

O-100-04

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No. 2291131
BY MYLIKO INTERNATIONAL WINES LIMITED
TO REGISTER A TRADE MARK IN CLASS 33**

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER No. 90771
BY BARON PHILIPPE DE ROTHSCHILD SA**

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BACKGROUND

1. On 26 January 2002 Myliko International Wines Limited applied to register the trade mark EL CADEJO in Class 33 of the register for a specification of “Wines”.
2. The application was accepted by the Registrar and published in the Trade Marks Journal.
3. On 1 July 2002 Baron Philippe De Rothschild SA filed a Notice of Opposition. In summary the grounds were:

(i) Under Section 5(2)(b) of the Act because the mark applied for is similar to the following earlier trade marks owned by the opponent and is to be registered for identical and similar goods and there exists a likelihood of confusion on the part of the public –

Registration No.	Mark	Registration Effective	Specification of Goods
835875	MOUTON CADET		Class 33: Bordeaux wines.
2069005	CADET		Class 33: Alcoholic Beverages.

(ii) Under Section 5(4)(a) of the Act by virtue of the law of passing off as the opponent has used the trade mark MOUTON CADET in the United Kingdom since at least 1962 and has used the trade mark CADET in the United Kingdom since at least 1997 and by reason of such use has acquired a considerable reputation and goodwill in these marks, which are very similar to the mark in suit.

4. On 4 October 2002 the applicant filed a Counterstatement denying the above grounds. Both sides filed evidence and asked for an award of costs in their favour. The parties were content for a decision to be taken without recourse to a hearing and the applicant forwarded written submissions for the hearing officer’s attention.

Opponent's Evidence

5. This consists of a witness statement by Robert James Hawley dated 7 April 2003.
6. Mr Hawley is a trade mark specialist with William A Shepherd & Son, the firm of trade mark attorneys who act for the opponent in these proceedings.
7. Mr. Hawley refers to the Section 5(2)(b) ground of opposition and states that the goods covered by the application and those of the opponent's earlier registrations are clearly identical in all respects.
8. Turning to the assessment of the similarity of the respective trade marks, Mr Hawley makes the following submissions:
 - “(i) the primary element of the Opponent's earlier marks is the word “Cadet”. In relation to French wines (ie. the product of the Opponent) this term will be recognised and understood as having the pronunciation “ca-day”;
 - (ii) the trade mark the subject of the Application comprises the words “El Cadejo”. As indicated in the Statement of Case which accompanied the Notice of Opposition, the word “el” is the Spanish-language version of the definitive article “the”. As such, the primary element of the Applicant's mark is the word “Cadejo”. In relation to wines (ie. the goods covered by the Application) this term will be recognised and understood as having the pronunciation “ca-day-o”;
 - (iii) as such, the relevant purchasing purchase is likely to regard the words “Cadet” and “Cadejo” as appearing and sounding similar to one another. This in turn, will strengthen the perception that the respective trade marks **and** products of the Opponent and Applicant are associated with one another;
 - (iv) moreover, it should not be overlooked that these factors may well lead to imperfect recollection on the part of the relevant purchasing purchase, resulting in confusion between the respective products;
 - (v) notwithstanding the foregoing, it is also to be noted that the words “Cadet” and “Cadejo” share the same first four letters and first two syllables. This is a significant consideration when one bears in mind that established UK case law and practice recognises that the first part of the mark is the most important, due to the tendency for the endings of words to be slurred in everyday speech.”
9. On the “likelihood of confusion” issue, Mr Hawley draws attention to the decision of the European Court of Justice in *Sabel BV v Puma AG* [1988] ETMR 1.
10. Mr Hawley goes on to draw attention to the following sales in the UK under the opponent's earlier trade marks:

Year	Euros
1997	886,208
1998	1,385,110
1999	1,142,144
2000	1,368,397
2001	1,460,627

and he adds that these sales come to a combined Total of 6,242,486 Euros, equating to average annual sales to the value of 1,248,497-20 Euros.

11. Next, Mr Hawley refers to Exhibits RJH 3, RJH 4 and RJH 5, which is a selection of material e.g. newspaper articles, labels, promotional materials and Internet references, to show use of the opponent's earlier trade marks in the UK and to demonstrate reputation and goodwill in these marks.

12. Mr Hawley goes on to submit that with wines positioned at the "lower end of the market", the average consumer is unlikely to have a highly specialised knowledge beyond that of the "ordinary shopper" and are unlikely to spend a considerable amount of time deliberating upon their purchase.

13. Turning to the Section 5(4)(a) ground, Mr Hawley states that the opponent's sales under its earlier trade marks and the contents of Exhibits RJH 3, RJH 4 and RJH 5 (see paragraphs 10 and 11 of this decision), demonstrate that the opponent's marks are well recognised in the UK amongst the relevant purchasing public and that the opponent has a long standing reputation in these marks.

Applicant's Evidence

14. The applicant's evidence consists of a witness statement by Hemant D Kotecha dated 3 October 2003.

15. Mr Kotecha is the Managing Director of Myliko International Wines Limited, the applicant.

16. Mr Kotecha states that his company adopted the EL CADEJO trade mark in relation to a particular brand of wine for sale in the UK and that EL CADEJO was chosen for a number of reasons: the Hispanic sound of the name that alludes to the fact that the products are Chilean wines; it is the name of a famous horse in Chile; one literal translation which means "a bunch of flowers" that suggests a floral and fragrant wine; and the ease of pronunciation of the name.

17. Mr Kotecha explains that the EL CADEJO mark is used in conjunction with various different styles of wine bottle label, two of which are at Exhibit HDK 2 of his statement and show the words under the device of a running horse. He adds that goods bearing the EL CADEJO mark have been available throughout the UK, in particular via the supermarket chain Safeway. At Exhibit HDK 2 to his statement is an example of a Safeway promotional leaflet which refers to EL CADEJO red wine.

18. Turning to sales under the mark, Mr Kotecha states that his company has sold approximately 40,000 cases of wine bearing the EL CADEJO trade mark in the UK since 2001, and has enjoyed a wholesale turnover of £334,917.00 under the mark since that date. Mr Kotecha goes on to draw attention to Exhibit HDK 3 to his statement, which contains a number of sample invoices from 2001 which refer to the sale of EL CADEJO wine to different Safeway stores in the UK.

19. In relation to the promotion of the EL CADEJO mark, Mr Kotecha explains that his company has attended various trade shows and fairs to promote the brand, including the London Wine Trade Fair in 2001, 2002 and 2003, the BBC Good Food Show and The Tastes of Wines of Chile Annual Tasting exhibition in 2001.

20. Mr Kotecha submits that the applicant's mark and the opponent's earlier trade marks are totally different. He adds that the opponent's marks are French sounding whilst the applicant's mark is Hispanic in pronunciation and appearance. Mr Kotecha contends that this is important as purchasers of wine pay attention to the country of origin and that retail outlets organise wine by national origin.

21. Mr Kotecha states that his company is not aware of any instances of confusion between the mark of the application and the opponent's earlier trade marks. He refers to Exhibit HDK 6 to his statement, which contains statements from six persons "in the trade" that there exists no likelihood of confusion between the marks.

22. Mr Kotecha disagrees with Mr Hawley's view that consumers of the wines on which the mark are used "are unlikely to spend a considerable amount of time deliberating upon the purchases they make". He explains that given the vast array of different wines available and the differing tastes of the purchasing public, consumers invest a considerable amount of time in their choice.

23. While the applicant company is aware of the opponent's MOUTON CADET trade mark, Mr Kotecha states that they are not aware of the opponent's use of CADET alone. He adds that CADET is commonly seen in relation to different brands of wine, often being incorporated into different brand names. Mr Kotecha draws attention to Exhibit HDK 7 to his statement which is a print-out from the Marquesa database which, he states, goes to show the word CADET being used by different proprietors. However, most usage is by the opponent or shows the word CADET being incorporated in the varietal name MUSCADET. Nevertheless, a few other French wine producers do have trade marks registered which incorporate the word CADET.

Opponent's Evidence in reply

24. The opponent's evidence in reply comprises a further (2nd) witness statement by Robert James Hawley. It is dated 30 December 2003.

25. In general, Mr Hawley contends that much of Mr Kotecha's statement comprises submission rather than evidence. He disagrees with the submission.

26. Mr Hawley states that the labels at Exhibit HDK 2 to Mr Kotecha's statement show use of the EL CADEJO trade mark in relation to grape varieties which bear French names and originate from France ie. Cabernet Sauvignon and Sauvignon Blanc. He concludes that as the opponent is a French company, the applicant's use of its mark on French grape varieties increases the likelihood of confusion.

27. In relation to sales and promotion under the applicant's mark, Mr Hawley contends that the applicant's products are exclusively available through Safeway and the only material exhibited which relates to the promotion of the mark relates to the Tastes of Wines of Chile event which took place over two days in London.

28. Mr Hawley states that no evidence has been filed to show that the EL CADEJO mark will indicate to the public that the wines will originate from Chile or that the public spend a considerable amount of time in choosing wines. The opponent contends that grape variety is of primary importance in wine selection.

29. Turning to the "expert evidence" introduced by Mr Kotecha in Exhibit HDK 6 to his statement, Mr Hawley states that the tenor of the statements shows that the individuals concerned were responding to a leading question and that they do not refer to the CADET mark of the opponent. Mr Hawley adds that there is insufficient indication of the capacity and experience of the individuals concerned.

30. In addressing the "state of the register" evidence in Exhibit HDK 7 to Mr Kotecha's statement, Mr Hawley states this to be irrelevant because the Registrar is not bound by previous acceptances and because the circumstances behind the acceptances and co-existence is not known. He nevertheless goes on to distinguish the marks and points out that certain of these marks are being opposed by the current opponent.

Applicant's submissions

31. The applicant's submissions are attached to a letter dated 2 March 2004 from Marks & Clerk, the applicant's professional representatives in these proceedings.

32. In summary, the applicants submissions are as follows:

- (i) The allegation of passing off cannot be sustained as the opponent has not established goodwill, damage and misrepresentation, in particular as the relevant marks are not deceptively similar and the opponent has not substantiated its claim to a reputation in its marks.
- (ii) The Section 5(2)(b) ground must also fail because the marks are not confusingly similar and there is no likelihood of confusion.
- (iii) The opponents' marks would be perceived as French whereas the applicant's marks would be perceived as deriving from the Spanish language.

- (iv) The marks are sufficiently different on a visual, oral and conceptual basis.
- (v) There is no evidence of confusion, despite the applicant's sales since 2001.
- (vi) Much of the opponent's evidence comprises mere submission and argument.
- (vii) The opponent's evidence in relation to its reputation does not distinguish between its two marks e.g. the turnover figures provided relate to both marks. There are no sales orders or purchase invoices and much of the promotional material is undated. The greatest proportion of the evidence relates to MOUTON CADET as opposed to CADET.
- (viii) Mr Hawley's statements in relation to grape varieties are flawed as French grape varieties are produced and used to make wine around the world.
- (viii) The opposition must rest upon whether the marks are likely to be confused and whether there is a likelihood of passing off. Fundamental to the opposition is whether the marks are confusingly similar and it is clear that they would not be confused.

33. This completes my summary of the evidence filed in this case and the applicant's submissions. I now turn to the decision.

DECISION

Section 5(2)(b)

34. Firstly I turn to the ground of opposition based upon Section 5(2) of the Act which reads as follows:

“5-(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.”

35. An earlier right is defined in Section 6, the relevant parts of which state:

“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,”

36. I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v Puma AG* [1998] E.T.M.R. 1, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] E.T.M.R. 1, *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.

37. It is clear from these cases that:

- (a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v Puma AG*, paragraph 22;
- (b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel BV v. Puma AG*, page 224, 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.* paragraph 27;
- (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*, paragraph 23;
- (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*, paragraph 23;
- (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*, paragraph 17;
- (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*, paragraph 24;
- (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*, paragraph 26;
- (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*, paragraph 41;

- (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.*, paragraph 29.

38. The reputation of a trade mark is an element to which importance may be attached in Section 5(2) considerations in that it may enhance the distinctive character of the mark at issue and widen the penumbra of protection of such a mark. The opponent has filed evidence relating to the reputation of the marks covered by its prior registration. This evidence has been understandably criticised by the applicant. In particular the sales figures (see paragraph 10 of this decision) do not distinguish sales made under the MOUTON CADET and CADET trade marks and no indication of unit sales or market share is provided. Furthermore, there is no indication of whom the customers of the product are ie. the trade buyers, where the goods are sold and distributed within the UK, no independent supporting evidence from the trade, and no indication of the amount spent on promoting the marks. However, the press cuttings and material attached at Exhibits RJH 3 and RJH 4 to Mr Hawley's witness statement of 7 April 2003 do go some way to indicate the success of the MOUTON CADET trade mark e.g. "Mouton Cadet is phenomenally successful" (Harpers, 19 May 2000), "Mouton Cadet, now the most successfully branded wine in the whole of Bordeaux" (Sunday Life, Belfast, 10 September 1995) "The famous Mouton Cadet range is established throughout the world as an outstanding example of vintage Bordeaux wines" (Licensed and Catering News, April 2000). These cuttings are of less assistance in relation to the CADET trade mark and do little to support the argument that the opponent has a reputation in the trade mark CADET (per se). The "Internet hits" attached at Exhibit RJH 5 to Mr Hawley's statement do not help as they were accessed on 14 March 2003, which is nearly fourteen months after the relevant date for these proceedings.

39. On the basis of the evidence filed I have, somewhat hesitatingly, come to the view that the opponent possesses a reputation in its MOUTON CADET mark in relation to Bordeaux wine, the goods of its specification. However, the evidence does not justify a finding that the opponent has a reputation in its CADET trade mark. I shall take these findings into account for the purposes of this decision.

40. In essence the test under Section 5(2) is whether there are similarities in marks and goods which would combine to create a likelihood of confusion. In my consideration of whether there are similarities sufficient to show a likelihood of confusion I am guided by the recent judgements of the European Court of Justice mentioned earlier in this decision. The likelihood of confusion must be appreciated globally and I need to address the degree of visual, aural or conceptual similarity between the marks, evaluating the importance to be attached to those different elements, taking into account the degree of similarity in the goods, the category of goods in question and how they are marketed. In this case it is accepted that the opponent's MOUTON CADET mark has a reputation. However, it was held in *Marca Mode v Adidas AG* (2000) ETMR 723:

"The reputation of a mark, where it is demonstrated, is thus an element which, amongst others, may have a certain importance. To this end, it may be observed that marks with a

highly distinctive character, in particular because of their reputation, enjoy broader protection than marks with a less distinctive character (*Canon*, paragraph 18).

Nevertheless, the reputation of a mark does not give grounds for presuming the existence of a likelihood of confusion simply because of the existence of a likelihood of association in the strict sense.”

41. Furthermore, in addition to making comparisons which take into account actual use of the respective marks, I must also compare the mark applied for and the opponent’s registrations on the basis of their inherent characteristics assuming normal and fair use of the marks on a full range of the goods covered within the respective specifications.

42. The evidence shows that use of the applicant’s mark has been in relation to Chilean wine and use of the opponent’s mark has been in relation to French wine. However, for the purposes of this opposition notional fair use of the respective marks would include use on all wines, irrespective of geographical origin or grape variety, and would include sales through all normal outlets for the goods e.g. supermarkets, off-licenses, mail order and the Internet.

43. Turning to consideration of the respective goods covered by the application in suit and the opponent’s earlier registrations, it is obvious that identical goods are involved as all the specifications include wine.

44. I now go on to a comparison of the mark in suit with the opponent’s earlier registrations. In the evidence the opponent has drawn my attention to the state of the trade mark registers in relation to marks containing the word CADET. I am not assisted by this evidence and I am guided on this point by the following comments of Mr Justice Jacob in *British Sugar plc v James Robertson & Sons Ltd* [1996] RPC 281:

“Both sides invite me to have regard to the state of the register. Some traders have registered marks consisting of or incorporating the word “Treat”. I do not think this assists the factual inquiry one way or the other, save perhaps to confirm that this is the sort of word in which traders would like a monopoly. In particular the state of the register does not tell you what is actually happening out in the market and in any event one has no idea what the circumstances were which led the Registrar to put the marks concerned on the register. It has long been held under the old Act that comparison with other marks on the register is in principle irrelevant when considering a particular mark tendered for registration, see e.g. *MADAM Trade Mark* and the same must be true under the 1994 Act. I disregard the state of the register evidence.”

45. My decision involves a comparison of the applicant’s and opponent’s particular marks and must be made on its own merits, taking into account any use of the marks and also notional and fair use of the respective marks.

46. The applicant has filed expert evidence going to whether there is a likelihood of confusion between the respective marks – see paragraph 21 of this decision. This evidence is understandably criticised by the opponent on a number of counts – see paragraph 29 of this decision. I would add that in my view there is no real value in the sort of expert evidence

provided, given that the goods or products for which registration is sought ie. wine, is readily available to the public through supermarkets, off licenses etc. They are not a specialised or necessarily expensive purchase in which the tribunal requires a better understanding of the public perception or in which it requires educating. In particular, the tribunal does not require educating of whether signs used in relation to such goods are confusingly similar. A specialisation in the wine trade does not necessarily equip an individual, no matter how well qualified, to assist the tribunal in reaching conclusions on how the public perceive trade marks used in relation to widely available consumer products.

47. In *The European Limited v The Economist Newspaper Limited* (1998) FSR 283 at 291 Millet LJ observed:

“The function of an expert witness is to instruct the Judge of those matters which he would not otherwise know but which it is material for him to know in order to give an informed decision on the question which he is called on to determine. It is legitimate to call evidence from persons skilled in a particular market to explain any special features of that market of which the judge might otherwise be ignorant and which may be relevant to the likelihood of confusion. It is not legitimate to call such witnesses merely in order to give their opinion whether the two signs are confusingly similar. They are experts in the market, not on confusing similarity ... In the end the question of confusing similarity was one for the judge. He is bound to make up his own mind and not leave the decision to the opinion of the witnesses”.

48. In the present case it seems to me that the market in question does not, from the customers perspective, possess any special features of which the tribunal is likely to be ignorant and which may be relevant to the customers perception of a sign in relation to trade origin. Accordingly, the expert evidence on this issue is of no real assistance.

49. The applicant also points out that there is no evidence of confusion in the market place, notwithstanding that both the applicant’s and opponent’s marks have been in use prior to the relevant date for these proceedings. However, this is by no means conclusive as to whether the marks are similar and there is a likelihood of confusion, in particular the evidence does not demonstrate the full extent of the respective marks co-existence in the market place and notional and fair use would encompass usage to a wider degree than has actually taken place prior to the relevant date.

50. I now go on to compare the mark in suit (EL CADEJO) with the opponent’s two earlier marks (MOUTON CADET and CADET).

51. The mark applied for consists of two words which in the UK, would have no obvious meaning. However, I have no doubt that the average consumer would perceive the mark as stemming from the Spanish language and possessing an Hispanic connotation.

52. The opponent’s mark MOUTON CADET also comprises two words with no obvious meaning to the UK consumer. The mark is highly distinctive and could well be seen as having French connotations. The second mark CADET is inherently highly distinctive and

notwithstanding the fact that the word CADET has an obvious meaning in the English language, the dictionary definition has no relevance to the particular goods at issue and in relation to these goods the mark could well be perceived as possessing a French influence.

53. The respective marks must be compared as a whole and by reference to overall impression but, as recognised in *Sabel BV v Puma AG* (mentioned earlier in this decision) in any comparison reference will inevitably be made to the distinctiveness and prominence of individual elements. It is, of course, possible to over analyse marks and in doing so shift away from the real test which is how marks would be perceived by customers in the normal course and circumstances of trade. I must bear this in mind when making the comparisons.

54. I turn to a visual comparison of the respective marks. The mark in suit comprises the two words EL CADEJO. The opponent correctly points out that as the word EL is the Spanish version of the definitive article “the”, the second word CADEJO is likely to be viewed as the distinctive, dominant component. The opponent goes on to point out that the word CADET comprises one of the opponent’s earlier marks and is a dominant, distinctive component within the other. It submits that the words CADEJO and CADET are visually similar, sharing the first four letters and differing only in their terminations.

55. While I fully understand the logic of the opponent’s submissions, they smack to me of a somewhat artificial dissection of the marks. It is a fundamental principle that “the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details” (*Sabel BV v Puma AG*). The presence of the word EL in the applicant’s mark and the strength of the termination to the word CADEJO ie. JO, an unusual termination to the eyes of UK customers, are prominent aspects and I fail to see why these aspects of the mark would be ignored or marginalised in use. It seems to me that the visual differences between the respective marks are obvious and in totality, the respective marks are not similar.

56. In relation to aural use of the marks, it seems to me that the same general principles applicable to the visual considerations (above) apply. The opponent also makes the point the words CADEJO and CADET share the same first two syllables and that it is widely accepted in relation to the spoken use of trade marks that customers have a propensity to slur the endings of words. However, it once again seems to me that the presence of the word EL in the applicant’s mark on the strength of the third syllable in the word CADEJO ie. “JO” (possibly pronounced “HO” by customers with some knowledge of the Spanish language), suffice to accentuate the aural differences. In their totality I believe the respective marks to be dissimilar in the oral context.

57. Next, I turn to a conceptual comparison of the marks. In the UK both marks are likely to be perceived as having no particular meaning and any French or Spanish/Hispanic meanings of the marks are likely to be lost on the average UK consumer. However, it seems to me likely that the average customer will perceive the applicant’s mark as having a Spanish language ring or feel to it, while the opponent’s marks would probably be perceived as having a French language connotation. In my view the respective marks do not share a conceptual similarity.

58. In assessing the degree of similarity between the respective marks and whether it is sufficient to give rise to a likelihood of confusion I must also consider the goods at issue, the average customer for the goods and make allowance for imperfect recollection. The customers for wine are members of the general public over eighteen years of age. Such goods are available in retail outlets such as supermarkets and off licenses as well as pubs, restaurants and clubs. Purchases of wine are often made on an occasional basis or for the benefit of others e.g. for parties, presents, special occasions or in buying a round of drinks in a pub or club. While some “top-end” wines may be relatively expensive and this is by no means “a bag of sweets” case, the customer is not necessarily a sophisticated or specialised consumer and imperfect recollection could well be a factor in relation to such goods.

CONCLUSION

59. On a global appreciation, taking into account all relevant factors, I have come to the following conclusions on the Section 5(2) ground:

- (i) the respective specifications cover identical goods;
- (ii) the respective marks are visually, aurally and conceptually different in their totalities;
- (iii) the customer for the goods is likely to be reasonably careful but allowance must be made for imperfect recollection.

60. In the case before me I have found that, in its totality, the applicant’s mark is not similar to the earlier trade marks of the opponent. Considering the overall position, I believe that there is no likelihood of confusion on behalf of the public as similarity of marks is pre-requisite to a finding that confusion is a likelihood.

61. The opposition under Section 5(2)(b) fails.

Section 5(4)(a)

62. Next, the Section 5(4)(a) ground. Section 5(4)(a) states:

“5.(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented -

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

63. The law on the common law tort of passing off is clearly set out by Geoffrey Hobbs QC, acting as the ‘Appointed Person’, in *Wild Child* [1998] 14 RPC, 455:

“A helpful summary of the element of an action for passing off can be found in

Halsbury's Laws of England 4th Edition Vol 48 (1995 reissue) at paragraph 165. The guidance given with reference to the speeches in the House of Lords in *Reckitt & Colman Products Ltd v Borden Inc* [1990] RPC 341 and *Erven Warnink BV v J Townend & Sons (Hull) Ltd* [1979] ACT 731 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:

- (a) that the plaintiff's goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;
 - (b) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by the defendant are goods or services of the plaintiff;
- and
- (c) 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 referred to 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 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.”

64. 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, 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.”

65. Thus, to succeed in a passing off action, it is necessary for the opponents to establish that at the relevant date (26 January 2002) (i) they had acquired goodwill under their mark, (ii) that use of the applicant’s mark would amount to a misrepresentation likely to lead to confusion as to the origin of their goods; and (iii) that such confusion is likely to cause real damage to their goodwill.

66. Earlier in this decision I found that the mark in suit and the opponent’s trade marks were not confusable. Accordingly, it is my view that the necessary misrepresentation required by the tort of passing off will not occur. The opposition under Section 5(4)(a) therefore fails.

COSTS

67. The applicant is entitled to a contribution towards costs and I therefore order the opponent to pay the applicant the sum of £1,100 which takes into account the fact that no hearing took place on this case. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 14th day of April 2004

**JOHN MacGILLIVRAY
For the Registrar
the Comptroller-General**