

O-147-14

**TRADE MARKS ACT 1994**

**IN THE MATTER OF INTERNATIONAL REGISTRATION NO. 1130543 IN THE  
NAME OF VINPROM PESHTERA AD FOR THE TRADE MARK:**



**IN CLASS 33**

**AND**

**IN THE MATTER OF OPPOSITION THERETO  
UNDER NO. 400102 BY BARON PHILIPPE DE ROTHSCHILD SA**

## BACKGROUND

1. On 12 April 2012, Vinprom Peshtera AD (“the applicant”) requested protection in the United Kingdom of the International Registration (“IR”) of the mark shown on the cover page of this decision.

2. The United Kingdom Trade Marks Registry (“TMR”) considered the request satisfied the requirements for protection and particulars of the IR were published on 18 January 2013 for the following goods in class 33:

Alcoholic beverages (except beer).

The publication included the following clauses:

### “Mark Description

Green pedestal with the words BLACK RAM in white, over to it figure of ram in black, dark grey and light grey whit horn in black and beige.

### Colours claimed

White, green, light grey, dark grey, beige and black.

### Colour indication

White: words "BLACK RAM"; green: a pedestal; black, dark and light grey: RAM; black and beige: horn of the ram.”

3. Baron Philippe De Rothschild SA (“the opponent”) opposes the designation of the IR on grounds under sections 5(2)(b) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”). The opposition, which is directed against all of the goods in the IR is, following amendment, based upon the following marks:

Community trade mark (“CTM”) no. 3760782 for the mark:



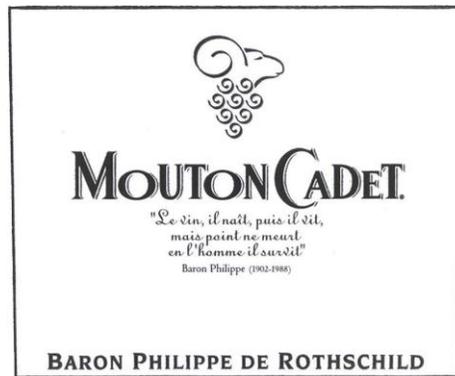
applied for on 14 April 2004 and which completed its registration procedure on 25 July 2005. The registration contains the following clause:

“Mark Description

Stylised design of a ram's head.”

The opponent indicates that it relies upon all of the goods in the registration i.e. “Alcoholic beverage (excluding beer)” in class 33, adding that the mark has been used in respect of wines.

CTM no. 3932035 for the mark:



applied for on 13 July 2004 (claiming an international convention priority date of 8 July 2004 from France) and which completed its registration procedure on 18 October 2005. The opponent indicates that it relies upon all of the goods in the registration i.e. “Alcoholic beverage (except beers)” in class 33, adding that the mark has been used in respect of wines.

UK trade mark no. 961932 for the mark:



applied for on 3 July 1970 and which completed its registration procedure in March 1972. The registration contains the following clauses:

“Mark Description/Limitation

LIMITATION OR COLOUR CLAIM: It is a condition of registration that the mark shall be used in relation only to goods the produce of Chateau Mouton-Rothschild, Pauillac, France.

Disclaimer

Registration of this mark shall give no right to the exclusive use of the word "Rothschild".

The opponent indicates that it relies upon all of the goods in the registration i.e. “Wines” in class 33, adding that the mark has been used in respect of these goods.

4. In relation to the first two registrations shown above, the opponent states:

“(1)... [the Designation] contains the prominent figure (device) of a ram. Prominent in the opponent’s earlier trade mark[s] is the stylised design of a ram’s head. Consequently, [the Designation] is similar to the opponent’s marks.

(2) The opponent’s mark is registered in class 33 for “Alcoholic beverages (excluding beer)”, which description of goods includes “wine” in respect of which the opponent’s mark has been used. The [Designation] is proposed to be registered in class 33 for “Alcoholic beverages (excluding beer)”, being goods which are identical with and/or similar to the goods for which the opponent’s mark is registered and used.”

In relation to the third registration, the opponent states:

“1...[the Designation] contains the prominent figure (device) of a ram. Prominent in the opponent’s earlier trade mark...are two identical stylised figures of a ram...”

5. In relation to its objection based upon section 5(4)(a) of the Act, the opponent relies upon signs as are the subject of the first and third registrations shown above. In relation to the first registration it states:

“The opponent has been using as a trade mark in the United Kingdom since as early as 2004/2005 the stylised design of a ram’s head in relation to the goods “alcoholic beverages namely wines...”

In relation to the third registration, the opponent states:

“The opponent has been using as a prominent part of one of its main trade marks in the United Kingdom since at least as early as 1970 two identical stylised figures of a ram, the figures being placed in directly opposing position one facing the other, in relation to the goods “alcoholic beverages namely wines...”

6. The applicant filed a counterstatement in which the basis of the opposition is denied. The applicant states, inter alia:

“Save as to the presence of a stylised ram amongst the graphical components of the earlier marks and the opposed mark, there is no other ground of commonality whatsoever between the earlier marks and the opposed mark.

The representation of the stylised ram in each of the earlier marks is very abstract and only ever shows a ram in profile. No specific colour is associated or claimed with the ram or rams in any of the earlier marks, in all of which each ram is represented in clear line form.

The representation of the stylised ram in the opposed mark is a realistic drawing of a ram viewed from the front, specifically in black and beige colours.

7. Only the opponent filed evidence. Neither party asked to be heard nor did they file written submissions in lieu of attendance at a hearing.

### **The opponent’s evidence**

8. This consists of a witness statement from Eric Bergman, the opponent’s managing director. The main facts emerging from Mr Bergman’s statement are, in my view, as follows:

- The opponent is a family owned company engaged in the production, marketing and world-wide distribution of wines produced in several Bordeaux vineyards, including the Château Mouton Rothschild wine estate in the village of Pauillac in the Médoc, north west of the city of Bordeaux;
- MOUTON CADET is the brand name of a popular range of modestly priced, generic Bordeaux wines produced by the opponent;
- MOUTON CADET wine is produced through the assembly of a variety of grapes from several Bordeaux region appellations;
- MOUTON CADET was marketed significantly through the 1950s and 60s, placing the brand in the UK and US;
- Worldwide sales in 1975 amounted to more than 3 million bottles;
- The label RÉSERVE MOUTON CADET MÉDOC was created in 1996;
- In 1999 the Reserve range also included the RÉSERVE MOUTON CADET GRAVES;

- A redesign of the Mouton Cadet brand took place in 2004 to include “for the first time” the ram’s head design [as shown in CTM nos. 3760782 and 3932035];
- The ram’s head design has been part of the MOUTON CADET label since June 2004 selling first in France and then throughout the EU including the UK and also in other parts of the world in particular North America;
- Sales of wine bearing the MOUTON CADET and ram’s head design label by the opponent in the EU between 2008 and 2012 were as follows:

<b>Year (to 31 December)</b>	<b>Net Invoice Value (Millions of Euros)</b>	<b>Cases Sold (12 bottles per case)</b>
2008	20,000,000	380,000
2009	15, 000,000	310,000
2010	16,000,000	350,000
2011	18,000,000	370,000
2012	18,000,000	370,000
<b>Totals</b>	<b>87,000,000</b>	<b>1,780,000</b>

Mr Bergman states:

“(5) To put the above sales into context, a “Bordeaux wine” is a wine produced in the Bordeaux region of France, in the Gironde department. There are several dozen of regional Bordeaux appellations, making this vineyard area the largest wine growing area in France.”

Mr Bergman describes the exhibit to his statement as containing:

“6...examples of use in the European Community of the “MOUTON CADET and ram’s head label trade mark as protected by the opponent’s earlier community trade mark registration nos. 3760782 and 3932035.”

This exhibit is split into five sections. The first section consists of extracts obtained from the opponent’s website [www.bpdr.com/gb/](http://www.bpdr.com/gb/) all of which contain the following:

“© 2000-2009 – Baron Philippe de Rothschild”.

The first page of the exhibit contains, inter alia, the following text:

“...In 2004, Mouton Cadet changed its style, becoming fruitier and more expressive, with further improvements in quality. The changing style of Mouton Cadet is symbolised by a new packaging. On an uncluttered white label, a new icon becomes the Mouton Cadet emblem. Interweaving and fusing a bunch of grapes and a ram, it evokes a “blend” of the generous nature and human work.”

The trade marks the subject of the CTMs can be seen on the pages provided. The second section consists of “Product Photographs” of bottles, labels and packaging bearing the CTMs. The origin of the photographs is not indicated. The photographs bear the following dates: 2007, 2008, 2010 and 2011.

The third section consists of “Press Cuttings”. The first part of this section relates to extracts obtained from a range of publications, the vast majority of which appear to be from outside the UK. Those that originate from the UK state:

“The British magazine Decanter gives a World Wine Award 2005 to Mouton Cadet blanc 2003...(October 2005).”

“In the “Wines of the month” category, the magazine Fresh gives Mouton Cadet rouge 2003 three stars...(September 2005).”

“Journalist Claire Wu writes about Mouton Cadet Rouge 2002 in the August 2004 edition of the British trade magazine Grocer...(August 2004).”

This section also includes details relating to: a competition held by [www.cheshirelife.co.uk](http://www.cheshirelife.co.uk) in November 2008 in which the words Mouton Cadet and the device the subject of CTM no. 3760782 appear; extracts from *THE WINE SLEUTH*, the origin of which is uncertain. Although the marks the subject of the CTMs can be made out, as the publication appears to date from 26 July 2012 (i.e. after the material date in these proceedings) it does not assist the opponent in any case; an article entitled: “Mouton Cadet named official supplier of wine to European Tour”. Although the marks the subject of the CTMs appear, as the article is dated 6 June 2012 (i.e. after the material date), once again, it does not assist the opponent; an article from: [sussex.greatbritishlife.co.uk](http://sussex.greatbritishlife.co.uk) from February 2011, entitled “Birthday Bash for Mouton Cadet” which states:

“The toast was to Mouton Cadet when the Mirabelle restaurant at Eastbourne’s Grand Hotel hosted a regional celebration to mark the 80<sup>th</sup> anniversary of the famous wine label.”

The marks the subject of the CTMs can (just) be made out in this article. Finally in this section is an article dated August 2008 from *SCOTLANDonSUNDAY* entitled: “Cricket Whites”, in which a photograph of the opponent’s bottle bearing the CTMs appears.

The fourth section, consist of “Sales Promotional Materials”. Although the marks the subject of the CTMs can be seen on many of these pages, as none of the pages are in English, it does not assist the opponent. The fifth and final section consists of “Selected European Customer Invoices”. However, as none of these invoices relate to the UK, they too do not assist the opponent.

9. That concludes my summary of the opponent's evidence to the extent that I consider it necessary. I will return to this evidence when I consider the distinctiveness of the opponent's earlier marks.

## **DECISION**

10. The opposition is based upon sections 5(2)(b) and 5(4)(a) of the Act which read as follows:

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

(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.

(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, or

(b) ...

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an “earlier right” in relation to the trade mark.”

11. 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,

(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.”

12. In these proceedings the opponent is relying upon the trade marks shown in paragraph 3 above, all of which qualify as earlier trade marks under the above

provisions. Given the interplay between the date on which the IR was published and the date on which the opponent's earlier trade marks completed their registration procedure, the earlier trade marks are, in principle, subject to proof of use, as per The Trade Marks (Proof of Use, etc) Regulations 2004. However, because in its counterstatement the applicant did not ask the opponent to provide evidence of the use it had made of its earlier marks, the opponent can rely upon all of the goods for which its earlier marks are registered.

### **The opposition based upon section 5(2)(b) of the Act**

13. I turn first to consider the opposition based upon section 5(2)(b) of the Act.

#### **Section 5(2)(b) – case law**

14. In his decision in *La Chemise Lacoste SA v Baker Street Clothing Ltd* - BL O/330/10 (approved by Arnold J in *Och-Ziff Management Europe Ltd v Och Capital LLP* [2011] FSR 11), the Appointed Person, Mr Geoffrey Hobbs QC, expressed the test under this section (by reference to the CJEU cases mentioned) on the basis indicated below:

#### **The CJEU cases**

Sabel BV v Puma AG [1998] RPC 199; Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc [1999] RPC 117; Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V. [2000] F.S.R. 77; Marca Mode CV v Adidas AG & Adidas Benelux BV [2000] E.T.M.R. 723; Matratzen Concord GmbH v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM), Case T-6/01; Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH C-120/04; Shaker di L. Laudato & C. Sas v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) C-334/05 P.

#### **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, 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.”

## **Comparison of goods**

15. The applicant seeks registration in respect of: “Alcoholic beverages (except beer)” in class 33. As the opponent’s CTM nos. 3760782 and 3932035 are registered for: “Alcoholic beverages (excluding beer) and “Alcoholic beverages (except beers)” in class 33 respectively, the competing goods are clearly identical. The third registration upon which the opponent relies, UK no. 961932, has a specification of “wines” in class 33. In *Gérard Meric v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* (OHIM) Case T-133/05 the General Court (“GC”) 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).”

As “wine” in the opponent’s specification is included within the broader term “Alcoholic beverages (except beer)” in the applicant’s specification, these competing goods are, on the principles outlined in *Meric*, also identical.

### **The average consumer and the nature of the purchasing decision**

16. 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. The goods at issue in these proceedings are alcoholic beverages, the average consumer for which will be the public at large, albeit insofar as those goods which have an alcoholic content in excess of 0.5% are concerned, the average consumer will be over the age of 18.

17. All of the goods at issue may be sold through a range of channels, including retail premises such as supermarkets and off-licences (where the goods are normally displayed on shelves and are obtained by self selection) and in public houses and restaurants (where the goods are displayed on, for example, shelves behind the bar and where the trade marks will appear on dispensers at the bar, menus etc.). When the goods are sold in, for example, public houses the selection process is likely to be an oral one. However, there is nothing to suggest that the goods are sold in such a manner as to preclude a visual inspection. In *Simonds Farsons Cisk plc v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-3/04, the Court of First Instance (now the General Court) said:

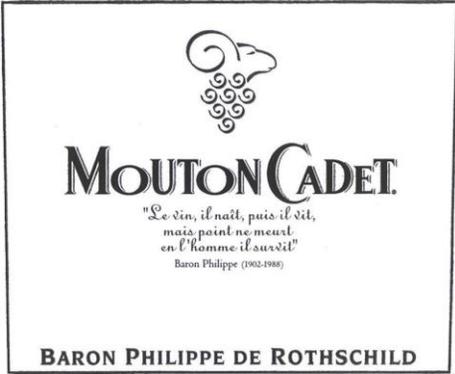
“In that respect, as OHIM quite rightly observes, it must be noted that, even if bars and restaurants are not negligible distribution channels for the applicant’s goods, the bottles are generally displayed on shelves behind the counter in such a way that consumers are also able to inspect them visually.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

18. Consequently, while the goods may be ordered orally in public houses and restaurants, it is likely to be in the context of, for example, a visual inspection of the bottles containing the goods prior to the order being placed. Considered overall, the selection process is likely to be predominantly a visual one, although I accept that aural considerations will also play their part. As to the level of attention the average consumer

will display when selecting the goods, given that for the most part the cost of the goods is likely to be relatively low, but bearing in mind that the average consumer will wish to ensure they are selecting the correct type, flavour, strength etc. of beverage, they are, in my view, likely to pay a reasonable level of attention to the selection of the goods at issue.

**Comparison of trade marks**

19. The trade marks to be compared are:

Opponent's marks	Applicant's mark
 <p>Mark Description</p> <p>Stylised design of a ram's head.</p> 	 <p>Mark Description</p> <p>Green pedestal with the words BLACK RAM in white, over to it figure of ram in black, dark grey and light grey whit horn in black and beige.</p> <p>Colours claimed</p> <p>White, green, light grey, dark grey, beige and black.</p> <p>Colour indication</p> <p>White: words "BLACK RAM"; green: a pedestal; black, dark and light grey: RAM; black and beige: horn of the ram."</p>



Mark Description/Limitation

LIMITATION OR COLOUR CLAIM: It is a condition of registration that the mark shall be used in relation only to goods the produce of Chateau Mouton-Rothschild, Pauillac, France.

Disclaimer

Registration of this mark shall give no right to the exclusive use of the word "Rothschild".

20. It is well established that the average consumer is considered to be reasonably well informed, circumspect and observant but perceives trade marks as a whole and does not pause to analyse their various details. In addition, he rarely has the chance to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he has kept in his 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 then go on and compare the respective trade marks from the visual, aural and conceptual perspectives.

21. The applicant's mark consists of a number of elements. The first is what the applicant describes as: "a realistic drawing of a ram viewed from the front" (a description with which I agree). The ram is standing on a block reminiscent of grass, below which there appear the words BLACK RAM presented as separate words in upper case; in my view, these words "hang together". The final element of the applicant's mark is the colours in which the mark is presented and which have been claimed. In my view, the device of a ram and the words BLACK RAM are the distinctive and dominant elements of the mark. Although the device of a ram and the words BLACK RAM are presented as independent elements within the applicant's mark, as the words are clearly intended to refer to the device, the words and device are, in my view, inextricably linked. Whilst the applicant claims the colours: white, green, light grey, dark grey beige and black, I note

the comments of Mann J in *Specsavers International Healthcare Limited & Others v Asda Stores Limited* [2010] EWHC 2035 (Ch) in which he stated:

“119. It is not clear to me that this is a debate which advances the case very much, but the position seems to me to be as follows. As a matter of principle the exercise involves comparing the offending sign with the registered mark and assessing the likelihood of confusion or association. The two things have to be compared. Since we live in a visual world, and signs are visual, some form of appearance has to be considered. If the registered mark is limited to a colour, then the mark that is used has to be compared, as used, to the mark that is registered, as registered (and therefore in colour). If the registered mark is unlimited as to colour then it is registered for all colours. This means that the colour of the offending sign becomes irrelevant. It will not be possible to say that its colour prevents there being an infringement. At this point one can take one of two courses, each of which ought to have the same result. The first is to imagine the registered mark in the same colour as the offending sign. The second is to drain the colour from the offending sign. Either way one then has the material for comparison. One could even imagine them both in a third colour. It does not matter. So in a sense both Mr Purvis and Mr Bloch are right. As a matter of visual convenience it seems to me to be easier to imagine the registered mark in a colour than to imagine the offending sign drained of colour, and I propose to adopt that course.”

As the earlier marks are not limited to colour, the colours in which the applicant's mark appears is not relevant and it will, as per the comments of Mann J, be drained of colour for the purposes of the comparison of the respective marks.

22. In its counterstatement, the applicant admits that the opponent's earlier marks contain "...a stylised ram amongst the graphical components...", although it goes on to argue that: "the representations of the stylised ram...is very abstract and only ever shows a ram in profile..." I agree with the applicant that the device element present in the two CTM registrations is very stylised indeed. In my view, it is arguable that the average consumer will see the device as a ram's head at all. Having reached that conclusion, it is the mark the subject of the UK registration which, in my view, offers the opponent the best prospect of success and it is this mark that I shall use for the purposes of the comparison (I will, however, return to the opponent's CTMs later in this decision when I consider the likelihood of confusion).

23. The opponent's mark consists of a number of elements presented in the form of a heraldic looking device. Although there is a device of a crown at the top and a banner at the bottom of the mark, these elements are, given the propensity of others to use similar devices in this area of trade, in my view, neither dominant nor distinctive elements of the mark. Rather, it is the devices of what, in my view, are clearly rams facing one another and holding and supporting a shield device, which are the dominant and distinctive elements of the mark. Although the shield device has a device upon it, I am unable to discern what this device is. The same is not true of the surname ROTHSCILD which

appears on the shield device and which is neither a dominant nor (it is disclaimed) distinctive element of the mark.

24. Both marks contain devices of rams. However, the ram device in the applicant's mark is facing forward and is, as the applicant argues, a realistic representation, whereas the devices of rams in the opponent's mark are shown in profile and are more stylised (although not, in my view, stylised to the extent that they wouldn't be seen as rams). Although the presence in both marks of devices of rams creates a degree of visual similarity between them, when considered overall, there is, in my view, (at best) only a moderate degree of visual similarity between the competing marks.

25. Insofar as the aural comparison is concerned, it is well established that where a mark consists of a combination of words and devices, it is by the word elements that the average consumer is likely to refer to the mark. The applicant's mark will be referred to as BLACK RAM whereas the opponent's mark will, despite its size relative to other elements in the mark, be referred to by the surname ROTHSCHILD. As a consequence, there is no aural similarity between the competing marks.

26. There can be little doubt that the combination of the device of a ram and the words BLACK RAM in the applicant's mark will create in the average consumer's mind the concept of a ram or black ram. The fact that the opponent's mark also contains the devices of rams as a distinctive and dominant element is likely, notwithstanding that the opponent's mark also contains the surname ROTHSCHILD, to trigger similar conceptual imagery in the mind of the average consumer. The marks are, as a consequence, conceptually similar to a high degree.

### **Distinctive character of the opponent's earlier trade mark**

27. The distinctive character of a trade mark can be appraised only, first, by reference to the goods in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public – *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 - *Windsurfing Chiemsee v Huber and Attenberger* Joined Cases C-108/97 and C-109/97 [1999] ETMR 585.

28. Although the opponent has filed evidence of the use it has made of its marks, as none of this evidence shows use any of the mark the subject of UK no. 961932, I have only the inherent characteristics of this mark to consider. Earlier in this decision (see paragraph 23 above), I concluded that it was the devices of rams holding and supporting a shield device which were the distinctive and dominant elements of the mark. Although the opponent's mark also contains, inter alia, the surname ROTHSCHILD, this is disclaimed. Considered overall, the opponents mark is, absent use, possessed of a normal degree of inherent distinctive character.

## Likelihood of confusion

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

- The competing goods at issue are identical;
- The average consumer is the public at large, albeit insofar as those goods which have an alcoholic content in excess of 0.5% are concerned, the average consumer will be over the age of 18;
- Considered overall, the selection process is likely to be predominantly a visual one, although aural considerations will also play their part;
- The average consumer will pay a reasonable level of attention to the selection of the goods at issue;
- The competing marks are visually similar to, at best, a moderate degree;
- There is no aural similarity;
- The competing marks are conceptually similar to a high degree;
- The opponent's mark is possessed of a normal degree of inherent distinctive character.

30. In reaching a conclusion, I bear in mind that in *L.A. Sugar Limited v By Back Beat Inc* (BL-O/375/10), the Appointed Person, Mr Iain Purvis Q.C, commented on the difference between direct and indirect confusion in the following terms:

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

be conscious or subconscious but, analysed in formal terms, is something along the following lines: “The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark.

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

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

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

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

31. The fact that the competing marks are visually similar to at best a moderate degree and aurally distinct, is, in my view, more than sufficient to avoid the potential for direct confusion. However, the presence in both marks of, inter alia, dominant and distinctive devices of rams, is, in my view, likely to trigger highly similar conceptual imagery in the average consumer’s mind which will (when one considers that identical goods are in play) in turn lead to indirect confusion.

### **Conclusion under section 5(2)(b) of the Act based upon UK no. 961932**

**32. The opposition based upon section 5(2)(b) of the Act succeeds.**

### **Section 5(2)(b) of the Act based upon the opponent’s CTM registrations**

33. Earlier in this decision, I concluded that it was arguable that the average consumer would construe the devices present in the opponent CTMs as a ram’s head. If they do not, that is an end of the matter and there can be no likelihood of confusion. However, if they do, it is, in the event that on appeal my primary conclusion is considered incorrect, necessary for me to make an assessment based upon these marks. I remind myself that the goods for which these marks are registered are identical to those of the applicant.

34. Comparing the applicant’s mark with the mark the subject of CTM no. 3760782 (i.e. the device alone) first, there is, in my view, a low degree of visual similarity between the

competing marks. However, if the average consumer construes the device as that of a ram's head, it is likely that it is by these (or similar) words that they will refer to the mark i.e. the competing marks would be referred to as "ram's head" (or "ram" perhaps) and "BLACK RAM" respectively, resulting in a reasonable degree of aural similarity between them. Similarly, if the average consumer construes the opponent's mark in this manner, the conceptual imagery that the competing marks are likely to create in their mind will be highly similar.

35. Insofar as CTM no. 3932035 is concerned, this contains a number of elements in addition to the ram's head and is, as a consequence, visually less similar than the device alone. That said, the positioning of the device of the ram's head at the top of the mark, combined with the fact that, in my view, it performs an independent distinctive role within the mark, must not be overlooked. Considered from an aural perspective this mark is most likely to be referred to as Mouton Cadet rather than by reference to the device of a ram's head. There is no aural similarity between Mouton Cadet and BLACK RAM. The fact that the device of a ram's head performs an independent distinctive role in the opponent's mark will not, in my view, go unnoticed by the average consumer resulting once again in a high degree of conceptual similarity between the competing marks.

36. When considered absent use, both of the opponent's marks are, in my view, possessed of at least a normal degree of inherent distinctive character. In addition, the opponent has filed (unchallenged) evidence which demonstrates that these marks have been used on wine. This evidence includes, inter alia, UK press articles from 2004, 2005 and 2008, a UK competition held in 2008 and an event held in the UK in 2011. However, as the opponent does not provide sales figures for the UK alone nor does it even estimate what percentage of the sales figures provided relate to the UK, I am simply not in a position to conclude, on the basis of the information provided, that the inherent characteristics of the marks have been built upon by the use made of them in the UK.

37. In reaching a conclusion on the likelihood of confusion, between the applicant's mark and the Opponent's CTMs, I proceed on the assumption that the average consumer will construe the opponent's CTMs in the manner I have described (i.e. consisting of or containing the device of a ram's head) and remind myself that identical goods are involved. Having done so, I am satisfied that should my primary conclusion be found to be wrong, the fact that the applicant's mark and both of the opponent's CTMs will (at the very least) evoke highly similar conceptual imagery in the mind of the average consumer, is sufficient for the average consumer to assume that the applicant's goods and those of the opponent come from undertakings which are linked economically i.e. there will be indirect confusion.

### **Conclusion under section 5(2)(b) of the Act based upon the Opponent's CTMs**

**38. The opposition based upon section 5(2)(b) of the Act succeeds.**

## **The opposition based upon section 5(4)(a) of the Act**

39. The principles of the law of passing-off were summarised by Lord Oliver *in Reckitt & Colman Products Ltd v. Borden Inc* [1990] RPC 341 at page 406:

“The law of passing off can be summarised in one short, general proposition: no man may pass off his goods as those of another. More specifically, it may be expressed in terms of the elements which the plaintiff in such an action has to prove in order to succeed. These are three in number. First he must establish a goodwill or reputation attached to the goods or services which he supplies in the mind of the purchasing public by association with the identifying 'get-up' (whether it consists simply of a brand name or trade description, or the individual features of labelling or packaging) under which his particular goods or services are offered to the public, such that the get-up is recognised by the public as distinctive specifically of the plaintiff's goods or services. Secondly, he must demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by him are the goods or services of the plaintiff. ... Thirdly he must demonstrate that he suffers, or in a quia timet action that he is likely to suffer, damage by reason of the erroneous belief engendered by the defendant's misrepresentation that the source of the defendant's goods or services is the same as the source of those offered by the plaintiff.”

## **Material date**

40. Trade mark and passing-off cases have to be considered in relation to (a) particular point(s) in time. A similar provision to section 5(4)(a) of the Act is to be found in Article 8(4) of Council Regulation 40/94 of December 20, 1993 (the regulation in relation to the Community trade mark). This was the subject of consideration by the GC in *Last Minute Network Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Joined Cases T-114/07 and T-115/07, in which it stated:

“50 First, there was goodwill or reputation attached to the services offered by LMN in the mind of the relevant public by association with their get-up. In an action for passing off, that reputation must be established at the date on which the defendant began to offer his goods or services (*Cadbury Schweppes v Pub Squash* (1981) R.P.C. 429). 13 of 23

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

41. It is necessary for the opponent to establish that at the date the applicant designated the United Kingdom i.e. 12 April 2012, it had a protectable goodwill in relation to the signs upon which it relies. Consideration has also to be given to the position at the date that the behaviour complained of commenced as per *Cadbury Schweppes Pty Ltd v Pub Squash Co Pty Ltd* [1981] RPC 429 and *Inter Lotto (UK) Ltd v Camelot Group PLC* [2004] RPC 8 and 9, if this is earlier than the date of designation. This has to be considered when the trade mark the subject of the IR has been used prior to the date of designation for the same goods or some goods of the IR. As there is no evidence that the applicant has used the trade mark the subject of its IR, the date of the designation, 12 April 2012, is the date of the behaviour complained of and the sole material date for the purposes of these proceedings.

42. Under section 5(4)(a) of the Act, the opponent relies upon the marks the subject of CTM no. 3760782 and UK 961932. However, as per paragraph 28 above, as there is no evidence that the mark the subject of UK no. 961932 has been used at all, the objection based on this mark falls at the first hurdle and is dismissed. In paragraph 36 above, I commented upon the opponent's evidence in relation to its CTMs and concluded that on the basis of that evidence, I was unable to conclude that its earlier marks had an enhanced reputation in the UK by virtue of the use that had been made of them. For the same reason, I am unable to conclude that the opponent has goodwill in the UK in the mark the subject of the CTM. Without establishing goodwill the objection does not get off the ground and is dismissed accordingly.

#### **Conclusion under section 5(4)(a) of the Act**

**43. The opposition based upon section 5(4)(a) of the Act fails.**

#### **Overall conclusion**

**44. The opposition based upon section 5(2)(b) of the Act succeeds and the opposition based upon section 5(4)(a) of the Act fails.**

#### **Costs**

45. The opponent has been successful and is entitled to a contribution towards its costs. Awards of costs are governed by Annex A of Tribunal Practice Notice (TPN) 4 of 2007. In its counterstatement, the applicant states:

“The request for a cost award is denied. The present proceedings are entirely without notice. The applicant was never approached by the opponent prior to the filing of Form TM7 on 17 April 2013.”

46. TPN 6 of 2008 reads as follows:

“Introduction

2. TPN 4/2007 revised the scale of costs as well as providing further guidance arising from developments in practice in relation to hearings. This TPN provides updated guidance in the specific area of the provision of notice in relation to proceedings, particularly in the light of the provision in the Trade Marks Rules 2008 for an opponent to extend the period for filing Notice of Opposition (Form TM7) by filing Notice of Threatened Opposition (Form TM7a).

The need to provide reasonable notice

3. As from 3 December 2007, costs are not usually awarded against rights holders or applicants who do not defend an action brought without prior notice. This practice still applies to trade mark revocation and invalidation proceedings and to opposition proceedings where, under the new Trade Marks Rules 2008 (“the rules”), the opponent files an opposition without having previously filed a Notice of Threatened Opposition on Form TM7a, or otherwise given the applicant prior notice of the impending opposition.

4. However, as the Registrar copies Notices of Threatened Opposition to applicants, the UK-IPO accepted, in ‘The Response to the Consultation on the new Trade Mark Rules’, that the act of filing Form TM7a would usually be considered as giving the applicant an opportunity to withdraw the application before any formal opposition was filed. The Form TM7a does not provide the applicant with a summary of the intended grounds of the opposition, but in many cases these will be obvious from the results of the Examiner’s search for earlier marks sent to the applicant prior to the publication of the application. Further, the TM7a does provide the applicant with the opponent’s contact address.

5. Thus, an award of costs from the normal scale will usually be made to an opponent where a) a Form TM7a was filed, b) a subsequent Notice of Opposition is filed, and c) the opposition is undefended. The Registrar will use his discretion to reduce that award, or give no award at all, where the opponent did not allow reasonable time between the filing of Form TM7a, and the subsequent Form TM7, or is shown to have unreasonably refused to answer a request from the applicant to give an indication of the prospective grounds for opposition, despite having been asked to do so.

**6. Where an opposition is defended, the provision or otherwise of prior notice will not usually affect the award of costs at the conclusion of the proceedings, which will normally be based on the published scale of costs.** (my emphasis)

47. Bearing the contents of both TPNs in mind, and in particular that the opponent filed a Form TM7a prior to filing the Form TM7 and the applicant defended its application, I see no reason to depart from what I consider to be a normal award in the circumstances of these proceedings. However, as the opponent's evidence was ill-focused and served no purpose, I make no award in this respect. I award costs to the opponent on the following basis:

Preparing a statement and considering the applicant's statement:	£300
Opposition fee:	£200
<b>Total:</b>	<b>£500</b>

48. I order Vinprom Peshtera AD to pay to Baron Philippe De Rothschild SA the sum of **£500**. 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 4th day of April 2014**

**C J BOWEN**  
**For the Registrar**  
**The Comptroller-General**