

IN THE MATTER OF THE TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NUMBER 3,216,567

AND IN THE MATTER OF AN APPEAL FROM THE DECISION OF GEORGE SALTHOUSE (O/221/18) DATED 9 APRIL 2018

DECISION

Introduction

1. This is an appeal from the decision of Mr George Salthouse, for the Registrar, dated 9 April 2018 (O/221/18) where Chivas Holding (IP) Limited opposed, under sections 5(2)(b), 5(3), 5(4)(a) of the Trade Marks Act 1994, the application of Boutique Coffee Brands Limited (No 3,216,567) for the following mark:



2. The mark was applied for in relation to the following goods:
 - Class 16:** Packaging.
 - Class 32:** Beers; beer based beverages; ale; lager; stout; porter; non alcoholic beverages; non alcoholic beer; cider non alcoholic; shandy; syrups and other preparations for making beverages.
 - Class 33:** Alcoholic beverages (except beer); wine; cider; spirits; distilled spirits; bitters; sparkling wines.
 - Class 35:** Advertising.
 - Class 43:** Restaurant and Bar Services, provision of food and drink, provision of alcoholic beverages, beers, wines and ales.
3. Chivas Holdings opposed the application only in relation to classes 32, 33 and 43 (and not the goods and services in classes 16 and 35). It based its opposition on sections 5(2)(b) and 5(3) upon three earlier European Union trade marks. Its opposition under section 5(4)(a) was based on earlier rights it claimed in relation to marks used in connection with gin.

4. The first mark relied upon by the Opponent is the word mark PLYMOUTH (No 908,723) (“the Word Mark”) which is registered in class 33 for “Gin, prepared alcoholic cocktails containing gin; gin-based liquors”.
5. The second mark (No 9,921,644) relied upon is the device mark:



6. This mark (“the Ship Mark”) is registered in relation to the following goods and services:
 - Class 32:** Beers; Mineral and aerated waters and other non-alcoholic drinks; Fruit drinks and fruit juices; Syrups and other preparations for making beverages.
 - Class 33:** Alcoholic beverages (except beers); spirits; wines; liqueurs; distilled beverages; gin; whisky; whisky liqueurs; beverages from or containing whisky; beverages from or containing gin; aperitifs; cocktails.
 - Class 43:** Services for providing food and drink.
7. The third mark (No 9,893,306) relied upon is the device mark:



8. This mark (“the Label Mark”) is registered in relation to the following goods and services:
 - Class 32:** Beers; Mineral and aerated waters and other non-alcoholic drinks; Fruit drinks and fruit juices; Syrups and other preparations for making beverages.
 - Class 33:** Alcoholic beverages (except beers)
 - Class 43:** Services for providing food and drink.
9. The Hearing Officer rejected the opposition so far as it was based on section 5(3) and 5(4)(a).
10. He also rejected the opposition under section 5(2)(b) so far as it was based on the Ship Mark.

11. The Hearing Officer upheld the opposition based on the Word Mark only in relation to the following goods in Class 33:

Alcoholic beverages (except beer); spirits; distilled spirits; bitters

The opposition based on the Word Mark was otherwise dismissed.

12. The Hearing Officer upheld the opposition based on the Label Mark in relation to all the goods and services in Class 32, 33 and 43.
13. Boutique Coffee Brands Limited (“BCB”) appealed the Hearing Officer’s decision so far as it upheld the opposition. Chivas Holding (IP) Limited (“Chivas”) cross-appealed the decision so far as the opposition was rejected.

Approach to appeal

14. The principles applicable on appeal from the registrar were considered in *TT Education Ltd v Pie Corbett Consultancy* [2017] RPC 17, by Daniel Alexander QC sitting as the Appointed Person. After reviewing the authorities (in particular: *REEF* [2002] EWCA Civ 763; *EI Du Pont De Nemours & Company v S.T. Dupont* [2003] EWCA Civ 1368; *BUD Trade Mark* [2002] EWCA Civ 1534; *Fine & Country Ltd v Okotoks Ltd* [2013] EWCA Civ 672; *Re: B (a child)* [2013] UKSC 33; and *Henderson v. Foxworth Investments* [2014] UKSC 41), he summarised the position at paragraph 52 (I made a few minor updates on this summary in *Grill’O Express* (O/140/17), paragraph 6, which I have incorporated in square brackets):

52. Drawing these threads together, so far as relevant for the present case, the principles can therefore be summarized as follows.

- (i) Appeals to the Appointed Person are limited to a review of the decision of Registrar (CPR [52.21]). The Appointed Person will overturn a decision of the Registrar if, but only if, it is wrong ([...][CPR 52.21]).
- (ii) The approach required depends on the nature of decision in question (*REEF*). There is spectrum of appropriate respect for the Registrar’s determination depending on the nature of the decision. At one end of the spectrum are decisions of primary fact reached after an evaluation of oral evidence where credibility is in issue and purely discretionary decisions. Further along the spectrum are multi-factorial decisions often dependent on inferences and an analysis of documentary material (*REEF, DuPont*).
- (iii) In the case of conclusions on primary facts it is only in a rare case, such as where that conclusion was one for which there was no evidence in support, which was based on a misunderstanding of the evidence, or which no reasonable judge could have reached, that the Appointed Person should interfere with it (*Re: B and others*).
- (iv) In the case of a multifactorial assessment or evaluation, the Appointed Person should show a real reluctance, but not the very highest degree of reluctance, to interfere in the absence of a distinct and material error of principle. Special caution is required before overturning such decisions. In particular, where an Appointed Person has doubts as to whether the Registrar was right, he or she should consider with particular care whether the decision really was wrong or whether it is just not one which the appellate court would have made in a situation where reasonable people may differ as to the outcome of such a multifactorial evaluation (*REEF, BUD, Fine & Country and others*).
- (v) Situations where the Registrar’s decision will be treated as wrong encompass those in which a decision is (a) unsupportable, (b) simply wrong (c) where the view expressed by the Registrar is one about which the Appointed Person is doubtful but, on balance, concludes was wrong. It is not necessary for the degree of error to be “clearly” or “plainly” wrong to warrant appellate interference but mere doubt about the decision

will not suffice. However, in the case of a doubtful decision, if and only if, after anxious consideration, the Appointed Person adheres to his or her view that the Registrar's decision was wrong, should the appeal be allowed (*Re: B*).

- (vi) The Appointed Person should not treat a decision as containing an error of principle simply because of a belief that the decision could have been better expressed. Appellate courts should not rush to find misdirections warranting reversal simply because they might have reached a different conclusion on the facts or expressed themselves differently. Moreover, in evaluating the evidence the Appointed Person is entitled to assume, absent good reason to the contrary, that the Registrar has taken all of the evidence into account. (*REEF, Henderson and others*).

Bearing in mind the repeated reminders that different points are likely to be particularly relevant in other cases, this is not intended to be a summary of universal application for other cases where particular aspects of the approach may require different emphasis

15. I will apply these principles.

The appeal

16. The Appellant was represented by Marine Midwinter, who was essentially a litigant-in-person. I treated the grounds of appeal as those issues set out in a letter from Ms Midwinter to the Hearing Officer dated 19 April 2018. Many of the issues raised by Ms Midwinter arise from her misunderstanding of the principles of trade mark law. Therefore, while I will deal with all the points raised, I will do so quite briefly.
17. Ms Midwinter suggests that the Appellant was penalised for not having proof of use and she says the ship device is a representation of the Mayflower. However, what the Hearing Officer was referring to his Decision (at paragraphs 4 and 11) is the obligation under section 6A of the Trade Marks Act 1994 on the *Opponent*, where a mark is over five years old, to prove that it has used the mark in relation to all the goods and services upon which the opposition is based.
18. The Opponent stated on its Form TM7 that the mark had been used in relation to all the goods and services. In Part 7 of the Appellant's Form TM8 in response to the question 'Do you want the opponent to provide "proof of use"?', the box marked "No" was ticked. This meant there was no obligation on the Opponent to prove use as the Appellant, by ticking this box, admitted there had been such use. This was what the Hearing Officer was referring to in his decision. Accordingly, there was no penalty imposed on the Appellant for not having used its mark at the time of registration.
19. The Appellant next mentions the comment in paragraph 5 of the Decision that "both parties seek an award of costs in their favour". Ultimately, the Hearing Officer awarded the Opponent costs on a reduced scale (see Decision, paragraph 59). The Appellant may not have requested costs, but it is clear that the Opponent (now Respondent) did request its costs. Accordingly, the Hearing Officer was obliged to consider the award of costs and did so.
20. The Appellant made certain objections to the comparison of the goods and services in her letter. I will not set out all the points, but they are answered by the so-called

inclusiveness principle (see T-133/05 *Meric* [2006] ECR II-2737) and the requirement to assess the mark on the basis of a fair and notional use.

21. The inclusiveness principle means that in trade mark law the good “gin” is considered to be identical to the good “spirits” because the term spirits includes all spirits (e.g. whisky, gin, vodka, brandy) and conversely the good “spirits” is identical to the good “gin”.
22. When making a comparison of goods or services or the mark itself, the Hearing Officer should consider a fair and notional use of the mark as registered. Thus, what is relevant is not the actual use made of the mark (unless proof of use is required) but what sort of uses the trade mark registration entitles its owner to control. This means, once more, the fact that the main use of the mark by Chivas (or its licensees) relates to gin is not determinative. Its registration covers much more and Chivas is entitled to protection across the whole of it.
23. I therefore find that the Hearing Officer’s comparison of the goods and services was entirely proper.
24. The Appellant repeatedly indicated that it had offered a disclaimer to Chivas not to use the mark in relation to gin even though the Appellant’s specification covered gin. While the Appellant called this a disclaimer it was really an offer of a co-existence agreement. If such an agreement had been accepted by Chivas this might have ended the opposition. However, opponents are under no obligation to enter into such agreements and the fact an offer has been made does not affect the assessment of similarity.
25. The Appellant also objected to various statements in the Decision made about the comparison of marks and the average consumer. These were essentially objections to constructs applied in trade mark law, such as the average consumer, and rules such as that consumer’s imperfect recollection, and the ability of a mark to have enhanced distinctiveness. The Appellant’s critique of these concepts as undermining the behaviour of “real-life consumers” does not assist. The principles criticised by the Appellant have been developed by the court to try and create an objective test and they were properly applied by the Hearing Officer.
26. The Appellant went on to suggest there should have been a survey to address the issue of confusion. However, an application was never made to the Hearing Officer to conduct a survey and so I do not need to consider it further. In any event, the Hearing Officer almost certainly would have rejected the application if it had been made.
27. In short, the criticisms raised by the Appellant arise from various misunderstandings of trade mark law and the principles behind it. Each and every one is entirely without merit and so I dismiss the appeal.

Cross-appeal

28. The Respondent cross-appealed the decision in relation to the rejection of the opposition under sections 5(3) and 5(4)(a). While the cross-appeal was subject to the decision being overturned under section 5(2)(b), it turned out a substantial part of the hearing was taken up with it. I can, however, deal with it quite briefly.
29. The Respondent relied upon the witness statement of Eve-Marie Wilmann-Courteau. She exhibited what appeared to be various internal slide shows outlining the history of Plymouth Gin. In common with the Hearing Officer, I take the view that this was useful for information purposes but provided little relevant evidence.
30. In the Hearing, the Respondent relied on a few paragraphs in the witness statement which mention the amount of money Chivas spent on promoting its goods between 2013-2017 (which ranged from €727,900 to €1,579,300) and the volume of 9 litre cases of Plymouth gin sold in Europe over the same period (which ranged from 15,800 to 37,600).
31. In relation to section 5(4)(a) these figures were for the whole of the EU and were not broken down by Member State. The Respondent requested that an inference be drawn from the evidence that some of these sales were in the United Kingdom and such sales would generate goodwill. No such inference can be drawn. The Hearing Officer was quite right not to assume goodwill existed in the United Kingdom where there was no evidence of sales specifically in the United Kingdom.
32. Additionally, the Respondent made something of an arrangement between the Houses of Parliament and Plymouth Gin which led to some gin being sold co-branded. While the material in the slide shows appeared to support such an arrangement that was all that could be said. There was no evidence of sales through this co-branding or even to whom the bottles were offered (ie to members of the Lords and Commons only or to the general public in the gift shop). Finally, even if this had been supported by stronger evidence, it is not clear to what mark the Respondent was alleging the goodwill would attach.
33. In relation to the appeal regarding section 5(3), the problems are similar. The evidence relied upon is of promotional spending and units supplied. The promotional spending related to Chivas's "goods". The witness statement did not say which goods were being promoted (is it just Plymouth Gin?). Even if it were just Plymouth Gin it is not clear which mark or marks are being promoted (particularly as this opposition is based on three marks).
34. In relation to the sales figures, there is no evidence of context, most importantly market share. While the Respondent insisted the sales were "substantial," without evidence of the size of the EU market such a statement can be given very little weight. There was also no evidence relating to the marks used to generate these sales.
35. Accordingly, the Hearing Officer was right to reject the opposition under sections 5(3) and 5(4)(b). I therefore dismiss the cross-appeal.

Conclusion

36. I have dismissed both the appeal and the cross-appeal and I uphold the Hearing Officer's decision. The Hearing Officer's order that the Appellant pays the Respondent £700 as a contribution to its costs is also upheld.
37. As I have already mentioned, the cross-appeal was contingent on the appeal succeeding however it took up a substantial part of the hearing. In the circumstances, I will make no order for costs in relation to the appeal or cross-appeal.

PHILLIP JOHNSON
THE APPOINTED PERSON
22 August 2018