

O/293/12

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION No. 2583105  
BY RDM WINES LTD T/A FINE WINES DIRECT UK  
TO REGISTER THE  
TRADE MARK**



**IN CLASS 33**

**AND:**

**OPPOSITION THERETO  
UNDER NO. 102532 BY BODEGAS BORSAO, S.A.**

## BACKGROUND

1. On 1 June 2011, RDM Wines Ltd t/a Fine Wines Direct UK (“RDM”) applied to register the trade mark shown on the cover page of this decision. The application was accepted and published for opposition purposes on 15 July 2011 for a specification of goods in class 33 reading “Wines.”

2. On 14 October 2011, Bodegas Borsao, S.A. (“BB”) filed a notice of opposition. BB relies upon a single ground based upon section 5(2)(b) of the Trade Marks Act 1994 (“the Act”). BB relies upon the following registered trade mark:

Trade Mark	No.	Application Date	Registration Date	Goods
	E6890156	5.5.2008	25.2.2009	Wine, liqueurs and other alcoholic beverages (except beers).

3. In its notice of opposition BB says:

“The sign applied for is similar to [BB’s] mark as they share the Spanish word PICOS, meaning mountains or peaks, as the dominant verbal element. Furthermore, both marks share a visual depiction of mountains; thus when a global comparison is made, it is clear that there is a likelihood of confusion, including a likelihood of association, on the part of the public because the public would reasonably expect wine featuring the word PICOS together with a pictorial representation of mountains to be connected with [BB]...”

4. On 22 December 2011, RDM filed a counterstatement in which the basis of the opposition is denied.

5. Both parties filed evidence in the proceedings. While neither of the parties asked to be heard, BB filed submissions in the course of proceedings and RDM filed submissions in lieu of attendance at a hearing; I will refer to these submissions as necessary below.

## **EVIDENCE**

### **BB's evidence**

6. This consists of a witness statement dated 17 February 2012 from BB's General Manager José Miguel Sanmartin Bergés. The main points emerging from Mr Bergés' statement are:

- Although its origins can be traced back to 1958, BB has been established for 11 years;
- BB comprises the co-operatives of Borja, Pozuelo and Tabuenca and has the co-operation of the main savings banks of Aragon;
- The winery comprises 700 vine growers and 2,372 hectares in the north-east of the Zaragoza region of Spain. The winery is currently harvesting 13.5 million kilos of grapes of the following varieties: Garnacha, Syrah, Cabernet-Sauvignon, Tempranillo, Merlot, Mazuela and Macabeo;
- A range of factors has resulted in [BB's trade mark] becoming "a benchmark for the quality wines belonging to [its] appellation of origin";
- Exhibit JMSB1 consists of pages 6-22. Pages 6-9 and 16 to 22 consist of two tables giving details of awards won by the TRES PICOS vintages of 2006, 2007, 2008, 2009 and 2010. Although the majority of the awards appear to date from before the date of RDM's application, it is not clear which, if any, of these awards originate from the UK;

Page 10 consists of a copy of a certificate issued by *Decanter World Wine Awards* in 2008 certifying that: "Bodegas Borsao, Tres Picos Garnacha, Campo de Borja, 2006" was awarded the Regional Trophy in the "Red Northern Regional Spain Trophy Over £10" category. At the bottom right of the page the following appears "SUB0189/UK";

The origin of pages 11 and 15 is unclear although they contain references to: "Ed October 2011" (page 11) and "Ed. February 2012" (page 15). The pages contain, inter alia, a photograph of a bottle which is substantially similar to the trade mark upon which BB relies in the proceedings, together with a range of awards won in

2008, 2009, 2010 and 2011. The origin of the awards to which these pages refer is unclear. Page 12 is a copy of a certificate which certifies that “Borsao Tres Picos 2005, Bodegas Borsao” was awarded “Silver” by the judges at the *International Wine Challenge 2007*;

- The TRES PICOS trade mark was first shown to the “European media” in 2001, with the first deliveries to customers taking place in the same year;
- Exhibit JMSB3 consists of pages 31-43. Pages 31 and 32 were downloaded from [www.winesfromspain.com](http://www.winesfromspain.com) on 21 October 2008 and provide a summary of BB’s history and operation. The Tres Picos brand is specifically mentioned being described as “the most daring creation” and “The label is considered the flagship of Aragon’s new wines, having brought home a number of international prizes over the past year. Tres Picos 2005 was awarded Silver medals at the Decanter World Wine Awards 2007 and the International Wine Challenge, as well as a 91 point rating in Robert Parker’s Wine Advocate.” In addition, reference is made to “year after year their presence on the national and international market continues to grow, and they are now appreciated not only in the USA, but also in Germany, Canada, the UK, Switzerland, the Netherlands, Sweden, Japan, New Zealand etc”;

Page 33 was downloaded from [www.vinissimus.com](http://www.vinissimus.com) (a website specialising in Spanish wines) on 17 February 2012 (i.e. after the material date in these proceedings) and contains, inter alia, a reference to “Borsa Tres Picos 2010”. While all of the prices shown appear to be in €, the page appears to bear a UK telephone number i.e. 0870 818 8889;

Page 34 was downloaded from [www.rannochscott.co.uk](http://www.rannochscott.co.uk) on 17 February 2012 (again after the material date) and contains, inter alia, a reference to “Borsa Tres Picos Garnacha 2009” with a purchase price of £12.59;

Pages 35-37 were downloaded from [www.decantalo.com](http://www.decantalo.com) on 17 February 2012 (after the material date) and contain references to, inter alia, “Borsao Tres Picos Garnacha” from 2007, 2008 and 2009. It is not clear if the prices shown are in £ or € but the pages do appear to bear a UK telephone number i.e. +44 020 32863248;

Page 38 consists of a page taken from *Wine Spectator* dated 15 December 2005. The page contains a reference to “Garnacha Campo de Borja Tres Picos 2003”, but as the prices are shown in \$, I assume this is a publication from the United States and as a consequence it is of no relevance in these proceedings;

Pages 39, 40 and 41 appear to be undated and their origin is not identified. However, as pages 39 and 41 are in Spanish and as page 40 refers to \$, they do not assist BB in these proceedings;

Page 42 consists of an extract from the *Wine Spectator's Top 100 for 2007* in which "Tres Picos 2005" was placed in 90<sup>th</sup> position. The fact that the document contains a reference to "Proudly sponsored by Cadillac" suggests that this listing may also be of US origin.

Finally, while page 43 does contain a reference to "Tres Picos 2004" the price is once again shown in \$.

- As exhibit JMSB4 (pages 45 to 53) all appear to either refer to the position in the United States or are in Spanish, they do not assist BB in these proceedings;
- Advertising spend for products featuring the TRES PICOS trade mark are given as follows:

<b>Year</b>	<b>Advertising spend (€)</b>
2007	30,676
2008	31,445
2009	53,000
2010	92,977
2011	117,700

- Sales revenue for products sold under the TRES PICOS trade mark are given as follows:

<b>Year</b>	<b>Sales (€)</b>
2007	1,050, 480
2008	1,455, 600
2009	1,709, 931
2010	1,696,853
2011	2,096,709

## **RDM's evidence**

7. This consists of a witness statement dated 29 April 2012 from David Jones of RDM; Mr Jones' position in RDM is not provided. The main points emerging from Mr Jones' statement are:

- Exhibit DC2 consists of 3 pages downloaded from [www.snooth.com](http://www.snooth.com) on 21 March 2012 (i.e. after the material date in the proceedings). Although the pages contain a reference to "Yecla Picos del Montgo Do 2006", the pages also include references to "The Hudson Valley" and "March 21, 8pm EST" suggesting that this site is of US origin;
- Exhibit DC3 consists of an extract from a brochure entitled "annual tasting of portuguese wines a world of difference", which relates to an event which took

place at Lord's Cricket Ground in London on 2 March 2011. Mr Jones points to the final page of the extract in which a company called Sociedade Agricola Pena Alba indicates that it produces wines called "Picos Do Couto Grande Escolha 2007" and "Picos do Couto Reserva 2007" (and 2009) and is "Looking for representation in the UK";

- Exhibit DC4 consists of 3 pages downloaded on 24 April 2012 (i.e. after the material date in these proceedings) from what Mr Jones explains is the website [uvinum.co.uk](http://uvinum.co.uk). Mr Jones notes that the website contains references to, inter alia, "Picos Del Montgo", "Aguardiente de Orujo Los Picos" and to BB's Tres Picos trade mark. Once again, all the prices shown are in €. Mr Jones says:

"6...To the best of my knowledge these are all wines that can be ordered by consumers in the United Kingdom. I do not believe there is any confusion between them because on line customers for wines are used to distinguishing between the different brands and sources available and the word PICOS alone is not enough to distinguish one wine from another."

- Finally, (by reference to exhibits DC1 and DC5), Mr Jones refers to the state of the trade mark registers in respect of trade marks in different ownerships which contain the word PICOS and are registered for wine. There is a long line of English and European authorities indicating that state of the register evidence is rarely relevant, and that is the case here.

8. That concludes my summary of the evidence to the extent that I consider it necessary.

## **DECISION**

9. Section 5(2)(b) of the Act reads 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, or

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark."

10. 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.”

11. In these proceedings, BB is relying upon the registered trade mark shown in paragraph 2 above, which has an application date prior to that of the application for registration; as such, it qualifies as an earlier trade mark under the above provisions. As RDM’s application for registration was published for opposition purposes on 15 July 2011, and as BB’s earlier trade mark was registered on 25 February 2009, BB’s earlier trade mark is not subject to proof of use as per The Trade Marks (Proof of Use, etc) Regulations 2004.

### **Section 5(2)(b) – case law**

12. 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 great degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

(k) if the association between the marks 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.”

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

13. As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' goods, and then to determine the manner in which these goods are likely to be selected by the average consumer in the course of trade. The competing goods are wines in class 33. Wines in class 33 will be bought by members of the general public over the age of 18; they then are the average consumer for such goods.

14. The selection of wines from retail outlets such as supermarkets, off-licences or from websites is likely to consist predominantly of self selection. As a consequence, visual considerations are likely to dominate the selection process. However, when wine is selected in, for example, bars and restaurants, the selection process may well be an oral one. While the average consumer may, for example, have inspected the bottle containing the goods or selected the goods by reference to, for example, a wine list prior to placing their order, (in which case visual considerations will also dominate the selection process), it is equally possible that the average consumer may simply ask for the goods by reference to, for example, the brand and type of wine they require. In those latter circumstances, aural considerations will be more important than visual ones.

15. In my experience, the cost of wines can vary from very small amounts (a few pounds for a basic bottle of wine) to many hundreds or even thousands of pounds. The wide variance in the price of the goods is likely to be reflected in the level of attention the average consumer pays to their selection. That said, in my experience, the average consumer may well have a particular wine (be it brand, grape variety or origin) they prefer, and in those circumstances they can, I think, be expected to exercise a little more care when making their selection. Overall, the average consumer who is assumed to be reasonably well informed, circumspect and observant will, I think, pay a reasonable level of attention to the selection of the goods at issue. However, that level of attention will, in my view, vary depending on the cost of the goods and the circumstances prevailing at the time of selection. For example, one would not expect the average consumer to pay as much attention to the selection of a £6 bottle of wine chosen during the weekly "supermarket dash", as they would when selecting a bottle of wine costing £100 for a special occasion such as a birthday or anniversary.

## **Comparison of goods**

16. As the specifications of both parties' trade marks include a reference to wine, the competing goods are identical.

## Comparison of trade marks

17. The trade marks to be compared are as follows:

BB's trade mark	RDM's trade mark
	

18. 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/she rarely has the chance to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he/she has kept in his or her 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.

### Distinctive and dominant components

19. BB's trade mark consists of a number of elements i.e. a two dimensional representation of a dark coloured bottle in which the goods are supplied, a neck label which contains text which I am unable to read and a main label applied in a conventional position on the bottle. This label bears the words TRES PICOS presented in upper case but in which the letter O appears to have a dot at its centre. Below these words appear a simplistic device of three mountains, and below this device appears the word BORSAO and a circular device which acts as a background to part of this word.

20. RDM's trade mark consists of a more realistic image of a mountain range below which appears the words LOS PICOS presented in upper case. I have reproduced BB's views on this issue in paragraph 3 above. In its submissions RDM says:

“The word PICOS is not an especially dominant feature of [BB's] trade mark and, as to its distinctiveness, [RDM's] evidence shows that [BB] does not in fact enjoy exclusive use or registration of the word PICOS in relation to wines.”

21. Turning first to BB's trade mark, while the size of the device of the dark coloured bottle is significant in terms of the trade mark as a whole, as it appears to so nearly resemble many similar bottles used to supply wines, it is, in my view, unlikely to be taken by the average consumer as a distinctive element of BB's trade mark even if it is a dominant one. As to the main label which I think will be the focus of the average

consumer's attention, the words TRES PICOS appear first and are, in my view, a dominant element of the trade mark.

22. As to the distinctiveness of the word PICOS, this, says RDM, is diminished by the examples they have provided of others using trade marks which include this word. To support this conclusion, RDM provided evidence which (i) comes from the United States and is after the relevant date (exhibit DC2), (ii) relates to a company "looking for representation in the UK" in March 2011 (exhibit DC3) i.e. 3 months prior to the filing of RDM's application, and (iii) is once again after the material date in these proceedings (exhibit DC4). When considered as a totality, this evidence appears to show that in relation to wine (whose vintages date from 2006, 2007 and 2009), there are three other enterprises apart from BB that use the word PICOS. This evidence falls, in my view, a long way short of establishing that the word PICOS should not be considered to be a distinctive element of BB's trade mark. That said, I think that notwithstanding the fact that the average consumer in the UK is not known for their foreign language skills, the fact that Spanish is taught in schools and that Spain is, and has been a popular holiday destination for consumers in the UK for many years, the average consumer may see the words TRES PICOS as a unified whole meaning "three peaks". While for other average consumers the word PICOS will be meaningless, the presence in the trade mark of the word Spanish word TRES (with which I think the average consumer will be familiar), accompanied by the device element present in the trade mark may lead them to its meaning. Given its size and positioning the device element is, like the words TRES PICOS themselves also, in my view, a dominant and distinctive element of BB's trade mark. Finally, there is the word BORSAO which appears on the bottom on the label and the circular device which acts as a background to part of the word. While I have no doubt that the word BORSAO is a distinctive element of BB's trade mark, it is not, given its size and positioning, in my view, a dominant element.

23. As to RDM's trade mark this consists of only two elements. The device of a mountain range is, in my view, both a dominant and distinctive element. As to the words LOS PICOS my comments above apply. These words, once again in my view, may be seen as a unified whole meaning "the peaks" or "the mountains". Equally, they may convey no meaning, although once again the combination of elements may lead the average consumer to the meaning I have described. Regardless, in either case, they will be both a distinctive and dominant element of RDM's trade mark. Having reached those conclusions, I must now go on and compare the respective trade marks from the visual, oral/aural and conceptual perspectives.

### **Visual similarity**

24. The fact that one of the distinctive and dominant elements of both parties' trade marks consist of representations (albeit different representations) of mountains, and is accompanied in each trade mark by a second distinctive and dominant element which consists of two words, the first of which is different (but is likely to be taken as a word of foreign language origin), and where the second word is identical, results, in my view, in a reasonable degree of visual similarity between the competing trade marks.

## **Aural similarity**

25. Given the presence in the competing trade marks of verbal elements, I see no reason why the average consumer would refer to the competing trade mark by anything other than their distinctive and dominant verbal components i.e. TRES PICOS and LOS PICOS. While the first word is different, the fact that both parties' trade marks share the same second word results, once again in my view, in a reasonable degree of aural similarity between them.

## **Conceptual similarity**

26. I have already concluded that the combination of the distinctive and dominant words and devices in both parties' trade marks may create in the minds of those average consumers who recognise the meaning of the words LOS PICOS and TRES PICOS, the concept of "three peaks" or "the peaks"/"the mountains" and as a consequence, there would, in those circumstances, be a high degree of conceptual similarity between the competing trade marks. For those average consumers who are not aware of the meanings of the words, the presence in both parties' trade marks of devices of mountains is still, in my view, likely to create a reasonable degree of conceptual similarity in the mind of the average consumer.

## **Distinctive character of BB's earlier trade mark**

27. I must now assess the distinctive character of BB's trade mark. The distinctive character of a trade mark can be appraised only, first, by reference to the goods in respect of which it has been registered 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. As far as I am aware BB's earlier trade mark neither describes nor is it non-distinctive for the goods for which it stands registered. It is, as a consequence, a trade mark possessed of a normal degree of inherent distinctive character. Although BB has provided evidence of the use it has made of its trade mark, including the awards wines sold by reference to, inter alia, the words Tres Picos have achieved, the evidence has many failings and does not assist it greatly for the reasons I have indicated earlier in this decision. However, even if all of the advertising spend and sales revenue was attributable solely to the UK (which on BB's own evidence it is clearly not), given what I assume to be the not inconsiderable size of the market for wines in the UK, BB's use could only, in my view, be described as modest (at best) and would be unlikely to have improved upon its trade mark's inherent distinctiveness to any appreciable extent.

## **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 factor in the distinctive character of BB's trade 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 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.

30. Earlier in this decision I concluded that:

- the average consumer of wines is a member of the general public over the age of 18 who will, depending on the nature of the environment in which the selection is made, buy wine by both visual and oral/aural means and who will pay a reasonable level of attention when doing so;
- the goods at issue are identical;
- having identified the distinctive and dominant elements of the competing trade marks, there is a reasonable degree of visual and aural similarity and degrees of conceptual similarity ranging from reasonable to high;
- BB's trade mark is possessed of a normal degree of inherent distinctive character which, on the basis of the evidence provided, is unlikely to have been enhanced to any appreciable extent by the use made of it.

31. As a consequence of those conclusions, I have little hesitation concluding that there is a likelihood of confusion. While the differences in the competing trade marks may be sufficient to militate against direct confusion i.e. where one trade mark is mistaken for the other, the similarities between the competing trade (even on wines at the upper end of the market where the effects of imperfect recollection are likely to be less relevant), are still, in my view, likely to lead the average consumer to assume that the goods come from undertakings which are economically linked i.e. there will be indirect confusion.

## **Conclusion**

32. BB's opposition has succeeded and RDM's application will, subject to any successful appeal, be refused.

## **Costs**

33. As BB has been successful it is entitled to an award of costs. Awards of costs are governed by Annex A of Tribunal Practice Notice 4 of 2007. Using that TPN as a guide, I award costs to BB on the following basis:

Preparing a statement and considering RDM's statement:	£200
Preparing evidence:	£200
Official fee:	£200
<b>Total</b>	<b>£600</b>

34. I order RDM Wines Ltd t/a Fine Wines Direct UK to pay to Bodegas Borsao S.A. the sum of **£600**. 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 1<sup>st</sup> of August 2012**

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