary to determine who the average consumer is for the respective goods and the manner in which they are likely to be selected. 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."

The average consumer of the goods at issue is a member of the general public and businesses such as restaurants and night clubs who may purchase such goods for onward sale to their customers. The cost of the goods is likely to vary. Even for those at the lowest end of the cost scale, the average consumer may wish to ensure that they are selecting a preferred flavour, type or (where applicable) alcoholic strength, before committing to the purchase. Generally speaking, I find that a medium (i.e. average) level attention will likely be paid. I bear in mind that the goods may be requested orally in bars and restaurants, for example, and therefore aural considerations must be borne in mind. That said, in those circumstances, the average consumer is still likely to encounter the marks visually before placing their order, by way of visual exposure to bottles on shelves/in fridges behind the bar, or on

spirit optics, for instance.[7] The goods will also be sought out visually on supermarket/off-license shelves where the visual aspect will dominate the selection process.

Comparison of marks

23) 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 the marks, 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."

It would be wrong, therefore, artificially to dissect the 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 the marks.

24) The marks to be compared are:

Opponent's mark	Applicant's mark
TOSTI	TOTI

[7] *Rani Refreshments FZCO v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-523/12 and *Simonds Farsons Cisk plc v OHIM*, Case T-3/04.

The overall impression of each mark lies simply in the single word of which they consist.

25) Visually, both marks begin with the letters ‘TO’ and end with the letters ‘TI’. The difference arises due to the presence of the letter ‘S’ in the middle of the earlier mark which is absent from the contested mark. I bear in mind that, where marks are relatively short in length (as is the case here), differences in just one letter can make a greater impact upon the overall level of visual similarity as compared to marks that are somewhat longer in length. However, each case must be considered on its own merits. In the instant case, the visual difference created by the additional letter, ‘S’, in the middle of the earlier mark is somewhat tempered by the fact that the first two letters of the marks (which will be first to impact upon the eye and, therefore, have the greatest impact) are identical and the last two letters of the marks are also identical. Overall, I find a medium-high degree of visual similarity between the marks.

26) Aurally, the earlier mark may be pronounced either as TOSST-EE or TOAST-EE. The contested mark is likely to be pronounced as TOT-EE or TOAT-EE. Both marks therefore consist of two syllables. The respective first syllables are highly similar, notwithstanding the slight difference created by the ‘S’ in the earlier mark which will not be pronounced in the later mark. The respective second syllables are identical. Overall, the marks are aurally highly similar.

27) Conceptually, the parties agree that the position is neutral because neither mark is likely to evoke any particular concept in the mind of the average consumer.

Distinctive character of the earlier mark

28) The distinctive character of the earlier mark must be considered. The more distinctive it is, either by inherent nature or by use, the greater the likelihood of confusion (*Sabel BV v Puma AG*). 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 *WindsurfingChiemsee* 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).”

As I have no evidence before me to show that the earlier mark’s distinctiveness may have been enhanced through use, I have only its inherent degree of distinctiveness to consider. TOSTI is likely to be perceived as either a meaningless invented word or a foreign word of unknown meaning or perhaps a foreign surname. Whichever way it is perceived, it is neither descriptive, or in any way allusive, in relation to the earlier goods and I find it to have a fairly high degree of inherent distinctiveness.

Likelihood of confusion

29) I must now feed all of my earlier findings into the global assessment of the likelihood of confusion, keeping in mind the following factors: i) the interdependency principle, whereby a lesser degree of similarity between the services may be offset by a greater similarity between the marks, and vice versa (*Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*); ii) the principle that the more distinctive the earlier mark

is, the greater the likelihood of confusion (*Sabel BV v Puma AG*), and; iii) the factor of imperfect recollection i.e. that consumers rarely have the opportunity to compare marks side by side but must rather rely on the imperfect picture that they have kept in their mind (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V).*

30) I have found some of the respective goods to be identical and others to be similar to either a medium-high degree, a low-medium degree or a low degree. The marks are visually similar to a medium-high degree and are aurally similar to a high degree (the conceptual position is neutral). The opponent's mark also has a fairly high level of distinctiveness. Weighing all of these factors, and reminding myself of the medium degree of attention that is likely to be paid, I find that the relevant average consumer, when making a mainly visual purchase, is likely to mistake one mark for the other through imperfect recollection where the goods are identical or similar to at least a low-medium degree. I do not, however, consider that there is a likelihood of confusion in respect of those goods that are similar only to a low degree, notwithstanding the interdependency principle.

31) Having reached the above conclusion I have also considered whether, in the event that I am wrong to have found that the marks are likely to mistaken for one another (also known as 'direct confusion'), whether there is, nevertheless a likelihood of indirect confusion between them. Suffice it to say, I consider this to be highly improbable. Neither mark is an entirely logical and consistent brand extension of the other and I can see no other 'proper basis'[8] for finding that the average consumer, having recognised that the marks are not the same, is nevertheless likely to put the similarities between them down to the respective goods coming from the same/linked undertaking(s). It seems to me that this is a case of direct confusion or no confusion at all. There is no likelihood of indirect confusion in respect of any of the goods at issue.

32) The opposition fails in respect of:

[8] *Liverpool Gin Distillery Ltd & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207

Class 32: Beer; fruit juices; mineral, aerated and other waters; syrups; other preparations for making beverages; grenadine.

33) The opposition succeeds in respect of:

Class 32: non-alcoholic beverages; other non-alcoholic drinks; soft drinks.

Class 33: Gin; wine; cider; alcoholic beverages; spirits; sweet liqueurs.

34) I add here that the applicant's evidence in no way disturbs the above findings. That evidence relates to how the applicant has used its mark, the various kinds of goods it provides and its contention that the parties provide very different goods in the marketplace. None of that information assists the applicant. The likelihood of confusion must be assessed notionally and objectively based upon the goods covered by the terms listed before me and the respective marks, as applied for and registered, not upon the actual use that either party has made in the marketplace.

REVISED SPECIFICATION

35) In my conclusions above, I have upheld the opposition against "non-alcoholic beverages; other non-alcoholic drinks; soft drinks" on the basis that these broad terms cover goods which are similar to a medium-high degree to the opponent's goods and for which a likelihood of confusion exists. However, if those broad terms within the applicant's specification were to be limited, then it may be possible to register the mark for other kinds of beverages, falling within those broad terms in class 32, for which no likelihood of confusion exists. In this connection, I note that Tribunal Practice Notice 1/2012, entitled "Partial Refusal" states:

"**3.2.2. Defended Proceedings**

In a case where amendment to the specification(s) of goods and/or services is required as the result of the outcome of contested proceedings the Hearing Officer will, where appropriate, adopt one or a combination of the following approaches:

a) Where the proceedings should only succeed in part, or where the proceedings are directed against only some of the goods/services covered by the trade mark and the result can be easily reflected through the simple deletion of the offending descriptions of goods/services, the Hearing Officer will take a "blue pencil" approach to remove the offending descriptions of goods/services. This will not require the filing of a Form TM21 on the part of the owner. If, however, any rewording of the specification is proposed by the owner in order to overcome the objection, then the decision of the Hearing Officer will take that rewording into account subject to it being sanctioned by the Registrar as acceptable from a classification perspective;

b) Where the result cannot be easily reflected through simple deletion, but the Hearing Officer can clearly reflect the result by adding a "save for" type exclusion to the existing descriptions of goods/services, he or she will do so. This will not require the filing of a Form TM21 on the part of the owner. If, however, any rewording of the specification is proposed by the owner in order to overcome the objection, then the decision of the Hearing Officer will take that rewording into account subject to it being sanctioned by the Registrar as acceptable from a classification perspective;

c) If the Hearing Officer considers that the proceedings are successful against only some of the goods/services, but the result of the proceedings cannot be clearly reflected in the application through the simple deletion of particular descriptions of goods/services, or by adding a "save for" type exclusion, then the Hearing Officer may indicate the extent to which the proceedings succeed in his/her own words. The parties will then be invited to provide submissions/proposals as to the appropriate wording for a list of goods/services that reflects his/her findings and after considering the parties' submissions, the Hearing Officer will determine a revised list of goods/services. Subject to appeal, the trade mark will be, or remain, registered for this list of goods/services.

d) This third approach will be taken when a Hearing Officer considers that there is real practical scope to give effect to Article 13, having due regard to

> the factors in each individual case. For example, the original specification of the international trade mark registration which was the subject of Giorgio Armani SpA v Sunrich Clothing Ltd (cited above) was clothing, shoes, headgear. The successful opposition only opposed the registration to the extent that it covered “men’s and boys’ clothing”, thereby leaving other goods covered by the specification as unobjectionable. Such an outcome could not be reflected in changes to the specification via either the “blue pencilling" approach or the “save for" type of exclusion. The specification was reworded and the international registration was eventually protected for a specification reading Clothing for women and girls, shoes and headgear. Generally speaking, the narrower the scope of the objection is to the broad term(s), compared to the range of goods/services covered by it, the more necessary it will be for the Hearing Officer to propose a revised specification of goods/services. Conversely, where an opposition or invalidation action is successful against a range of goods/services covered by a broad term or terms, it may be considered disproportionate to embark on formulating proposals which are unlikely to result in a narrower specification of any substance or cover the goods or services provided by the owner’s business, as indicated by the evidence. In these circumstances, the trade mark will simply be refused or invalidated for the broad term(s) caught by the ground(s) for refusal. “

36) My conclusions in this case cannot easily be reflected by “blue pencilling” insofar as the applicant’s broad terms ‘non-alcoholic beverages; other non-alcoholic drinks; soft drinks’’ are concerned. I also do not consider it appropriate to add a “save-for” or ”none of the aforesaid being…” type exclusion without providing the parties with an opportunity to comment on whether they consider such an exclusion would be appropriate. I will, therefore, allow the applicant 14 days from the date of this decision to provide me, if it so wishes, with a precise list of goods it wishes to register which would fall within the terms ‘non-alcoholic beverages; other non-alcoholic drinks; soft drinks’ but for which no likelihood of confusion would exist and/or to put forward an appropriate exclusion for my consideration. The applicant’s proposed list of goods and/or exclusion should be copied to the opponent who will be allowed 14 days, from receipt by it, to comment. Thereafter, I will issue a

supplementary decision in which I will decide whether any proposed terms put forward by the applicant are free from a likelihood of confusion and I will also deal with the matter of costs.

37) If the applicant puts forward no revised terms and/or exclusion in the period allowed then my supplementary decision will simply confirm the outcome as it stands in paragraphs 32 & 33 above i.e. the application will be refused in respect of the goods listed at paragraph 33 and will proceed to registration solely in respect of the goods listed in paragraph 32.

38) The appeal period for this decision and the supplementary decision will run from the date of the latter.

Dated this 11th day of October 2023

Beverley Hedley
For the Registrar,
the Comptroller-General