

O-125-13

**TRADE MARKS ACT 1994**

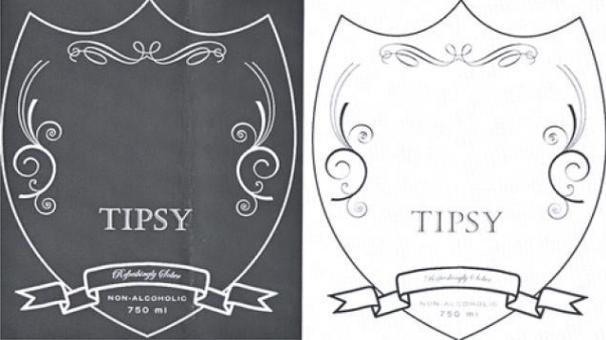
**IN THE MATTER OF APPLICATION NOS 2577938 AND 2577940  
IN THE NAME OF IMPERIAL SPRING WATER LTD**

**AND**

**CONSOLIDATED OPPOSITIONS THERETO UNDER NOS 102342 AND 102343  
BY MHCS**

## Background

1. On 8 April 2011, Imperial Ice Water Ltd (now Imperial Spring Water Ltd) (“the applicant”) filed the following applications, in each case seeking registration of a series of two marks:

Mark No.	Mark and specification
2577938	<div style="display: flex; justify-content: space-around; align-items: center;">  </div> <p>Class 5: Dietetic substances adapted for medical use; foods and beverages adapted for medical purposes; dietary nutritional substances for medical use; nutritional supplements for medical use; dietetic drinks adapted for medical purposes; drinks predominantly of minerals; drinks predominantly of vitamins; isotonic drinks for persons with special dietary needs due to a medical condition; mineral drinks; vitamin drinks; combinations of vitamins and minerals; beverages containing added vitamins; beverages enriched with added vitamins; health food supplements made principally of vitamins; medicated foods for sports persons (vitamins or minerals); non-prescription dietary supplements for human consumption consisting principally of vitamins; preparations consisting of mixtures of vitamins and minerals; stimulants made of vitamins; preparations of vitamins; vitamins; beverages containing added minerals; beverages enriched with added minerals; drinks predominantly of minerals; health food supplements made principally of minerals; non-prescription dietary supplements for human consumption consisting principally of minerals; preparations consisting of minerals; preparations of minerals; stimulants made of minerals.</p> <p>Class 29: Meat, fish, poultry and game; meat extracts; preserved, dried and cooked fruits and vegetables; jellies, jams, compotes; eggs, milk and milk products; edible oils and fats; prepared meals; soups and potato crisps.</p> <p>Class 30: Coffee, tea, cocoa, sugar, rice, tapioca, sago, artificial coffee; flour and preparations made from cereals, bread, pastry and confectionery, ices; honey, treacle; yeast, baking-powder; salt,</p>

	<p>mustard; vinegar, sauces (condiments); spices; ice; sandwiches; prepared meals; pizzas, pies and pasta dishes.</p> <p>Class 32: Mineral and aerated waters; non-alcoholic drinks; fruit drinks and fruit juices; syrups for making beverages; de-alcoholised drinks; isotonic drinks (not for medical purposes).</p>
2577940	<div data-bbox="438 488 1050 853" data-label="Image"> </div> <p>Class 5: Dietetic substances adapted for medical use; foods and beverages adapted for medical purposes; dietary nutritional substances for medical use; nutritional supplements for medical use; dietetic drinks adapted for medical purposes; drinks predominantly of minerals; drinks predominantly of vitamins; isotonic drinks for persons with special dietary needs due to a medical condition; mineral drinks; vitamin drinks; combinations of vitamins and minerals; beverages containing added vitamins; beverages enriched with added vitamins; health food supplements made principally of vitamins; medicated foods for sports persons (vitamins or minerals); non-prescription dietary supplements for human consumption consisting principally of vitamins; preparations consisting of mixtures of vitamins and minerals; stimulants made of vitamins; preparations of vitamins; vitamins; beverages containing added minerals; beverages enriched with added minerals; drinks predominantly of minerals; health food supplements made principally of minerals; non-prescription dietary supplements for human consumption consisting principally of minerals; preparations consisting of minerals; preparations of minerals; stimulants made of minerals.</p> <p>Class 30: Tea; flavoured teas.</p> <p>Class 32: Mineral and aerated waters; non-alcoholic drinks; fruit drinks and fruit juices; syrups for making beverages; de-alcoholised drinks; isotonic drinks (not for medical purposes); none being milk based and/or chocolate based beverages.</p>

2. Following publication of the applications in the *Trade Marks Journal* on 3 June 2011, notices of opposition were filed by MHCS (“the opponent”).

3. In each case, the opponent relies on the following grounds:

- Under section 5(2)(b) of the Act. The opponent’s objection under this ground is directed at the applicant’s goods in class 32 only, and it relies on its International registration no 446105 insofar as it is registered for “wines of French origin, namely champagne”;
- Under section 5(3) of the Act. The opponent objects under this ground to the applications in their totality and again relies on its International registration no 446105 insofar as it is registered for “wines of French origin, namely champagne”;
- Under section 5(4)(a) of the Act. Again, the opponent objects under this ground to the applications in their totality and claims to have used a shield device in the UK in relation to champagne since the 1930s.

4. Details of the international registration relied upon by the opponent are as follows:

Mark No	Mark	Dates	Specification
M446105		<p>International Registration date: 29.5.1999</p> <p>Date of designation in the UK: 2.6.1999</p> <p>Publication date: 8.9.1999</p> <p>Priority Claim date: 20.3.1979 (France)</p>	Wines of French origin, namely champagne and all other wines, sparkling or still

5. The applicant filed a counterstatement in which it denies each of the claims made and puts the opponent to proof of the use of the mark it relies upon and of the reputation claimed.

6. Both parties filed evidence and the matter came before me for a hearing on 5 March 2013. Mr Paul Kelly of Alexander Ramage Associates represented the applicant. Mr Andrew Norris of counsel, instructed by Browne Jacobson LLP, represented the opponent.

## The evidence

### Opponent's evidence in chief

7. This consists of a witness statement by Barbara Kuta dated 8 March 2012 with 18 exhibits.

8. Ms Kuta states that she is employed as in-house counsel for the opponent and that she has a reasonable knowledge of the English language. Ms Kuta states that the opponent is a wholly-owned subsidiary of the LVMH Group of companies. It produces and distributes various champagne brands and owns and manages the intellectual property rights therein.

9. Ms Kuta states that it is her belief that the mark the subject of International registration No 446105 has been used throughout the UK and the world for approximately 75 years. She states that it has been used as a label on Dom Pérignon champagne and its packaging. At BK-2 she exhibits copies of bottle labels which she states is sourced from the opponent's "current" website - the printout was downloaded on 28 February 2012. It shows a bottle of champagne on which there is a shield-shaped label bearing the earlier mark along with, inter alia, the words "Dom Pérignon Millesimo" and "Champagne Dom Pérignon Rosé Vintage 2000" appearing on it. At BK-3 is a printout which is undated but shows a gift box said to be for the 1995 vintage of Dom Pérignon champagne. The print is not of the greatest clarity but there is a shield-shaped label on the bottle which bears the earlier mark again with the words Dom Pérignon on it. The gift box appears to be sealed with a sticker in similar form.

10. At BK-4 is what is said to be an advertisement which appeared in the November 2010 edition of the *World of Fine Wine Magazine*. The advertisement includes a bottle of Dom Pérignon champagne, Vintage 2002, which has on it a shield-shaped label bearing the earlier mark with the words Dom Pérignon on it. No indication is given of where specifically, to whom or how many copies of this magazine might have been distributed.

11. At BK-5 is an undated print said to be an advertisement on which is handwritten "Seat of Learning". These words are also presented as the title of the piece which begins "Every year Dom Pérignon releases a series of older vintages..." and indicates that vintages are available from 1962, 1976, 1983 and 1990. The bottle shown in the picture displays a label bearing the earlier mark with the words Dom Pérignon on it and indicating it is of 1988 vintage. No indication is given of where or when this advertisement might have been published.

12. At BK-6 is a copy of an advertisement said to have appeared in the champagne supplement of *Wine & Spirits* magazine. It shows a bottle with a label bearing the earlier mark coloured pink with the words Dom Pérignon on it. Typewritten at the top of the print is "Publicité Dom Pérignon Rosé Vintage-1996-Wine & Spirit, supplement Champagne-05.2007". I presume that this indicates it was published in May 2007 but no details are given of how many copies of this supplement were distributed or where and to whom.

13. Ms Kuta states that Dom Pérignon is a vintage champagne and, consequently, is only produced in certain years when the conditions are appropriate. She states that it has been promoted and sold continuously in the UK since its first vintage. Ms Kuta states that in 2011 approximately 200,000 bottles of Dom Pérignon bearing the mark were sold in the UK. She also indicates that in the same year advertising and marketing spend in respect of Dom Pérignon was in the region of £400,000 but does not say whether this relates to the UK alone. No details are provided of what proportion of these figures is attributable to the period before the date of the application (8 April 2011).

14. Ms Kuta states that the opponent's mark is so well known "that it is often displayed on its own to denote Dom Pérignon wine". She exhibits the following:

BK-7. An undated photograph of what I take to be the front part of a wooden box with a leaflet in front of it. Whilst the photograph is too small to allow me to see much detail, I can see the leaflet has two separate parts. One is headed "Dom Pérignon", the other "Oenothèque". The box has the earlier mark imprinted on it with the words Moët et Chandon and what I think reads "Champagne Classic(?) Dom Pérignon" appearing within the mark.

BK-8 is said to be images publicising the launch of the "DP Club". The exhibit consists of 2 pages taken from *Harpers* of 20 March 1998. They show a collection of photographs taken of attendees "at a party to launch the DP Club [which was] held in late February" along with another photograph showing two bottles. The quality of the print is poor and I cannot make out what the bottles show but I can see a shield shaped label on one of the bottles. I do not know where the party took place nor am I told whether the magazine was circulated in the UK and, if so, how many copies were issued.

At BK-9 Ms Kuta exhibits an article published in *The Times* of 18 December 1999 and on which is indicated that it had a circulation of 742,595. The article is entitled "The top of the pops" and gives the author's choice of the "ten best bubbliies" to see in the new year. One of those listed is the 1990 vintage Dom Pérignon bearing the earlier mark with the words Dom Pérignon on it and which is said to be available from a number of named stores for prices ranging between £73 and £79. The article shows pictures of the ten selections. Several have a shield shaped label, either on the front of the bottle or as part of the neck label though the quality of the print is such that I cannot read what might be shown on most of them.

BK-10 is an article from *Hello* magazine of 18 October 1997. The article is entitled "Diana, Princess of Wales" and reports on the issue of a set of commemorative stamps of her by the Caribbean island of Nevis. It also refers to a future, though the date is not defined, auction of a bottle of Dom Pérignon champagne labelled to commemorate the wedding of Lady Diana Spencer. The auction was taking place in America.

BK-11 is an article taken from the *Aberdeen Press & Journal* of 13 January 1999. Reporting on preparations for millennium parties, the article shows the Gleneagles Hotel's sommelier holding 3 bottles with labels bearing the earlier

mark with the words Dom Pérignon on them. The article itself refers to “Moët” champagne and “Dom Perignon”.

15. Ms Kuta states that the opponent’s mark is so well known that it has been parodied and featured in a mimic of Andy Warhol pop art. She states that a collection of goods was created by Design Laboratory at Central Saint Martin’s School of Art and Design and is known as the Dom Pérignon Andy Warhol Collection. At BK-12 Ms Kuta exhibits a print showing part of the collection. The print shows glasses each bearing a dappled, coloured shield. The collection was commissioned by the opponent but she does not give any information about the purpose of the commission.

16. Ms Kuta states that the opponent’s mark is distinctive and, in support, exhibits, at KT-13, a print of some results from a Google Images search. I do not know when the search was carried out but can see that the search term used was “dom perignon”. There are two pages which show four screen shots on which are shown a number of Dom Pérignon bottles and related ephemera.

### **The applicant’s evidence**

17. This consists of a witness statement of Karen Lynch dated 7 May 2012. Ms Lynch is a Director of the applicant company. Ms Lynch states the applicant has been working on developing its drinks for around 2 years, having come up with the idea two years or so before that. She states that when:

“considering the branding of the products, my company wanted brands/trade marks to show the products in the best possible light and it was decided that, the bottles will be using decorative sleeves with an art theme and it was considered that a rectangular/box label would interfere with and not be appropriate to the overall look of the product. Therefore, my company considered using a button or shield but it was believed that the button would not work even though it took up less space. It was decided that a device - like a shield would work and I believe that this is the reason why many companies use such types of shield like devices in relation to drink products.”

18. Ms Lynch states that the device chosen is similar to a badge of a prefect from a school or the Blue Peter badge and, at KL1 she exhibits a representation of these two badges.

### **The opponent’s evidence in reply**

19. This consists of a further witness statement by Barbara Kuta with 4 exhibits and a witness statement by Alan William Trease with one exhibit, both dated 20 June 2012.

20. Ms Kuta refers to Ms Lynch’s claim that “many companies use such types of shield like devices in relation to drink products” and exhibits, at BK-18, examples of such devices. The four undated pages show some 13 different products each of which has a shield shaped label, some of which, I note, also bear star devices. Ms Kuta states that the shape and styles of the shields devices vary considerably. At

BK-19 she exhibits what she says is the result of a Google image search for the word “shield”. The single page exhibit shows 27 images (the page indicates there were “about 160,000,000 results”); the tops of 14 of them have an upward point at the centre and at each end.

21. Ms Kuta states that the opponent’s mark has a substantial reputation and distinctive character which is separate from that which rests in the words Dom Pérignon. In support of her claim she exhibits, at BK-20, various extracts taken from the Internet. The exhibit consists of the following:

Page 1- undated printout taken from forbes.com website. Entitled “The eye” with a subtitle of “Dom Pérignon 2002”; it begins: “with the release of these Andy Warhol tribute bottles, one visual icon- Dom Pérignon’s shield label-meets another”. It does not show any labels.

Page 2- an extract from luxist.com website which appears to be dated “2010/07/15”. It refers to “Dom Pérignon’s signature shield” though does not show a shield and indicates that limited edition Pop Art bottles of champagne will be released in “the fall” at \$150 apiece.

Page 3- undated extract from superyachts.com website. It refers to Dom Pérignon’s new „Glow in the dark’ champagne range on which, by the flick of a switch on the bottom of a bottle, “the trademark Dom Pérignon shield lights up luminous green”. The bottoms of the bottles are not shown.

Page 4-undated, partial, extract from winemakermag.com which refers to Dom Pérignon’s “antique-looking label” but no bottle or label is shown in the article.

Page 5-an extract from thirstforwine.co.uk entitled “Drink my champagne said the Hologram”. It refers to “the familiar shield-shaped label emerging from the ice bucket” and shows a bottle bearing a label with the earlier mark on it with the words Dom Pérignon on it. . The extract is not dated.

Page 6- an extract from the hungryliketheduck blogspot . The entry is dated December 29, 2007 and refers to the writer making some cookies and deciding what shape to make for his/her festive party. The articles states “I settled on the bottle-o-Dom-Pérignon shape. Why Dom? Not because it’s the best or the priciest or the fanciest, but because it has the most unique bottle with the gold shield label.” The label is not shown. The blogger, “Josh” is said to be from Chicago in the United States.

22. At BK-21 Ms Kuta files examples of what she says is the opponent’s use of the outline of its mark separately from the mark Dom Pérignon. They consist of:

Page 1- an undated print of unknown origin showing 3 dappled, coloured shields each bearing what looks to me like a QR code on them. Also shown is a cork seen from the side and from above/below. The side of the cork shows the words Dom Pérignon and vintage. The other views show a shield shaped outline.

Page 2- another undated print of unknown origin (although one of the two pictures on the page bears the website address „champagneDirect.co.uk’). The quality of the print is poor but the words Dom Pérignon can be seen as can what appears to be a label showing the earlier mark with the words Dom Pérignon on it. The second image on the page appears to me to be of a silver bottle top with an outline of a shield shape and the words Dom Pérignon embossed on it.

Page 3- another undated print of unknown origin. It shows a box containing a bottle of Dom Pérignon champagne with a label showing the earlier mark with the words Dom Pérignon on it and what I take to be an ice bucket engraved with the words Dom Pérignon and a black shield shaped device.

Page 4- another undated print of unknown origin. It shows a caged cork in a bottle taken from above. The cork has an outline of a shield on the top of it with three words across that shield with a star below the words. I cannot make out the first word but the others are Dom Pérignon.

Page 5- this consists of two undated screen prints. The first is from the Selfridges.com website. It offers for sale a “Dom Pérignon Two Flutes gift box 750ml” and shows a bottle of the champagne along with two glasses which are said to have “the signature logo embossed on the base”. The base of the glasses is not shown. The second is from the domperignon.com website and shows a plain black shield device as a favicon in the address bar.

Page 6- At the bottom of the page is a screen print from the dailymail.co.uk website. It is dated “Thursday, Jun 14 2012”, after the relevant date, and shows “The most stylish cufflinks for summer”. One set is in the shape of a shield and is highly ornate. The title underneath the picture is “Dom Perignon” and the search history shows the words “dom perignon cufflink”. At the top of the page is what appears to be a photo taken from the ebay website. It is not dated. It shows a box with what looks like two plain gold-coloured shields in it. The lid of the box bears the words Dom Pérignon.

23. Alan William Trease states he is the Managing Director of Weavers of Nottingham Ltd. He is a retailer, wholesaler and shipper of wine, supplying wines and spirits to private customers as well as corporate and trade customers, including hotels and restaurants, in and around Nottingham.

24. Mr Trease states he has a particular interest and expertise in champagne and sparkling wines. He states he has attended a “week long course ...held once a year for 16 invitees, who must be nominated by one of the sixteen Champagne Academy Grandes Marques Houses and then selected by the Academy’s Selection Committee”.

25. At AT-1 he exhibits a copy of the mark relied on by the opponent. He states he recognises this particular shield and associates it with the brand “Dom Pérignon”. He states that Dom Pérignon is a prestige brand and the top prestige champagne of Moët et Chandon. He states that the:

“Shield Mark is highly distinctive in the marketplace, particularly for its unusual outline shape. As far as I am aware, there are no other Champagne brands which use a shield shaped label; most Champagne labels are of standard rectangular shape.”

He states there is “widespread awareness of the Shield Mark” and that the:

“outline shape of the Shield Mark, in a variety of colours, is also used on corks of Dom Pérignon. Using an identifying mark on a cork is a particular feature of many prestigious Champagnes. However, most other Champagne brands use lettering, such as initials, as such marks. I would easily be able (sic) recognise that a bottle of Champagne was Dom Pérignon Champagne from its cork alone”.

### **Cross examination**

26. Ms Lynch gave evidence that she is the sole Director of the applicant company. It is a start-up company with no other employees. It has not yet traded but she has been developing the concept for some four years or so, though has not taken things any further until the current proceedings are concluded. Until such time as she is able to take her company forward, she is in full time paid employment as a contracts manager for a social landlord. The trade mark the subject of the application was created with the assistance of a graphic designer introduced to her by a friend. Ms Lynch said she gave instructions to the designer as to how she wanted her trade marks to look and designs were created in line with the concept she had in mind and were agreed. She states that contact between them was done by „phone and email. Ms Lynch used her home computer when making email contact with the designer but she no longer has any of those emails and has few records in general regarding her company.

27. During the course of protracted questioning on the point, Ms Lynch restated what she had said in her written evidence as to the reasons why she used the shield shape as part of her trade mark: it is reminiscent of a prefect’s or Blue Peter type badge and conveys the „wholesome’ concept she has for her business. When asked about the original name of her business, she accepted that she changed it, as set out in paragraph one, following an approach from the opponent. She was firm in her repeated denials that she was not aware of the opponent’s earlier mark and said she does not drink or buy alcohol and did not have the earlier mark in mind when her trade marks were created but used what she regarded as an rather commonplace shield device as seen in a prefect’s badge or the Blue Peter badge.

28. Ms Lynch did not prevaricate but was consistent in her answers and, whilst they suggested she may not somewhat inexperienced in e.g. the record keeping involved in running a business, I found her to be a credible witness.

29. That concludes my summary of the evidence.

## The objection under section 5(2)(b) of the Act

30. 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.”

31. An earlier trade mark is defined in section 6 of the Act, 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 or international trade mark (EC) 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) .....
- (c) .....

(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.”

32. The opponent relies on the International registration set out at paragraph 4 above. It is an earlier mark within the meaning of section 6(1) of the Act. In its counterstatement, the applicant requested that the opponent prove use of its mark in respect of all goods for which it is registered, however, the opponent’s claim under this ground is based only on its earlier registration insofar as it is registered for *Wines of French origin, namely champagne*.

33. In its skeleton arguments, the applicant submitted that the evidence did not show use of the earlier mark in isolation. At the hearing, I referred the parties to the decision of the General Court in *Castellblanch SA v Office for Harmonisation in the Internal Market (OHIM)* T-29/04 [2005] ECR II-5309, where it said:

“33 In the contested decision the Board of Appeal found that there is no precept in the Community trade mark system that obliges the opponent to prove the use of his earlier mark on its own, independently of any other mark.

According to the Board of Appeal, the case could arise where two or more trade marks are used jointly and autonomously, with or without the name of the manufacturer's company, as is the case particularly in the context of the automobile and wine industries.

34 That approach must be followed. The situation is not that the intervener's mark is used under a form different to the one under which it was registered, but that several signs are used simultaneously without altering the distinctive character of the registered sign. As OHIM rightly pointed out, in the context of the labelling of wine products joint affixing of separate marks or indications on the same product, in particular the name of the winery and the name of the product, is a common commercial practice."

34. Whilst the use shown to have been made of the mark raises the issue of whether that use was in a form differing in its distinctive elements, Mr Kelly conceded at the hearing that the earlier mark relied on by the opponent has been used in relation to champagne. I proceed on that basis.

35. In determining the question under Section 5(2)(b), I take into account the guidance provided by the European Court of Justice (CJEU) in *Sabel v Puma AG* [1998] R.P.C. 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] R.P.C. 117, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] F.S.R 77, *Marca Mode CV v Adidas AG* [2000] E.T.M.R.723, *Medion AG v Thomson Multimedia Sales Germany & Austria GmbH* C-120/04 and *Shaker di Laudato & C. Sas v OHIM* C-334/05 (Limoncello), as cited with approval in *Och-Ziff Management Europe Ltd and Oz Management LP v Och Capital LLP, Union Investment Management Ltd and Ochoki* [2010] EWCH 2599 (Ch). It is clear from these cases that:

- (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, in certain circumstances, be dominated by one or more of its components;
- (f) and beyond the usual case, where the overall impression created by a mark depends heavily on the dominant features of the mark, it is quite 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 greater 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 causes the public to wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

### **Average consumer and the nature of the purchasing process**

36. As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' goods. I must then determine the manner in which these goods are likely to be selected by the average consumer in the course of trade.

37. The parties are at some distance as to whether the average consumer for each parties' respective goods are the same. Mr Norris submitted that each of the goods are everyday items in the nature of beverages bought on a regular basis by self selection. He referred me Ms Kuta's evidence at exhibit BK-16, page 9, in support of his submission that soft and alcoholic drinks, including champagnes, are sold in the same area of a store and in close proximity.

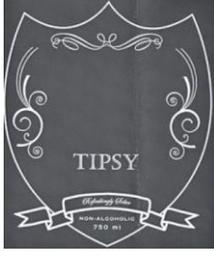
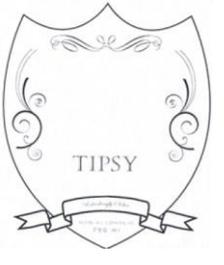
38. There is no dispute that each of the respective goods is a beverage in that each is intended to be drunk but, as Mr Kelly submitted, champagne is not only an alcoholic product but one that is not likely to be bought on an everyday basis. The prices of the respective goods also differ greatly. Whilst the respective goods may well be sold in close proximity, they are unlikely to be sold from the same shelves. Alcoholic drinks are also subject to statutory restrictions on their sale and will be purchased by those who have reached the age of 18. The purchase of a soft drink, which is a relatively low cost item, is an everyday one which the average consumer,

who is a member of the general public, will make by self selection on a regular basis with little thought being given to that purchase. The purchase of champagne is likely to be one made with a fair degree of consideration and one undertaken much less frequently not least because it is a relatively high cost item (the evidence shows that in 1999 the opponent's champagne, for example, was on sale in a number of stores for upwards of £70 with other brands in the £30-70 range).

### Comparison of marks

39. It is well established that the average consumer is considered to be reasonably well informed, circumspect and observant but perceives trade marks as wholes and does not pause to analyse their various details. In addition, the average consumer rarely has the chance to make direct comparisons between trade marks but must, instead, rely on the imperfect picture of them he may have kept in mind. In reaching a conclusion on similarity, I must identify what I consider to be the distinctive and dominant elements of the respective trade marks and, with that conclusion in mind, I must go on to compare the respective trade marks from the visual, aural and conceptual perspectives.

40. For ease of reference, I set out below the marks to be compared:

Earlier mark	2577938		2577940	
				

41. The earlier mark consists of a double-bordered shield- shape device with the innermost of the borders emboldened. The shield-shape is gently curved and has a central point at the bottom and three points at the top. Within these borders, and towards the top, is some non-distinctive scrolling from which crossed garlands of bunches of leaved grapes extend down to the lower point. A five pointed star appears just above the cross of the garlands. The crossed garland of grapes is not distinctive for drinks produced from grapes, the scrolled elements at the top of the shield are unremarkable and, as Ms Kuta's evidence shows, many shields have curved tops with a central upward point (see BK-19), shield shaped labels are not uncommonly used on in relation to alcoholic products in general (see BK-18) or champagne in particular (see BK-9). Despite Mr Norris's submissions, I do not consider there is anything unusual about the particular shape of the shield and I find support for this from the evidence shown at BK-19. That leaves the star which, as Ms Kuta's evidence shows, is not uncommonly used on the labels of alcoholic drinks (see BK-18). In my view, the earlier mark has no dominant element and its distinctiveness rests in the particular combination of the elements from which it is made up.

42. Each of the applicant's marks also consists of shield-shape device in an almost identical form to the outline of that appearing within the opponent's mark though, in each case, with a single outer border. Within the shield there is non-distinctive scrolling towards the top and at the sides of the shield. The side scrolling finishes half way down the shield. Between the bottom edges of this scrolling appear the words TIPSY (2577938) or AEROPOP FLIGHT JUICE (2577940) with the words FLIGHT JUICE below, and in smaller font than, the word AEROPOP. In each case, there is a folded ribbon-like banner across and extending outside the perimeter of the lower part of the shield. The banner contains the words Refreshingly Sober, though these are in a very small cursive script and difficult to make out. Below the ribbon are the non distinctive details Non-Alcoholic 750ml. Each mark in the two series differs from the other only in that one is black on white, the other white on black. Again, I do not consider the shield shape or the scrolling to be distinctive. In my view, it is the words TIPSY and AEROPOP which are the dominant and distinctive elements of the applicant's respective marks.

43. To the extent that each of the respective marks has an almost identical shield-shaped border as its largest element, there is a degree of visual similarity between them. There are also significant visual differences due to the grape garland and star elements appearing only in the earlier mark and the ribbon and words appearing only in the applicant's marks.

44. If the earlier mark is articulated at all, it is likely to be by reference to a shield. The applicant's marks are likely to be referred to by the words TIPSY and AEROPOP. The respective marks are aurally dissimilar.

45. Other than implying some sort of connection to grapes, I do not consider the earlier mark will bring any particular image to mind. The applicant's mark 2577938 is likely, because of the inclusion in it of the word TIPSY, to bring to mind being slightly drunk and has a sense of „naughtiness' about it. The word AEROPOP as appears in application 2577940 is not, as far as I am aware, a known word but breaks down naturally into its two component parts. The word AERO refers to air and the word POP is a synonym for a generic soft drink. The mark is likely, because of the inclusion in it of the words FLIGHT JUICE, to bring to mind a light or perhaps aerated soft drink. The respective marks are conceptually distinct.

### Comparison of goods

46. For ease of reference, the goods to be compared are as follows:

Earlier mark	2577938	2577940
Wines of French origin, namely champagne	Mineral and aerated waters; non-alcoholic drinks; fruit drinks and fruit juices; syrups for making beverages; de-alcoholised drinks; isotonic drinks (not for medical purposes)	Mineral and aerated waters; non-alcoholic drinks; fruit drinks and fruit juices; syrups for making beverages; de-alcoholised drinks; isotonic drinks (not for medical purposes); none being milk based and/or chocolate based beverages

47. Both parties made a number of submissions regarding the similarity or otherwise of the respective goods. Mr Norris submitted that they are similar goods because each is a beverage for consumption by the ordinary consumer, they are regular purchases and will be found relatively close to each other in supermarkets and shops. For his part, Mr Kelly accepted that the respective goods may be sold in close proximity but submitted that the method of production and trade channels differed and that whilst each was a beverage, the uses and users were not the same.

48. In *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 28, Jacob J gave advice as to how similarity should be assessed. He identified the following factors to be taken into account:

- (a) The respective uses of the respective goods;
- (b) The respective users of the respective goods;
- (c) The physical nature of the goods;
- (d) The respective trade channels through which the goods 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 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.”

49. Subsequently, in *Canon Kabushiki Kaisha v MGM Inc* the CJEU stated:

“23. In assessing the similarity of the goods or services concerned.....all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, *inter alia*, their nature, intended purpose and their method of use and whether they are in competition with each other or are complementary.”

50. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-325/06 the General Court stated:

“82 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 (see, to that effect, Case T-169/03 *Sergio Rossi v OHIM- Sissi Rossi (SISSI ROSSI)* [2005] ECR II-685, paragraph 60, upheld on appeal in Case C-214/05P *Rossi v OHIM* [2006] ECR I-7057; Case T-364/05, *Saint-Gobain Pam v OHIM –Promamsa (PAM PLUVIAL)* [2007] ECR II-757, paragraph 94; and Case T-443/05 *El Corte*

*Inglés v OHIM – Bolaños Sabri (PiraÑam diseño original Juan Bolaños)* [2007] ECR-1-0000, paragraph 48).”

51. In *Gérard Meric v OHIM*, Case T-133/05, the General Court said:

“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).”

52. I consider, first, the applicant’s *Mineral and aerated waters; fruit drinks and fruit juices, syrups for making beverages, isotonic drinks (not for medical purposes); none being milk based and/or chocolate based beverages*). Clearly, the physical nature of the respective products are similar in that they are each a liquid (although a syrup for making a beverage is likely to be of a different viscosity). In the very broadest sense they are all beverages (or products for making beverages) though champagne is not of a nature to be drunk on an everyday basis to slake the thirst in the way that the applicant’s goods will. There is an overlap in the respective users in that both could be imbibed by the general public albeit, in the case of the opponent’s goods, those who have reached the statutory age for the consumption of alcohol. Whilst I have no evidence on the point, I do not think there can be any dispute that the methods of production of the respective goods differ markedly, with champagne being subject to a much lengthier process and deriving from grapes whereas the applicant’s goods may be produced fairly quickly from any number of ingredients. Whilst I accept they may be found in close proximity to each other in a store, the respective goods are likely, as the evidence shows, to be on separate shelves. As I indicated above, the costs of the different products are likely to vary greatly and alcoholic products are also subject to legal restrictions on their sale. One will not be used as a substitute for the other nor are they complementary. I consider the respective goods to be dissimilar, however, if I am wrong in this, then any similarity is very low.

53. The applications also seek registration in respect of *non-alcoholic drinks, de-alcoholised drinks*. It is well-known that some alcoholic drinks have a non-alcoholic equivalent. On the basis that these terms could include a non-alcoholic or de-alcoholised version of champagne, I find these respective goods to be similar.

### **The distinctiveness of the earlier mark**

54. The distinctive character of a trade mark can be appraised only, first, by reference to the goods in respect of which it has been acquired and, secondly, by reference to the way it is perceived by the relevant public (see *Rewe Zentral AG v OHIM (LITE)* [2002] ETMR 91. In determining the distinctive character of a trade

mark and, accordingly, in assessing whether it is highly distinctive, it is necessary to make an overall assessment of the greater or lesser capacity of the trade mark to identify the goods for which it has been registered as coming from a particular undertaking and thus to distinguish those goods from those of other undertakings (see *Windsurfing Chiemsee v Huber and Attenburger* Joined Cases C-108/97 and C-109/97 [1999] ETMR 585).

55. Whilst he conceded that the earlier mark has been used, Mr Kelly submitted that the evidence filed by the opponent did not prove that it has a reputation.

56. As I indicated at the hearing, the evidence filed suffers from a number of flaws. The only turnover figures provided by Ms Kuta relate to 2011. There is no evidence of the size of the champagne market in the UK which allows me to put those figures into context but, in any event, almost 9 months of that period is after the material date in these proceedings. Advertising figures for the same period are also given but I am not told whether these relate just to the UK. Even if they do, there is little evidence of what advertising that might have been undertaken or what mark might have appeared in it; the examples provided either do not show they were published in the UK or are undated or from after the relevant date. The evidence taken from the Internet appears to be largely from the United States or do not show the mark. I am not persuaded that the use shown of a shield-shape device, whether in solid black as in the favicon or in outline as shown on some undated packaging and other products, supports use of the earlier mark of itself in relation to champagne. Whilst it is clear that the opponent commissioned a set of goods bearing a shield device in a style reminiscent of Andy Warhol's works, there is no evidence of where, why or when such goods may have come to the relevant public's attention.

57. Mr Trease has given evidence that "The shield Mark is highly distinctive in the marketplace" and that he associates it with the Dom Pérignon brand, but as a person who, on his own admission, is a retailer, wholesaler and shipper of wine and has undergone specialist training, his view does not equate to that of the average consumer.

58. Whilst the evidence has enabled an acceptance that the earlier mark has been used, that evidence overwhelmingly shows it to have been used in conjunction with the Dom Pérignon brand. Whether or not there is a reputation which accrues to the Dom Pérignon brand, the evidence does not persuade me that the inherent distinctiveness of the earlier mark itself which, at best, is of an average level, has been enhanced or that there is a reputation in it as and of itself.

### **Likelihood of confusion**

59. In determining whether there is a likelihood of confusion, a number of factors have to be borne in mind. The first is the interdependency principle whereby a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and vice versa. I also have to factor in the distinctive character of the earlier mark as the more distinctive it is, the greater the likelihood of confusion. I must also keep in mind the average consumer for the goods, the nature of the purchasing process and the fact that the average consumer rarely has the opportunity to make direct comparisons between trade

marks and must instead rely on the imperfect picture of them he has retained in mind.

60. Mr Norris submitted at the hearing that the basis of the opponent's objection was not that the respective marks were likely to be confused directly but rather that there would be indirect confusion in that the average consumer would be confused about the economic origin of the respective goods.

61. Earlier in this decision I found:

- That champagne is a relatively high cost product that will be purchased with a fair degree of consideration on an irregular basis whilst the applicant's goods are low cost everyday purchases made with little thought;
- That the respective mark have some visual similarities but significant visual differences, are aurally dissimilar and conceptually distinct;
- That non-alcoholic drinks and de-alcoholised drinks are similar to champagne but that all other goods appearing in the applicant's specification have, at best, a very low degree of similarity to champagne;
- That the earlier mark has, at best, an average distinctive character which has not been shown to have been enhanced through its use;
- That shield shaped labels are not uncommonly used in relation to alcoholic drink in general and champagne in particular.

62. There is nothing in the opponent's evidence to show that it has used the earlier mark on its own or that it has a history of using signs with its earlier mark other than those which incorporate the mark Dom Pérignon. There is no evidence it has ever used its mark on anything other than champagne. Taking all relevant factors into account, I find that the differences in the respective marks and goods are such that they are not likely to be indirectly confused.

### **The objection under section 5(3) of the Act**

63. In view of my findings as to the lack of reputation in the earlier mark, the opponent cannot hope to succeed under this ground and I dismiss it.

### **The objection under section 5(4) of the Act**

64. Mr Norris accepted that there is considerable overlap between this objection and that raised under section 5(2)(b) of the Act but did not withdraw this ground. In view of the evidence filed and my findings set out above, I do not think that the opponent can be in any stronger position under this ground and I decline to deal with it further.

### **Summary**

65. The opposition has failed on all grounds.

## Costs

66. The applicant has succeeded and is entitled to an award of costs in its favour.

67. Mr Norris submitted that account should be taken of the costs accruing from the postponement of a previously appointed substantive hearing. That hearing had been set down to take place on 4 December 2012. The parties were notified of the hearing date by way of a letter dated 2 November. On 21 November, Ms Lynch informed her legal representatives that she would not be available on that date as her employers required her to attend a two-day training course on 4/5 December. Mr Kelly notified both the registrar and the opponent's agent the following day and the registrar formally notified the parties on 28 November that the adjournment had been granted. I do not know when Ms Lynch became aware of the fact that the hearing date had been set or the date that she became aware that she was, essentially double-booked, but I do not consider there was any unreasonable delay in notifying of her difficulties with the date. Whilst I accept that it is possible that the opponent's representatives may have undertaken a degree of preparation for that hearing, there is no evidence that it would have been at any significant cost or could not have been used in respect of the re-arranged hearing.

68. Mr Kelly submitted that the applicant was entitled to additional costs in respect of the Case Management Conference ("CMC") which took place during the pendency of these proceedings. Following the filing of Ms Lynch's witness statement on 8 May 2012, the parties were invited to indicate whether they wished to be heard or wanted a decision to be made from the papers already on file. That letter was sent by the registrar on 3 July 2012. By way of a letter dated 16 July, the opponent sought the cross examination of Ms Lynch. There then followed an exchange of correspondence which resulted, on 10 August, in the parties being notified that a CMC had been appointed and which would take place on 4 September. On 21 August, the opponent requested disclosure. Both issues were dealt with at the CMC. I granted the cross examination request and ordered the application either to disclose certain documents or confirm that no such documents existed. It later confirmed that no such documents existed. The CMC was not lengthy and the issues were not particularly complex though some time would have been taken to prepare for it.

Taking all matters into account, I make the award on the following basis:

For reviewing the Notice of Opposition and filing a counterstatement:	£300
For filing and reviewing evidence:	£600
For preparation for and attendance at the substantive hearing:	£500
For preparation for and attendance at the CMC:	£200
Witness's travel expenses (Ms Lynch drove to Newport from Manchester to attend for cross examination):	£50
<b>Total:</b>	<b>£1650</b>

69. I order MHCS to pay Imperial Spring Water Limited the sum of £1650 as a contribution towards its costs. 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 these proceedings if any appeal against my decision is unsuccessful.

**Dated this 14th day of March 2013**

**Ann Corbett  
For the Registrar  
The Comptroller-General**