

O-244-11

TRADE MARKS ACT 1994

IN THE MATTER OF REGISTRATION NO 2491560

IN THE NAME OF ISIS ELIZABETH RAMIREZ GAYTAN

OF THE TRADE MARK:

TEQUILA AMBAR

IN CLASS 33

AND

THE APPLICATION FOR A DECLARATION

OF INVALIDITY THERETO

UNDER NO 83528

BY

SANTO SPIRITS, INC

Trade Marks Act 1994

**In the matter of registration no 2491560
in the name of Isis Elizabeth Ramirez Gaytan
of the trade mark:
Tequila Ambar
in class 33
and the application for a declaration of invalidity
thereto under no 83528
by Santo Spirits, Inc**

1) The application to register the trade mark **Tequila Ambar** (the trade mark) was made on 2 July 2008. The registration procedure was completed on 20 March 2009. The trade mark is registered for:

tequila blanco (silver), reposado, anejo, extra anejo; tequila/agave based products, tequila liquor and tequila cream.

The above goods are in class 33 of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended.

The registration is in the name of Isis Elizabeth Ramirez Gaytan. (Ms Ramirez's name has been captured incorrectly by the Intellectual Property Office, the final surname having been captured as Gayton instead of Gaytan.)

2) On 3 July 2009 Santo Spirits, Inc (Santo) filed an application for a declaration of invalidation of the trade mark. The grounds of the application are made under sections 3(1)(b) and (c) and 3(3)(b) of the Trade Marks Act 1994 (the Act). Applications for invalidation under these grounds are governed by section 47(1) of the Act:

“47. - (1) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 3 or any of the provisions referred to in that section (absolute grounds for refusal of registration).

Where the trade mark was registered in breach of subsection (1)(b), (c) or (d) of that section, it shall not be declared invalid if, in consequence of the use which has been made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered.”

Subsections 5 and 6 of section 47 of the Act state:

“(5) Where the grounds of invalidity exists in respect of only some of the goods or services for which the trade mark is registered, the trade mark shall be declared invalid as regards those goods or services only.

(6) Where the registration of a trade mark is declared invalid to any extent, the registration shall to that extent be deemed never to have been made:

Provided that this shall not affect transactions past and closed.”

3) Sections 3(1)(b) and (c) of the Act state:

“3. - (1) The following shall not be registered –

(a)

(b) trade marks which are devoid of any distinctive character,

(c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services,

(d)

Provided that, a trade mark shall not be refused registration by virtue of paragraph (b), (c) or (d) above if, before the date of application for registration, it has in fact acquired a distinctive character as a result of the use made of it.”

Section 3(3)(b) of the Act states:

“(3) A trade mark shall not be registered if it is-

(a)

(b) of such a nature as to deceive the public (for instance as to the nature, quality or geographical origin of the goods or service).”

4) Santo states that the trade mark is “the Spanish equivalent of ‘amber tequila’. In both English and Spanish, the trade mark consists exclusively of a sign or indication which may serve in trade to designate the kind or quality or other characteristics of the goods covered e.g. tequila of an amber colour”. Consequently, the registration of the trade mark was contrary to section 3(1)(c) of the Act. Santo states that, owing to the descriptiveness of the trade mark, it is not capable of distinguishing the goods of the proprietor from those of other

entities. Consequently, the registration of the trade mark was contrary to section 3(1)(b) of the Act.

5) Santo states that “[i]n so far as the earlier trade mark covers goods that are not amber or ‘ambar’ in colour, the applicant contends that the registration of the earlier trade mark is contrary to section 3(3)(b) on the basis that the mark would be of such a nature as to deceive the public of the nature or quality of the goods. The public will have a natural and understandable expectation that the products would be amber tequila rather than tequila of any other colour.”

6) Ms Ramirez filed a counterstatement in which she denies the grounds of invalidation. Ms Ramirez states that Tequila Ambar is not an expression with which the United Kingdom public, for the goods of the registration, would identify or associate any meaning, particularly not a descriptive or non-distinctive meaning. “The Spanish term AMBAR is not used to describe tequila and would not be used to designate the kind or quality or other characteristics of the goods. Even were it shown to be case (which we do not admit) that TEQUILA AMBAR was descriptive in Spanish for the goods, this would not be a ground for refusal of the trade mark.” Ms Ramirez states that as Tequila Ambar has “no discernible meaning to UK consumers, the trade mark is (a) not descriptive of the goods covered by the registration and (b) sufficiently inherently distinctive for registration as a trade mark”. Ms Ramirez states that for “similar reasons” the trade mark is not liable to deceive the public.

7) Both parties filed evidence.

8) A hearing took place on 8 July 2011. Ms Ramirez was represented by Mr Martin Krause of Haseltine Lake LLP. Santo was represented by Mr Edmund Harrison of Mewburn Ellis LLP.

EVIDENCE

Witness statement of Edward Bradfield for Santo

9) Mr Bradfield is the chief operating officer of Santo. Mr Bradfield has been involved internationally with distilled spirits, including tequila, since 1985 as a brand manager and marketer.

10) Mr Bradfield states that he would recognise the word ambar as being a clear and obvious reference to the colour of a tequila. He states that ambar “is the well known Spanish word for the English “Amber””. A page from the *Collins Spanish English Dictionary* is exhibited; this shows that *ámbar* means amber, being a noun. The adjective amber is *amarino* in Spanish, as per the dictionary. Mr Bradfield states that amber is commonly used to describe any distilled spirit, beer or wine that is yellow-orange in colour (the colour of amber). He exhibits material in support of this statement at EB2.

- Pages 9 and 10 – pages from latequilla.biz, this appears to be an Italian website. The pages deal with the production of artisanal tequila; the pages include “[w]hen the ambar-colored honey comes off the agave”.
- Page 11 – a page from azcona-azul.com. The page refers to “Tequila Reposado (aged) color ambar, amarillento tiempo de maduracion en barricas entre 2 y 11 mesas”.
- Page 12 – a page from origensagrado.com. The page refers to a tequila anejo which has an “amber color”.
- Page 13 – a page from tastings.com, there is a price in dollars. The page refers to “Granbazan 2006 “Ambar” Albarino, Rias Baixas”.
- Page 14 – a page from hi-spirits.co.uk. The page refers to “Dos Equis Ambar” beer which is referred to as a “rich, full-bodied Mexican import with a reddish-gold color”.
- Page 16 – a page from tequilaladecorazon.com. In relation to an “ultra aged” tequila, the following appears: “The bottle is Ambar in order to highlight the natural color of this fine Tequila”.
- Page 18 – a page from Facebook which refers to the colour of a tequila as “luminous and crystalline ambar”.
- Pages from snooth.com – amber is used in relation to a dessert wine, Armagnac and a variety of wines. Snooth describes itself as “the world’s largest and most comprehensive wine site”.
- Page 36 – a page from mmsalesmarketing.com. A Vouvray wine is described as being “[a]mber-coloured when young”.
- Pages from winealchemy.com – wines are described as having “a light bright amber colour”, “a light Mahogany colour with an amber rim” and “[l]ighter, ruby-amber”.
- Pages 45 and 46 – pages from wine-pages.com. Wines are described as having a “[v]ery deep orange/amber colour” and being “amber”.
- Page 47 – a page from thewinedoctor.com. Two wines are described as having a “rich, orange-amber colour” and a “deep amber and peach colour”.
- Pages 49 – 50 – pages from ahadleigh-wine.com. A number of whiskies are described as having an amber colour.
- Page 52 – a page from garymagan.co.uk. Two wines are described as being “honey golden to dark amber golden” and having a “juicy amber colour”.
- Pages 54 – 56 – pages from shopwiki.co.uk. Various sherries are described as being amber in colour.
- Pages 57 -60 – pages from beer-pages.com. Various beers are described as being ruby/amber coloured, amber/gold coloured, deep/golden amber coloured, as having an “entrancing amber colour”, as being a “dark, amber ale” and having a “deep amber/gold” colour.
- Pages 62 – 64 – pages from southhamsbrewery.co.uk. Beers are described as having a dark amber colour, a mid amber colour and a pale amber colour.

- Pages 67 – 69 – pages from dukeofwellingtonnorwich.co.uk. Various beers are described as having an amber colour.
- Page 71 – a page from breadandrosespub.com. Two beers are described as having an amber colour.
- Pages 72 – 74 – pages reviewing a malt whisky from Waitrose. The whisky is described as having a “light amber colour”.

Mr Bradfield states that any member of the trade or consumer, with any experience or knowledge of tequila, would have the same understanding as him as to the significance of the word amber.

11) Mr Bradfield states that the only source of “genuine” tequila is Mexico. He states that production is limited by Mexican law to specific regions of Mexico. Mr Bradfield states that tequila is recognised in the European Union as a protected designation of origin. He states that the material exhibited at EB3 consists of extracts from the website for the Consejo Regulador del Tequila (CRT), which is the independent Mexican body responsible for maintaining standards of tequila production. Included in the exhibit is an agreement between the United Mexican States and the European Community in relation to mutual recognition and protection of designations for spirit drinks. Mr Bradfield states that “Spanish is commonly known by members of the tequila industry and tequila drinkers, and is frequently used in terminology in the field”. Mr Bradfield states that he has been informed by representatives of the CRT that Tequila Ambar “would not be allowed as a trade name because it is a description of the color of the tequila”. Mr Bradfield states that the Spanish words blanco (white), oro (gold), joven (young), plata (silver), reposado (rested) and anejo (aged) are all used as descriptions of specific types of tequila. Mr Bradfield states that these Spanish words are used within otherwise English language labelling, packaging and publicity material. Exhibited at EB4 is material showing this use of Spanish terms within an English language context.

12) Mr Bradfield states that in Spanish the adjective follows the noun and that the trade mark follows this grammatical rule.

13) Mr Bradfield states that in the United Kingdom there a large number of different brands of beer sold under the description of brown ale. He states that as a result it would be wrong to allow registration of brown ale for beers and, equally, “it would be wrong to allow registration of “amber beer” which has similar meanings”. Mr Bradfield believes that Tequila Ambar is on a par with these examples.

Witness statement of Rogelio Luna Zamora PhD for Ms Ramirez

14) The witness statement has been translated by Thomas Chamberlin Kelly who is an official translator of Jalisco State Supreme Court. Dr Luna has been professor/researcher at the University of Guadalajara for 23 years and a “Level 1” member of the National Research System pertaining to the National Science and Technology Board (CONACYT) in Mexico. Dr Luna was awarded a doctorate degree in sociology by the University of Texas in Austin.

15) Dr Luna states that as a researcher he has been involved in “all aspects in connection with the Mexican beverage tequila: its history, culture, distillation plants, and local, domestic and international markets”. Dr Luna’s experience in studying tequila goes back 23 years; during which time he has produced chapters of books, magazine articles and attended conferences in Mexico and the rest of the world about different facets of tequila. Exhibited at RLZ1 are copies of the front cover and back page of his fully indexed and referenced book, of 302 pages, about tequila. Dr Luna describes this book as “a classic and necessary reference for those studying tequila in Mexico, the United States and other countries around the world”.

16) Dr Luna states that ámbar is identified in everyday speech in Mexico in first place as a precious stone or a gem. Dr Luna notes that jewellery “connoisseurs” will know that amber is not a mineral but rather a fossilised organic product made out of resin. Dr Luna states that a second meaning of ámbar in primitive societies in general is the magic property of the “glass” or “gem”. Dr Luna states that amber is used as a talisman or amulet to protect the wearer.

17) Dr Luna states that there “are eight different colors existing in Mexico with a variety of tones”. Exhibited at RLZ2 are three photographs of amber in different colours. Dr Luna states that due to the popularity of amber as a jewel, amber is associated with the colour yellow. Dr Luna states:

“Further to the above, the last thing that might be gleaned from its meaning is a logical association or connotation of the name “Tequila Ámbar”, meaning the same as “yellow tequila” (in Spanish as well as in English this name or just its aesthetic suggestion sounds terrible), as asserted by Mr. Edward Bradfield. The association of this meaning could give a “popular” or worst yet, “vulgar” slant to the brand name Tequila Ambar.”

18) Dr Luna states that according to the rules and regulations governing tequila, “in no way would it be acceptable for the word ÁMBAR to describe tequila as such, given that tequila classes are clearly defined under the above-mentioned regulations”. Dr Lunar then “literally cite[s] the classes of tequila allowed”. Included in his references are the following:

“Sweeteners, color, aromas and flavor may be added to Tequila if permitted by the Ministry of health for the purpose of providing or intensifying its color, aroma and/or flavour”.

19) Dr Luna states that “officially there is no yellow or amber tequila. The name ÁMBAR cannot be **officially or culturally** descriptive of tequila. **From a semantic point of view the term ÁMBAR cannot be descriptive of tequila.** There is nobody who would associate the word ámbar with tequila. The permitted categories and classes are clearly established in the regulations set forth by the Mexican State. **The most direct connotation of the noun ÁMBAR is meaning of “gem” or “jewel”....**” Dr Luna goes on to state:

“This brand aims at the consumer niche with the highest purchasing power. What the name suggests to the consumer purchasing this brand is that he/she is buying a “jewel” of tequila, one made under the highest standards...”

Witness statement of Jane More O’Ferrall for Ms Ramirez

20) Ms More O’Ferrall is a trade mark attorney acting for Ms Ramirez. On 8 March 2010, Ms More O’Ferrall printed information from Wikipedia about tequila which is exhibited at JMOF1. On 17 June 2010 she printed a document which is referred to at the end of the Wikipedia material: “NORMA OFICIAL MEXICANA NOM-006-SCFI-2005, BEBIDAS ALCOHÓLICAS-TEQUILA-ESPECIFICACIONES”, exhibited at JMOF2. At 4.1 of this document the following appears:

“Procedimiento para suavizar el sabor del Tequila, mediante la adición de uno o más de los siguientes ingredientes:

- Color caramelo
- Extracto de roble o encino natural”

On 8 March 2010 Ms More O’Ferrall printed the home page from the website of the CRT showing the results of a search on that site against ambar. The result of the search is exhibited at JMOF3, no hits were found. On 17 June 2010 Ms More O’Ferrall printed the list of brands from the website of the CRT (exhibited at JMOF4), which was last updated on 7 June 2010. 1,078 brands are listed. The trade mark AMBHAR of Santo is listed. The trade mark AMBAR, in the name of Ms Ramirez is listed. (Translations of the pertinent parts of JMOF3 and 4 have been provided by Mr Michael Conway by way of a witness statement.)

21) Ms More O’Ferrall states that on 8 March 2010 she printed details from the databases of the Oficina Española de Patentes y Marcas and the Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) for the following trade marks:

- Spanish registration no 83762 of the trade mark AMBAR for beers.
- Spanish registration no 2760463 of the trade mark:



It is registered for beers.

- Community trade mark registration no 4328911 of the trade mark CERVEZAS AMBAR. It is registered for beers.
- Community trade mark application no 8180747 for the trade mark AMBAR for alcoholic beverages in class 33. This application has since been refused.

The three registrations are all in the name of the La Zaragozana SA. Printouts of the trade marks are exhibited at JMOF5.

Witness statement of Amanda Mary D'Singh for Santo

21) Ms D'Singh is a freelance translator. She now lives in Madrid but lived in England for around thirty years. Ms D'Singh considers that the word *ámbar* would, in the United Kingdom, be seen as a reference to the colour amber rather than a gemstone. Ms D'Singh states that "in this context, I would assume that the word "*ámbar*" was a reference to colour. It is my opinion that the average British consumer would also associate the word "*ámbar*" as a reference to colour, rather than to the fossilised resin/organic gemstone." She states that in relation to port the word *ruby* is seen as a reference to the colour and not the gemstone. She states that other words such as *emerald*, *jade*, *turquoise* and *sapphire* are seen as descriptions of colour first rather than the names of gemstones. She states that *amber* is commonly associated with alerts, caution and traffic lights. Ms D'Singh states that "it is my firm belief, that, in the United Kingdom, the words "*tequila ámbar*" or any anglicised forms thereof, would immediately conjure up an image of an amber or a honey-yellow-coloured tequila and only a minority would instinctively think of the fossilised resin, "*amber*." Ms D'Singh states that she does not think that the meaning of *amber* as a gem would be the likely connotation when used in "*tequila ámbar*". She does not think that there is any "vulgar or popular slant or association to the words "*tequila ámbar*" or "*amber tequila*." She goes on to comment upon "a consumer" and refers to an anglicised version of the word *ámbar*. Ms D'Singh states that:

"From a technical linguistic point of view, if I was asked to translate the words "*tequila ámbar*", I would firstly establish whether or not this was an official technical reference to a class of tequila, and that not being the

case, my attention would then focus on which is conveyed most naturally by the Spanish word “ámbar” in the context of alcoholic beverages in general, and tequila in particular. For a simple literal translation, there would be no requirement for any consideration of the precise meaning of “ámbar” (colour versus resin), since the English word “amber” would cover both eventualities. As a translator, I would be sufficiently clear that the reference was to a colour that I would not seek further clarification, and I would only consider the amber resin as a possibility if I was explicitly instructed to do so.”

22) Ms D’Singh states that there was a well-known marketing campaign that described Foster’s large as “the amber nectar”. She states:

“I believe that it is extremely unlikely that a British ear would have any difficulty accepting the use of the word “amber” or “ámbar”, by extension, in the context of tequila.”

DECISION

23) The ground under section 3(1)(b) of the Act, as pleaded, is completely dependent on the ground under section 3(1)(c). Deception can only arise if the average consumer would view the trade mark in the descriptive manner as per the claim of Santos. Consequently, the case will stand or fall on the basis of the section 3(1)(c) ground. This section 3(1)(c) ground is based on the claim that the trade mark may be seen to consist exclusively of a sign which may serve, in trade, to designate that the goods are amber in colour. However, the public interest behind section 3(1)(b) and 3(1)(c) of the Act are different and give rise to different relevant consumers (see below), the perception of whom may differ. Consequently, it will be necessary to consider two sets of relevant consumers. In relation to section 3(1)(c), the relevant public is the trade and in relation to section 3(1)(b) it is the average consumers of the product¹.

24) In *BioID AG v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case C-37/03 P* the Court of Justice of the European Union (CJEU) stated that for a term to be viewed as being descriptive of a characteristic of goods:

“there must be a sufficiently direct and specific relationship between the sign and the goods and services in question to enable the public concerned immediately to perceive, without further thought, a description of the goods and services in question or one of their characteristics (see Case T-19/04 *Metso Paper Automation v OHIM(PAPERLAB)* [2005] ECR II-2383, paragraph 25 and the case-law cited).”

In *Koninklijke KPN Nederland NV v Benelux Merkenbureau Case C-363/99* the CJEU stated:

“53. So far as the first part of the question is concerned, it is appropriate to recall that, under Article 3(1)(c) of the Directive, marks consisting exclusively of signs or indications which may serve, in trade, to designate characteristics of the goods or services in respect of which registration is sought are not to be registered.

54. As the Court has already held (*Windsurfing Chiemsee*, paragraph 25, *Linde*, paragraph 73, and *Libertel*, paragraph 52), Article 3(1)(c) of the Directive pursues an aim which is in the public interest, namely that such signs or indications may be freely used by all. Article 3(1)(c) therefore prevents such signs and indications from being reserved to one undertaking alone because they have been registered as trade marks.

55. That public interest requires that all signs or indications which may serve to designate characteristics of the goods or services in respect of which registration is sought remain freely available to all undertakings in order that they may use them when describing the same characteristics of their own goods. Therefore, marks consisting exclusively of such signs or indications are not eligible for registration unless Article 3(3) of the Directive applies.

56. In those circumstances, the competent authority must, under Article 3(1)(c) of the Directive, determine whether a trade mark for which registration is sought currently represents, in the mind of the relevant class of persons, a description of the characteristics of the goods or services concerned or whether it is reasonable to assume that that might be the case in the future (see to that effect *Windsurfing Chiemsee*, paragraph 31). If, at the end of that assessment, the competent authority reaches the conclusion that that is the case, it must refuse, on the basis of that provision, to register the mark.

57. It is irrelevant whether there are other, more usual, signs or indications for designating the same characteristics of the goods or services referred to in the application for registration than those of which the mark concerned consists. Although Article 3(1)(c) of the Directive provides that, if the ground for refusal set out there is to apply, the mark must consist ‘exclusively’ of signs or indications which may serve to designate characteristics of the goods or services concerned, it does not require that those signs or indications should be the only way of designating such characteristics.

58. Similarly, whether the number of competitors who may have an interest in using the signs or indications of which the mark consists is large or small is not decisive. Any operator at present offering, as well as any operator who might in the future offer, goods or services which compete with those in respect of which registration is sought must be able freely to

use the signs or indications which may serve to describe characteristics of its goods or services.”

In the same judgment, in relation to oral use, the CJEU stated:

“99. However, such a combination may not be descriptive within the meaning of Article 3(1)(c) of the Directive, provided that it creates an impression which is sufficiently far removed from that produced by the simple combination of those elements. In the case of a word mark, which is intended to be heard as much as to be read, that condition must be satisfied as regards both the aural and the visual impression produced by the mark.”

In *Avon Products, Inc v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T- 184/07* the General Court (GC) stated:

“24 It must also be observed that the goods covered by the mark applied for are sold in supermarkets, where visual communication takes precedence over oral communication, as well as in specialist shops, where the importance of those two means of communication is generally comparable, and by way of doorstep-selling, where the oral aspect is predominant. Consequently, the mark applied for will be used both in writing and orally.

25 Next, contrary to the applicant’s assertions, the rule laid down in the judgments in *Koninklijke KPN Nederland* and *Campina Melkunie*, that the registrability of a word mark which is intended to be heard as much as to be read is to be assessed as regards both the aural and the visual impression produced by it, is applicable by analogy to the present case. First, since that rule is generally concerned with the manner in which a word mark is perceived by the relevant public, its applicability is not limited to the absolute ground for refusal concerning the descriptive character of the sign at issue. Second, it also does not follow from the judgments cited above that the rule at issue merely refers to marks which produce the same impression visually and phonetically. In those circumstances, it must be held that, in order to avoid the application of the absolute ground for refusal laid down in Article 7(1)(b) of Regulation No 40/94, the mark applied for must have a distinctive character as regards both the aural and the visual impression which it produces (see, by way of analogy, *Koninklijke KPN Nederland*, paragraph 99, and *Campina Melkunie*, paragraph 40).

In *Bitburger Brauerei Th. Simon GmbH v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Cases T-350/04 to T-352/04* the GC stated:

“112 Furthermore, Bitburger Brauerei has not furnished the slightest proof to show that its goods are generally sold in such a way that the public does not perceive the mark visually. In that regard, it must be borne in mind that, even if bars and restaurants are not negligible distribution channels for the products of Bitburger Brauerei, it is common ground that the consumer will be able to perceive the marks at issue visually in such places, inter alia by examining the bottle served to him or by other means (glasses, advertising posters etc.). Moreover, and above all, it is not disputed that bars and restaurants are not the only sales channels for the goods concerned. They are also sold in supermarkets or other retail outlets. Thus, clearly when purchases are made there consumers can perceive the marks visually since the drinks are presented on shelves (see, to that effect, Case T-3/04 *Simonds Farsons Cisk v OHIM* [2005] ECR II-0000, paragraphs 57 to 59). It follows that the argument of Bitburger Brauerei relating to the conditions under which the products in question are sold must, in any event, be rejected.”

25) In *Matratzen Concord AG v Hukla Germany SA* Case C-421/04 the CJEU stated:

“22 Article 3 of the Directive does not include any ground for refusal to register specifically aimed at trade marks constituted by a term borrowed from the language of a Member State other than the State of registration in which it is devoid of distinctive character or descriptive of the goods or services in respect of which registration is sought.

23 Moreover, such a trade mark does not necessarily fall within the grounds for refusal to register relating to the lack of distinctive character or the descriptive character of the trade mark, referred to in points (b) and (c) respectively of Article 3(1) of the Directive.

24 In fact, to assess whether a national trade mark is devoid of distinctive character or is descriptive of the goods or services in respect of which its registration is sought, it is necessary to take into account the perception of the relevant parties, that is to say in trade and or amongst average consumers of the said goods or services, reasonably well-informed and reasonably observant and circumspect, in the territory in respect of which registration is applied for (see Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee* [1999] ECR I-2779, paragraph 29; Case C-363/99 *Koninklijke KPN Nederland* [2004] ECR I-1619, paragraph 77; and Case C-218/01 *Henkel* [2004] ECR I-1725, paragraph 50).

25 It is possible that, because of linguistic, cultural, social and economic differences between the Member States, a trade mark which is devoid of distinctive character or descriptive of the goods or services concerned in one Member State is not so in another Member State (see, by way of

analogy, concerning the misleading nature of a trade mark, Case C-313/94 *Graffione* [1996] ECR I-6039, paragraph 22).

26 Consequently, Article 3(1)(b) and (c) of the Directive does not preclude the registration in a Member State, as a national trade mark, of a term borrowed from the language of another Member State in which it is devoid of distinctive character or descriptive of the goods or services in respect of which registration is sought, unless the relevant parties in the Member State in which registration is sought are capable of identifying the meaning of the term.”

In *LE SPOSE DI GIO'* BL O/253/05 Mr Geoffrey Hobbs QC, sitting as the appointed person, stated:

“15. There are two potential answers to that point. First, the average consumer is deemed to be reasonably well-informed and might therefore be taken to be cognisant of the fact that words forming part of a mark are relevantly descriptive in another EU language and therefore contribute descriptively to the overall impact of the mark. However, the judgment of the Court of First Instance in Case T-6/01 *Matratzen Concord GmbH v. OHIM* [2002] ECR II-4335 would appear to preclude the adoption of that approach.....

41. Without a change of position by the supervising courts in Luxembourg there would appear to be no real room for refusing to register word marks under Article 3(1)(c) on the ground that they are relevantly descriptive in the languages of other Member States. The only remaining possibility of exclusion from registration would be under Article 3(1)(d). That could be used to prevent registration if it was legitimate to interpret the reference to ‘trade’ as a reference to ‘trade in the Community’ when determining whether trade marks ‘consist exclusively of signs or indications which have become customary in the current language or in the bona fide and established practices of the trade’”

Mr Harrison referred to the work manual of the examination section of the Intellectual Property Office in relation to widely understood languages in the United Kingdom. This represents a practice of the examination section, it does not represent the law. The case must be considered on the basis of the law as per the binding and persuasive authorities.

Relevant consumer for the goods

26) Mr Harrison submitted that the case had to be considered in relation to two relevant consumers: the public at large and the trade. The public at large is the relevant consumer for section 3(1)(b) of the Act. This relevant public will be those who are over 18 years of age and so can legally purchase alcoholic beverages. There is no evidence to show that there is any particularly specific tequila demographic group for tequila drinkers in the United Kingdom. Under section 3(1)(c) of the Act the relevant public will be those who trade in tequila. (The evidence shows that tequila cannot be produced outside of Mexico.) This will include importers, wholesalers and the off and on-licence trades. Mr Harrison submitted that the relevant public, especially the trade, would have a knowledge of Spanish. There is no evidence to this effect and no reason that it should. An importer or seller of goods from abroad does not require a knowledge of the language of the producer. The trade might be aware of terms of the art such as reposado and anejo (as per the specification) but there is no reason they should be aware of other Spanish words.

27) Ms D'Singh gives her view of how the average British consumer would see the word *ámbar*. (The trade mark includes the word AMBAR and not the word *ámbar*, the accent being absent.) Ms D'Singh is not in a position to give the view of the average British consumer, she can only give her opinion; in the absence of survey evidence. She also does not define what she means by the average British consumer. She cannot say, on the basis of empirical evidence, that the word *ámbar*, which is not an English word, would be seen as the English word amber. Paragraph 3 of her statement relates to her opinion that, given a choice between two potential meanings of the word *ámbar*, which of them would be the more likely of the (undefined) average British consumer. Ms D'Singh makes reference to the use of ruby in relation to port. However, ruby is a generic term in relation to port and so is not on a par with *ámbar* or AMBAR in relation to tequila; where it is not a generic term. Equally, Mr Bradfield's reference to brown ale is not a valid parallel as this is a generic term for a type of beer; brown is also an ordinary English word and is used in the normal adjective noun position for English. Ms D'Singh's reference to the names of other gemstones that are also the names of colour avoids noting the context in which they are used, both in relation to products and their position in relation to a noun. Ms D'Singh statement that "it is my firm belief, that, in the United Kingdom, the words "tequila *ámbar*" or any anglicised forms thereof, would immediately conjure up an image of an amber or a honey-yellow-coloured tequila and only a minority would instinctively think of the fossilised resin, "amber"" gives rise to issues. Firstly, this case does not deal with an anglicised form of the words. Again she can give her opinion as to how she would view the term but not how the average consumer for the goods concerned would view it. She is working on the presumption that seeing TEQUILA AMBAR in relation to the goods of the application, the average United Kingdom consumer would undertake a translation of the term rather than just accepting it as a trade mark. Ms D'Singh states that she does not think that

there is any “vulgar or popular slant or association to the words “tequila ámbar” or “amber tequila”.” Ms D’Singh is at the end of this sentence making a reference to words which are not part of the trade mark. The trade mark is not AMBER TEQUILA, if they were the issues would be very different. Her example relates to the use of the English word amber with the word tequila in the standard adjective noun position. She later, again, refers to an anglicised version of the word ámbar. Ms D’Singh refers to how she would translate the word ámbar in the context of the trade mark. Again this leaves the question as to why translation of a trade mark would take place open. It is somewhat surprising that in her statement Ms D’Singh does not refer to the fact that in Spanish ámbar is a noun only, not an adjective (as per the dictionary reference), and the adjective meaning the colour amber is amarino and so amber coloured tequila would be tequila amarina. Mr Bradfield states that in Spanish the adjective follows the noun; the trade mark follows this grammatical rule. This part of his statement is correct, the second is not; as ámbar is not an adjective.

28) Ms D’Singh does not comment upon how the average Spanish speaker would view the trade mark, which if Mr Harrison’s submissions as to the average consumer were to be accepted, would be very pertinent. If one of the sets of average consumers had the appropriate knowledge of Spanish it is difficult to imagine that it would not be struck by the fact that AMBER is a noun and not an adjective and so its natural connotation would be that of the gemstone and not the colour. The word for the gemstone, ámbar, is very different from that for the colour, amarino. However, there is, as indicated above, no reason to believe that either set of consumers would have a knowledge of Spanish. It is necessary to look at the average consumer, the Spanish speaker is the atypical United Kingdom consumer.

29) Mr Bradfield states that he has been informed by representatives of the CRT that Tequila Ambar “would not be allowed as a trade name because it is a description of the color of the tequila”. This would obviously relate to the position in Mexico and not the United Kingdom. However, this appears not to be the case in Mexico, as in the list of brands from the website of the CRT (exhibited at JMOF4), AMBAR is listed as being the trade mark of Ms Ramirez.

30) Mr Krause in his submissions made reference to the motivation of Santo in bringing these proceedings. He also referred to the extensions of time that had been requested on the basis that evidence was being sought from the trade, and no evidence from the trade had been furnished. The motivation of Santo does not have a bearing upon the case and the absence of certain evidence cannot be put in the balance against the case of Santo; although the absence of such evidence might weaken the case of Santo. Mr Krause also referred to the registrations in the name of La Zaragozana SA. It is necessary to consider the case upon the facts and evidence submitted outwith decisions in other jurisdictions; even if those jurisdictions are Spanish speaking or include Spanish speakers as relevant consumers.

31) The simple issue of this case is whether either set of relevant consumers would immediately perceive the trade mark as directly linking the goods to being amber coloured tequila. At page 11 of EB2, a page from azcona-azula.com refers to color ambar, amarillento. However, this cannot have significance as it is not use in the United Kingdom or for the United Kingdom and, besides this ambar is not being used to describe the colour on its own; the reader is advised that the colour is yellowish (amarillento).

32) As per *Koninklijke KPN Nederland NV v Benelux Merkenbureau*, it is necessary to consider whether the trade mark is likely to be intended to be heard as much as to be read. In *Avon Products, Inc v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-184/07* the products in question were the subject of doorstep selling; not something that will happen in the United Kingdom in relation to tequila. In a number of cases, as in *In Bitburger Brauerei Th. Simon GmbH v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Cases T-350/04 to T-352/04* the GC has held that even if drinks are ordered at a bar the consumer will see the trade mark and it is the visual impression that is key. However, the last case referred to relative grounds and likelihood of confusion and cannot simply be extrapolated to absolute grounds. It is necessary to decide on an aural level if the relevant consumer, hearing TEQUILA AMBAR, would simply identify the words as identifying the colour of the tequila. Mr Bradfield's evidence shows that blanco (white) is used as a descriptor of a type of tequila. Oro and plata, to which he also makes reference, are nouns for gold and silver and not adjectives describing these colours; just as ámbar is a noun and not an adjective. The evidence leaves no doubt that amber is a colour that is used in relation to alcoholic beverages, including tequila. However, the use relates to written descriptions, there is nothing to suggest that ámbar is used orally to describe tequila. AMBAR is obviously not amber, the two words are phonetically close but by no means phonetically identical. There is no evidence that in the United Kingdom that tequila is ordered by reference to various colours. It is also necessary to take into account that the trade mark as a whole is TEQUILA AMBAR; tequila is descriptive of the goods but the position of AMBAR after TEQUILA pulls the trade mark further away from being heard as indicating amber coloured tequila. Taking into account the presence of AMBAR and not amber, the position of the two elements of the trade mark, the absence of any evidence of tequila being generally ordered by reference to its colour; it is considered that in oral use, whether by end consumers or the trade, the trade mark will not be immediately perceived as relating to tequila that is amber in colour.

33) In written use the person confronting the trade mark will see two words in, for English, not the normal position. The person will see the word AMBAR and not the word amber. The relevant consumer, whether trade or the public at large, will not have been educated as seeing that tequila is normally described in terms of colour for the purposes of ordering; this presumes that they will see the word AMBAR as meaning amber. Santo has tried to conflate AMBAR with the English

colour amber, and this is clearly not the case. It is necessary to look at the trade mark as registered not at another trade mark. On the evidence there is nothing to suggest that either relevant consumer will immediately perceive TEQUILA AMBAR as meaning amber coloured tequila. Santo's case depends on, inter alia, the relevant consumers not knowing how to spell the simple word amber and ignoring the positioning of the words. Considered as a whole, in relation to the goods and to the relevant consumers, there is no doubt that the trade mark fully functions as an indicator of origin and will not be seen as a descriptor of a characteristic of the product.

34) Ironically, if the relevant consumer were a Spanish speaker, the arguments of Santo would be more flimsy owing to the word ámbar being a noun and having only one meaning, and not that of a colour. However, the relevant consumer is not a Spanish speaker.

35) Santo has not established that the trade mark was registered in contravention of sections 3(1)(b) and (c) and 3(3)(b) of the Act and the application for invalidation is rejected.

36) Ms Ramirez having been successful is entitled to a contribution towards her costs on the following basis:

Preparing a statement and considering the statement of Santo	£400
Preparing evidence and considering the evidence of Santo	£1,000
Preparing for and attending hearing	£1,000
Total	£2,400

Santo Spirits, Inc is ordered to pay Isis Elizabeth Ramirez Gaytan the sum of £2,400. 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.

(The Intellectual Property Office should also amend the register to show the correct spelling of the name of Ms Ramirez.)

Dated this 13th day of July 2011

**David Landau
For the Registrar**

the Comptroller-General

ⁱ The GC in *Rewe Zentral AG v Office for Harmonization in the Internal Market (Trade Marks and Designs)* (OHIM) Case T-79/00 stated:

“26. The signs referred to in Article 7(1)(b) of Regulation No 40/94 are signs which are regarded as incapable of performing the essential function of a trade mark, namely that of identifying the origin of the goods or services, thus enabling the consumer who acquired them to repeat the experience, if it proves to be positive, or to avoid it, if it proves to be negative, on the occasion of a subsequent acquisition.”

The public interest is, therefore, in relation to section 3(1)(b) of the Act, that of the trade mark fulfilling its rôle of distinguishing the goods of one undertaking from those of another.