

**O-662-17**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION No. 3202250  
BY PHILIP ADAMSON HANNAY & LAURA ANNE SCANLAN HANNAY  
TO REGISTER THE TRADE MARK  
TRADERS CHOICE  
IN CLASSES 30, 32 & 33  
AND**

**IN THE MATTER OF OPPOSITION  
THERE TO UNDER No. 408861 BY  
INVER HOUSE DISTILLERS LIMITED**

## BACKGROUND

1) On 14 December 2016, Philip Adamson Hannay & Laura Anne Scanlan Hannay (hereinafter the applicants) applied to register the trade mark TRADERS CHOICE in respect of the following goods:

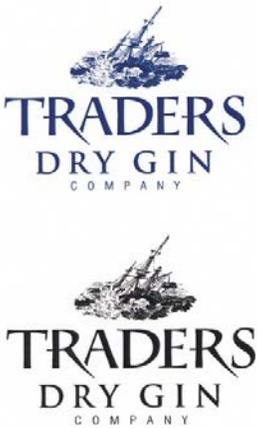
In Class 30: Sweets, candy, confectionery, chocolate products, pralines filled with spirits or wines; ice confectionery and ices made with spirits or wines; confectionery; sugar; honey; spices; sweets; desserts; puddings; muffins; cakes; non-medicated confectionery; candy; coffee; artificial coffee; coffee beans; tea; green tea; tea bags; loose tea; tea pods; herbal teas; tea products; tea beverages; fruit teas; fruit flavoured teas; infusions; tea extracts and essences; tea products; instant tea; ready to drink tea products; preparations made from or containing tea; tea substitutes; tea-based beverages; iced tea; cocoa; chocolate; products made or containing chocolate; chocolate based drinks; hot chocolate; products made primarily from chocolate; candy; frozen confections; chilled confections; ice; edible ices; ices; ice cream; ice cream products and frozen confections; preparations for making ices, ice cream, ice cream products and frozen confections; frozen yogurt; biscuits; shortbreads; sauces [condiments]; mustard; vinegar; preparation for making sauces; salad dressings; mustard relishes; marinades; mousses; treacle; flavourings other than essential oils; sauces; chutneys; fruit sauces; vinaigrettes; dressings.

In Class 32: Aerated water; aerated water (preparations for making -); aerated beverages; aloe vera drinks, non-alcoholic; aperitifs, non-alcoholic; beer; beers; shandy; beer wort; non-alcoholic beers; beverages (preparations for making -); cider, non-alcoholic; cocktails, non-alcoholic; de-alcoholised drinks; essences for making beverages; fruit beverages; fruit juices; fruit nectars, non-alcoholic; ginger ale; grape must, unfermented; hops (extracts of -) for making beer; isotonic beverages; kvass [non-alcoholic beverage]; lemonades; liqueurs (preparations for making -); lithia water; malt beer; malt wort; milk of almonds [beverage]; mineral water [beverages]; mineral water (preparations for making -); must; non-alcoholic beverages; non-alcoholic fruit extracts; non-alcoholic fruit juice beverages; non-alcoholic honey-based beverages; orgeat; pastilles for effervescing beverages; peanut milk [non-alcoholic beverage]; powders for effervescing beverages; sarsaparilla [non-alcoholic beverage]; seltzer water; smoothies; soda water; sorbets [beverages]; syrups and other preparations for making beverages; syrups for beverages; syrups for lemonade; table waters; tomato juice [beverage]; vegetable juices [beverages]; waters [beverages]; whey beverages; non-alcoholic wines.

In Class 33: Alcoholic beverages [except beers]; alcoholic beverages containing fruit; alcoholic essences; alcoholic extracts; alcoholic coolers; anise [liqueur]; anisette [liqueur]; aperitifs; arak [arrack]; bitters; botanical-based alcoholic beverages; brandy; cider; cocktails; curacao; digesters [liqueurs and spirits]; distilled beverages; fruit extracts, alcoholic; gin; hydromel [mead]; kirsch; liqueurs; peppermint liqueurs; perry; piquette; pre-mixed alcoholic beverages, other than beer-based; rice alcohol; rum; sake; sherry; spirits [beverages]; spirits and drinks having a base of spirits; vodka; whisky; malt whisky; blended whisky; whisky based liqueurs; whisky for export; wine; wine; sparkling wine; sparkling alcoholic drinks; fortified wine; liqueurs; drinks containing wine; mixtures containing all of the aforesaid.

2) The application was examined and accepted, and subsequently published for opposition purposes on 23 December 2016 in Trade Marks Journal No.2016/052.

3) On 22 March 2017 Inver House Distillers Limited (hereinafter the opponent) filed a notice of opposition, subsequently amended. The opponent is the proprietor of the trade mark shown below. The opponent states that as the dominant element of its mark and the mark in suit is the word TRADERS, that the marks of the two parties are similar. It also contends that the class 33 goods applied for are similar to the goods for which its mark is registered and as such the application offends against Section 5(2)(b) of the Act. The opposition is restricted solely to the goods in Class 33.

Mark	Number	Dates of filing and registration	Class	Specification relied upon
 <p>A series of two marks</p>	25001807	05.11.08 20.02.09	33	Spirits

4) On the 3 April 2017 the applicants filed a counterstatement. They put the opponent to strict proof of use in respect of its trade mark. They contend that the distinctive and dominant part of the opponent's mark is the ship device element whilst the distinctive element of the mark in suit is the word "Choice". It also denies that the goods are similar stating that "all sprits are not alcoholic drinks".

5) Both parties filed evidence. Both parties seek an award of costs in their favour. Neither side wished to be heard. Both sides provided written submissions which I shall refer to as and when necessary in my decision.

## **OPPONENT'S EVIDENCE**

6) The opponent filed a witness statement, dated 6 June 2017, by Alistair James Graham Stevenson the Managing Director of the opponent company a position he has held since October 2001. He states that the product upon which the mark has been used is a London Dry Gin which is exported to Australia. The ship featured in the mark was the "City of Adelaide" which plied between the UK and Australia, and it is the heritage of those international traders which is referenced in the mark. The label was designed in 2008 and has been used upon the product since this time. He states that "All sales to consumers under the opponent's trade mark have taken place in Australia after the product has been produced, bottled and labelled in the UK". He provides the following trade figures:

Year	Cases of 6 x 70cl bottles
2011	414
2012	2315
2013	1677
2014	5546
2015	619

7) Mr Stevenson provides, at exhibit AJGS2, samples of invoices and related documents relating to sales to Woolworths, the main customer for the product in Australia, in the period 2012-2016. These are dated between February 2012 and November 2013, and show sales of "Traders Gin" (and various other branded spirits) to Australia.

## APPLICANTS' EVIDENCE

8) The applicants filed a witness statement, dated 19 June 2017, by Philip Hannay. He provides a number of exhibits, but he does not comment upon them.

- Exhibit TC-PAH 1 & 2: definitions from the Oxford English dictionary as shown below:  
Trader: a person who buys and sells goods, currency or shares; a merchant ship.  
Choice: an act of choosing between two or more possibilities.
- Exhibit TC-PAH 3-7: internet searches for the words "Traders Choice". Whilst there are not many results from each of the search engines used I assume the purpose of this exhibit is to show that none are the opponent.
- Exhibit TC-PAH 8: A screenshot of the opponent's website.
- Exhibit TC-PAH 9 & 10: Facebook and Twitter searches for the words "Traders Choice".

9) That concludes my summary of the evidence filed, insofar as I consider it necessary.

## DECISION

10) The only ground of opposition is under section 5(2)(b) which reads:

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

(a) .....

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

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

11) An "earlier trade mark" is defined in section 6, the relevant part of which states:

“6.-(1) In this Act an "earlier trade mark" means -

- (a) a registered trade mark, international trade mark (UK) or Community trade mark 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.”

12) The opponent is relying upon its trade mark listed in paragraph 3 above which is clearly an earlier trade mark. The applicant requested that the opponent provide proof of use. Given the interplay between the date that the opponent’s mark was registered (20 February 2009) and the date that the applicant’s mark was published (23 December 2016), the proof of use requirement bites. Section 6A states:

“Raising of relative grounds in opposition proceedings in case of non-use

6A. - (1) This section applies where -

- (a) an application for registration of a trade mark has been published,
- (b) there is an earlier trade mark of a kind falling within section 6(1)(a), (b) or (ba) in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and
- (c) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication.

(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

(3) The use conditions are met if -

- (a) within the period of five years ending with the date of publication of the application the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or

(b) the earlier trade mark has not been so used, but there are proper reasons for non-use.

(4) For these purposes -

(a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and

(b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(5) In relation to a European Union trade mark or international trade mark (EC), any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Union.

(6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.”

13) Section 100 of the Act states that:

“100. If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it.”

14) I must first consider whether the opponent has fulfilled the requirement to show that genuine use of its mark has been made. In the instant case the publication dates of the applications was 23 December 2016, therefore the relevant period for the proof of use is 24 December 2011 – 23 December 2016. In deciding this issue I take into account the case of *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Ecotive Limited*, [2016] EWHC 52, where Arnold J. summarised the case law on genuine use of trade marks. He said:

“I would now summarise the principles for the assessment of whether there has been genuine use of a trade mark established by the case law of the Court of Justice, which also includes Case C-442/07 *Verein Radetsky-Order v Bunderversvereinigung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I-9223 and Case C-609/11 *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR 7, as follows:

(1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Centrotherm* at [71]; *Leno* at [29].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Centrotherm* at [71]; *Leno* at [29].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the

goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34]; *Leno* at [29]-[30], [56].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32].”

15) In *Awareness Limited v Plymouth City Council*, Case BL O/236/13, Mr Daniel Alexander Q.C. as the Appointed Person stated that:

“22. The burden lies on the registered proprietor to prove use..... However, it is not strictly necessary to exhibit any particular kind of documentation, but if it is likely that such material would exist and little or none is provided, a tribunal will be justified in rejecting the evidence as insufficiently solid. That is all the more so since the nature and extent of use is likely to be particularly well known to the proprietor itself. A tribunal is entitled to be sceptical of a case of use if, notwithstanding the ease with which it could have been convincingly demonstrated, the material actually provided is inconclusive. By the time the tribunal (which in many cases will be the Hearing Officer in the first instance) comes to take its final decision, the evidence must be sufficiently solid and specific to enable the evaluation of the scope of protection to which the proprietor is legitimately entitled to be properly and fairly undertaken, having regard to the interests of the proprietor, the opponent and, it should be said, the public.”

and further at paragraph 28:

“28. .... I can understand the rationale for the evidence being as it was but suggest that, for the future, if a broad class, such as “tuition services”, is sought to be defended on the basis of narrow use within the category (such as for classes of a particular kind) the evidence should not state that the mark has been used in relation to “tuition services” even by compendious reference to the trade mark specification. The evidence should make it clear, with precision, what specific use there has been and explain why, if the use has only been narrow, why a broader category is nonetheless appropriate for the specification. Broad statements purporting to verify use over a wide range by reference to the wording of a trade mark specification when supportable only in respect of a much narrower range should be critically considered in any draft evidence proposed to be submitted.”

16) In *Dosenbach-Ochsner Ag Schuhe Und Sport v Continental Shelf 128 Ltd*, Case BL 0/404/13, Mr Geoffrey Hobbs Q.C. as the Appointed Person stated that:

“21. The assessment of a witness statement for probative value necessarily focuses upon its sufficiency for the purpose of satisfying the decision taker with regard to whatever it is that falls to be determined, on the balance of probabilities, in the particular context of the case at hand. As Mann J. observed in *Matsushita Electric Industrial Co. v. Comptroller- General of Patents* [2008] EWHC 2071 (Pat); [2008] R.P.C. 35:

[24] As I have said, the act of being satisfied is a matter of judgment. Forming a judgment requires the weighing of evidence and other factors. The evidence required in any particular case where satisfaction is required depends on the nature of the inquiry and the nature and purpose of the decision which is to be made. For example, where a tribunal has to be satisfied as to the age of a person, it may sometimes be sufficient for that person to assert in a form or otherwise what his or her age is, or what their date of birth is; in others, more formal proof in the form of, for example, a birth certificate will be required. It all depends who is asking the question, why they are asking the question, and what is going to be done with the answer when it is given. There can be no universal rule as to what level of evidence has to be provided in order to satisfy a decision-making body about that of which that body has to be satisfied.

22. When it comes to proof of use for the purpose of determining the extent (if any) to which the protection conferred by registration of a trade mark can legitimately be maintained, the decision taker must form a view as to what the evidence does and just as importantly what it

does not ‘show’ (per Section 100 of the Act) with regard to the actuality of use in relation to goods or services covered by the registration. The evidence in question can properly be assessed for sufficiency (or the lack of it) by reference to the specificity (or lack of it) with which it addresses the actuality of use.”

17) Whether the use shown is sufficient for these purposes will depend on whether there has been real commercial exploitation of the marks, in the course of trade, sufficient to create or maintain a market for the goods at issue in the UK during the relevant 5 year period. In making the required assessment I am required to consider all relevant factors, including:

- i) The scale and frequency of the use shown
- ii) The nature of the use shown
- iii) The goods and services for which use has been shown
- iv) The nature of those goods/services and the market(s) for them
- v) The geographical extent of the use shown

18) In *Reber Holding GmbH & Co. KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* (OHIM), Case T-355/09, the General Court found that the sale of 40-60Kg per annum of specialist chocolate under a mark was insufficient to constitute genuine use of the national trade mark, which was registered in Germany. On further appeal in Case C-141/13 P, the CJEU stated, at paragraph 32 of its judgment, that “*not every proven commercial use may automatically be deemed to constitute genuine use of the trade mark in question*”. The CJEU found that “*the General Court conducted an overall assessment of that trade mark, taking into account the volume of sales of the goods protected by the trade mark, the nature and characteristics of those goods, the geographical coverage of the use of the trade mark, the advertising on the website of Paul Reber GmbH & Co. KG and the continuity of the trade mark’s use. It thus established a certain degree of interdependence between the factors capable of proving genuine use. The General Court therefore correctly applied the concept of ‘genuine use’ and did not err in law in its assessment of that use*” (paragraphs 33 and 34 of the judgment of the CJEU).

19) Proven use of a mark which fails to establish that “*the commercial exploitation of the mark is real*” because the use would not be “*viewed as warranted in the economic sector concerned to maintain or create a share in the [European Union] market for the goods or services protected by the mark*” is therefore not genuine use.

20) The applicants have, in their written submissions, challenged the opponent's contention that the mark has been used in the UK pointing out that the opponent has stated that all the goods on which the mark is used are exported to Australia. They also contend:

"9. The applicants submit that even if genuine use of the opponent's mark in the United Kingdom can be established (which it cannot), the use is confined solely to "London Dry Gin" as admitted by the opponent and that the opponent's specification (spirits) should be restricted accordingly.

10. Failing that, the applicants submit that given the mark includes the prominent text "Dry Gin", the mark would be deceptive and/or fail to perform its function when used on any other spirits other than dry gin e.g. Scotch Whisky. The opponent's mark must therefore be invalidated, or at least the specification (spirits) should be restricted accordingly."

21) I note that Section 6(4)(b) shown at paragraph 12 above states: "b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes". The opponent's evidence has not been challenged and the use shown is clearly genuine use in every sense of the term and within the relevant period. The mark has only been used on Gin which is clearly stated by the opponent, therefore the specification will be restricted, for the purposes of the comparison to "gin".

22) When considering the issue under section 5(2)(b) I take into account the following principles which are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P.

(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 be dominated by one or more of its components;

(f) however, it is also 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 creates a risk that the public will 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**

23) 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.

24) The goods at issue in these proceedings are all alcoholic beverages. The average consumer for such goods will be the public at large who are over the age of 18. 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 (where the goods are displayed on, for example, shelves behind the bar and where the trade marks will appear on dispensers at the bar 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.”

25) Consequently, while the goods may be ordered orally in public houses, 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.

26) Whilst the applicants accept this in their written submissions, they contend that the average consumer for the opponent’s goods will be “a sophisticated and circumspect consumer applying a high degree of attention to the purchasing decision. Such a drinker will likely purchase personally from a specialist liquor store or from a bar (in line of sight)”. Gin even London dry gin is nothing out of the ordinary, in fact quite the contrary, it is the standard gin sold in the UK under well-known labels such as Gordon’s, Beefeater and Bombay. Such products are found in virtually every pub, restaurant and supermarket as well as off-licences. They are no more the preserve of sophisticated drinkers than any other form of standard alcoholic drink such as vodka, whisky etc. I accept that there are more specialist and more expensive gins available in the market and that the consumer for these will pay a higher level of attention to the selection. However, as the specification is for gin in general I must take into account both expensive and cheaper versions. Turning now 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 at least a reasonable level of attention to the selection of the goods at issue.**

**Comparison of goods**

27) The opposition is in respect of the class 33 specification only, therefore the goods to be compared in the instant case are:

Applicants’ goods in Class 33	Opponent’s goods in Class 33:
Alcoholic beverages [except beers]; alcoholic beverages containing fruit; alcoholic essences; alcoholic extracts; alcoholic coolers; anise [liqueur]; anisette [liqueur]; aperitifs; arak [arrack]; bitters; botanical-based alcoholic beverages; brandy; cider; cocktails; curacao; digesters [liqueurs and spirits]; distilled beverages; fruit extracts, alcoholic; gin; hydromel [mead]; kirsch; liqueurs; peppermint liqueurs; perry; piquette; pre-mixed alcoholic beverages, other than beer-based; rice alcohol; rum; sake; sherry; spirits [beverages]; spirits and drinks having a base of spirits; vodka; whisky; malt whisky; blended whisky; whisky based liqueurs; whisky for export; wine; wine; sparkling wine; sparkling alcoholic drinks; fortified wine; liqueurs; drinks containing wine; mixtures containing all of the aforesaid.	Gin

28) When making the comparison, all relevant factors relating to the goods in the specifications should be taken into account. In *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer*, the CJEU stated at paragraph 23 of its judgement:

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

29) Guidance on this issue has also come from Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, where he identified the factors for assessing similarity as:

- a) The respective users of the respective goods or services;
- b) The physical nature of the goods or acts of services;
- c) The respective trade channels through which the goods or services reach the market;
- d) In the case of self serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- e) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

30) In *YouView TV Ltd v Total Ltd*, [2012] EWHC 3158 (Ch), Floyd J. (as he then was) stated that:

“... Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 *The Chartered Institute of Patent Attorneys (Trademarks) (IP TRANSLATOR)* [2012] ETMR 42 at [47]-[49]. Nevertheless the principle should not be taken too far. *Treat* was decided the way it

was because the ordinary and natural, or core, meaning of 'dessert sauce' did not include jam, or because the ordinary and natural description of jam was not 'a dessert sauce'. Each involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question”.

31) As for whether the goods are complementary, in *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06, the GC stated that “complementary” means:

“...there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking”.

32) In relation to complementarity, I also bear in mind the guidance given by Mr Daniel Alexander QC, sitting as the Appointed Person, in case BL O/255/13 *LOVE* where he warned against applying too rigid a test:

“20. In my judgment, the reference to “legal definition” suggests almost that the guidance in Boston is providing an alternative quasi-statutory approach to evaluating similarity, which I do not consider to be warranted. It is undoubtedly right to stress the importance of the fact that customers may think that responsibility for the goods lies with the same undertaking. However, it is neither necessary nor sufficient for a finding of similarity that the goods in question must be used together or that they are sold together. I therefore think that in this respect, the Hearing Officer was taking too rigid an approach to Boston”.

33) In addition to the case law cited, above, I note that in *Bodegas Montebello, SA v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-430/07, the General Court (GC) found that rum and wine were “manifestly different” (its analysis is at paragraphs 29-37). This was based on an assessment of the different ingredients and methods of production, which result in end products different in taste, colour and aroma. In addition, it noted that wine is often drunk with a meal, while that is not generally the case for rum, and that the goods have a markedly different alcohol content. Although the Court accepted that rum and wine may share the same distribution

channels, it considered that the goods would not generally be sold on the same shelves and that the goods were neither complementary nor in competition.

34) The applicants contended:

“17. The opponent’s mark is registered in class 33 only for “spirits”. The mark applied for seeks registration in classes 30, 32 and 33. The opponent has opposed class 33 only. While it could be said that there is some similarity (but not enough for the purpose of s5(2)(b)) between the nature of the goods specified by the applicants in class 33 and the term spirits, it would be somewhat artificial to consider the mark applied for without the context of its full specification. While the intended purpose of spirits in class 33 is to be consumed by drinking, the full specification of the mark applied for allows for products such as chocolates filled with alcoholic beverages which would be eaten rather than drunk. The method of use – bottled for drinking as opposed to a filing, would therefore also be different. Such goods would not be obtained from the same provider and there would be distinct trade channels. Such goods would not be in competition with one another.”

35) It is clear from these comments that the applicants do not understand the fundamental nature of the comparison. It does not include considering the specification in the round but is a forensic comparison between one set of goods and another individually. To my mind the applicants’ goods fall into three categories. The first are a group of descriptions which either are clearly identical (gin) or can include gin within their meaning. I therefore find the following to be identical to the opponent’s specification:

“Alcoholic beverages [except beers]; alcoholic beverages containing fruit; alcoholic essences; alcoholic extracts; alcoholic coolers; aperitifs; botanical-based alcoholic beverages; digesters [liqueurs and spirits]; distilled beverages; fruit extracts, alcoholic; gin; pre-mixed alcoholic beverages, other than beer-based; spirits [beverages]; spirits and drinks having a base of spirits; sparkling alcoholic drinks; mixtures containing all of the aforesaid.”

36) The next group are spirits which are similar to “gin” in that they are spirits which tend to be drunk in the same circumstances as gin, and would be found alongside gin on supermarket shelves as well as in optics in a pub. They would have the same trade channels and be in competition with gin. I

therefore regard the following items within the applicants' specification as highly similar to the goods of the opponent.

“anise [liqueur]; anisette [liqueur]; arak [arrack]; bitters; brandy; cocktails; curacao; kirsch; liqueurs; peppermint liqueurs; rice alcohol; rum; sake; vodka; whisky; malt whisky; blended whisky; whisky based liqueurs; whisky for export; liqueurs; mixtures containing all of the aforesaid.”

37) The next group of goods are wines or concoctions of wine

“sherry; wine; sparkling wine; fortified wine; drinks containing wine; piquette; hydromel [mead]; mixtures containing all of the aforesaid

38) It is clear from the authorities quoted earlier in this decision that wines and spirits are not similar (see paragraph 33 above). This leaves only “cider; perry; mixtures containing all of the aforesaid”. These are goods which are more akin to beer in that they tend to be long drinks more designed to quench a thirst than sipped. They are frequently sold pre-chilled to achieve this intended purpose. They tend to be sold on different shelves to spirits, can have different trade routes and generally are not in competition with spirits. I find these goods not similar to the opponent's goods.

39) For the sake of clarity I produce a table showing my findings regarding the similarity of the applicants' goods to those of the opponent.

Identical	Highly similar	Not similar
Alcoholic beverages [except beers]; alcoholic beverages containing fruit; alcoholic essences; alcoholic extracts; alcoholic coolers; aperitifs; botanical-based alcoholic beverages; digesters [liqueurs and spirits]; distilled beverages; fruit extracts, alcoholic; gin; pre-mixed alcoholic beverages, other than beer-based; spirits [beverages]; spirits and drinks having a base of	anise [liqueur]; anisette [liqueur]; arak [arrack]; bitters; brandy; cocktails; curacao; kirsch; liqueurs; peppermint liqueurs; rice alcohol; rum; sake; vodka; whisky; malt whisky; blended whisky; whisky based liqueurs; whisky for export; liqueurs; mixtures containing all of the aforesaid.”	sherry; wine; sparkling wine; fortified wine; drinks containing wine; piquette; hydromel [mead]; cider; perry; mixtures containing all of the aforesaid”.

spirits; sparkling alcoholic drinks; mixtures containing all of the aforesaid.”		
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40) On 11 October 2017 the applicants filed a fall-back position in respect of their Class 33 specification which is the addition of the words “none of aforesaid relating to London Dry Gin for export”. However, this does not assist the applicants as my findings would not be altered as the specification would still include gin and goods closely related to gin.

**Comparison of trade marks**

41) It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by them, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

“.....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

42) It would be wrong, therefore, artificially to dissect the trade marks, although, it is necessary to take into account their distinctive and dominant components and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by them. The trade marks to be compared are:

Opponent’s trade mark	Applicants’ trade mark
	<p><b>TRADERS CHOICE</b></p>

43) Clearly, the two marks of the opponent differ only in that one is in colour, although no colour claim is made. They can therefore be regarded as identical. The applicant contends that the opponent's "rules" regarding the use of the mark should be taken into consideration. This is not correct as it is for the opponent to determine how its uses its mark and whether the colours and fonts alter is not something which is governed by the IPO, but merely taken into account when considering whether the mark used is as registered or something which do not alter its distinctive character. For the purposes of the comparison test I must consider all normal and fair use of the marks as registered. The applicant points out the obvious visual and aural differences and contends that there is a considerable conceptual difference, and then relies upon the background story set out by the opponent in how its mark evolved. The problem with this approach is that the average consumer will not be aware of the background to the mark and will simply react to what they see.

44) Visually the applicants' mark consists of two words, whereas the opponent's mark has a device element and four words. Aurally the marks share the first word "Traders", albeit that they then differ with none of the remaining words sounding alike. Whilst the opponent's mark has at the top a device element, it is simply an old sailing ship battling through waves. It is smaller than the word "Traders" and given the accepted view that words usually speak louder than devices, in the instant case the word "Traders" is the dominant element of the mark. This is not to ignore the device element, but it will be given less importance by the average consumer than the clear reference to the origin of the goods the brand name "Traders". Equally the other words in the mark will be seen as being descriptive. The words "Dry Gin" describe both the contents and together with the word "Company" provide the full name of the company responsible for the product. Similarly, the applicant's mark has the word "Traders" as its dominant element, as when the word "choice" is put on items of food or drink it implies that it is not a noun but an adjective which is suggesting that the contents are superior or of the finest quality. Conceptually, both marks give a message, but one is of finer quality. This is something that is seen regularly from purveyors of food and drink. I also note that the applicants' mark has no apostrophe after "TRADER" as one would expect if it was likely to be understood as "the choice of a trader" rather than "traders fine quality". The term "traders" may suggest a merchant from times gone by who engages in buying and selling goods, or as the applicant suggests bring to mind a city trader. Personally I doubt the latter will occur too many, but whichever image it conjures, both marks will conjure up the same image to each individual. They are conceptually highly similar. **Overall the marks are similar to at least a medium degree.**

## Distinctive character of the earlier trade mark

45) In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated that:

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

46) I have dealt with the dominant element of the opponent’s mark earlier in this decision. The mark consists of a device and the words “Traders Dry Gin Company”. Clearly the words “Dry gin” describe the product and also, with the word “company” provide the full name of the producer of the goods. As such the term Traders is the dominant element and this has no meaning for the goods in the instant case which is gin. As the word “Traders” is a recognisable dictionary word **I regard the earlier mark as being of average inherent distinctiveness, but one which cannot benefit from enhanced distinctiveness through use.** This is because whilst the opponent has provided evidence of use it has not put this use into context in terms of market share, nor has it shown any advertising material or evidence from independent witnesses.

## Likelihood of confusion

47) 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 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 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 average consumer is a member of the general public over eighteen years of age (including businesses), who will select the goods by predominantly visual means, although not discounting aural considerations and that they will pay at least a reasonable degree of attention to the selection of such items.
- the opponent's marks have an average degree of inherent distinctiveness but cannot benefit from an enhanced distinctiveness through use.
- The marks of the two parties are similar to at least a medium degree.
- The applicants' goods, when compared to the opponent's goods fall into three categories as shown below:

Identical	Highly similar	Not similar
Alcoholic beverages [except beers]; alcoholic beverages containing fruit; alcoholic essences; alcoholic extracts; alcoholic coolers; aperitifs; botanical- based alcoholic beverages; digesters [liqueurs and spirits]; distilled beverages; fruit extracts, alcoholic; gin;	anise [liqueur]; anisette [liqueur]; arak [arrack]; bitters; brandy; cocktails; curacao; kirsch; liqueurs; peppermint liqueurs; rice alcohol; rum; sake; vodka; whisky; malt whisky; blended whisky;	sherry; wine; sparkling wine; fortified wine; drinks containing wine; piquette; hydromel [mead]; cider; perry; mixtures containing all of the aforesaid".

pre-mixed alcoholic beverages, other than beer-based; spirits [beverages]; spirits and drinks having a base of spirits; sparkling alcoholic drinks; mixtures containing all of the aforesaid.”	whisky based liqueurs; whisky for export; liqueurs; mixtures containing all of the aforesaid.”	
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48) It is easy to envisage a situation whereby an average consumer is standing in the alcohol section of a supermarket and sees a bottle of spirits with the applicants’ mark upon it and shortly after views a bottle of the opponent’s gins. Although that of the opponent has additional elements such as the device element and the words “Dry Gin Company” which will be noticed by the consumer they will, in my view, undoubtedly believe that the products are manufactured by the same company. In view of this and the above, and allowing for the concept of imperfect recollection, there is a likelihood of consumers being confused into believing that the goods considered identical or similar applied for under the mark in suit and provided by the applicant are those of the opponent or provided by some undertaking linked to it. **The opposition under Section 5(2) (b) in respect of the following goods therefore succeeds.**

“Alcoholic beverages [except beers]; alcoholic beverages containing fruit; alcoholic essences; alcoholic extracts; alcoholic coolers; aperitifs; botanical-based alcoholic beverages; digesters [liqueurs and spirits]; distilled beverages; fruit extracts, alcoholic; gin; pre-mixed alcoholic beverages, other than beer-based; spirits [beverages]; spirits and drinks having a base of spirits; sparkling alcoholic drinks; anise [liqueur]; anisette [liqueur]; arak [arrack]; bitters; brandy; cocktails; curacao; kirsch; liqueurs; peppermint liqueurs; rice alcohol; rum; sake; vodka; whisky; malt whisky; blended whisky; whisky based liqueurs; whisky for export; liqueurs; mixtures containing all of the aforesaid.”

49) However, as it is not usual for producers of spirits to also produce wines and similar drinks under the same trade mark, the opposition **under section 5(2)(b) in respect of the goods listed below fails.**

“sherry; wine; sparkling wine; fortified wine; drinks containing wine; piquette; hydromel [mead]; cider; perry; mixtures containing all of the aforesaid”.

## CONCLUSION

50) The opposition was only partly successful and was also restricted to the applicant's goods in Class 33. The mark will continue to registration in respect of:

In Class 30: Sweets, candy, confectionery, chocolate products, pralines filled with spirits or wines; ice confectionery and ices made with spirits or wines; confectionery; sugar; honey; spices; sweets; desserts; puddings; muffins; cakes; non-medicated confectionery; candy; coffee; artificial coffee; coffee beans; tea; green tea; tea bags; loose tea; tea pods; herbal teas; tea products; tea beverages; fruit teas; fruit flavoured teas; infusions; tea extracts and essences; tea products; instant tea; ready to drink tea products; preparations made from or containing tea; tea substitutes; tea-based beverages; iced tea; cocoa; chocolate; products made or containing chocolate; chocolate based drinks; hot chocolate; products made primarily from chocolate; candy; frozen confections; chilled confections; ice; edible ices; ices; ice cream; ice cream products and frozen confections; preparations for making ices, ice cream, ice cream products and frozen confections; frozen yogurt; biscuits; shortbreads; sauces [condiments]; mustard; vinegar; preparation for making sauces; salad dressings; mustard relishes; marinades; mousses; treacle; flavourings other than essential oils; sauces; chutneys; fruit sauces; vinaigrettes; dressings.

In Class 32: Aerated water; aerated water (preparations for making -); aerated beverages; aloe vera drinks, non-alcoholic; aperitifs, non-alcoholic; beer; beers; shandy; beer wort; non-alcoholic beers; beverages (preparations for making -); cider, non-alcoholic; cocktails, non-alcoholic; de-alcoholised drinks; essences for making beverages; fruit beverages; fruit juices; fruit nectars, non-alcoholic; ginger ale; grape must, unfermented; hops (extracts of -) for making beer; isotonic beverages; kvass [non-alcoholic beverage]; lemonades; liqueurs (preparations for making -); lithia water; malt beer; malt wort; milk of almonds [beverage]; mineral water [beverages]; mineral water (preparations for making -); must; non-alcoholic beverages; non-alcoholic fruit extracts; non-alcoholic fruit juice beverages; non-alcoholic honey-based beverages; orgeat; pastilles for effervescing beverages; peanut milk [non-alcoholic beverage]; powders for effervescing beverages; sarsaparilla [non-alcoholic beverage]; seltzer water; smoothies; soda water; sorbets [beverages]; syrups and other preparations for making beverages; syrups for beverages; syrups for lemonade; table waters; tomato juice [beverage]; vegetable juices [beverages]; waters [beverages]; whey beverages; non-alcoholic wines.

In Class 33: Sherry; wine; sparkling wine; fortified wine; drinks containing wine; piquette; hydromel [mead]; cider; perry; mixtures containing all of the aforesaid.

## **COSTS**

51) As the opponent has been mostly successful it is entitled to a contribution towards its costs.

Expenses	£200
Preparing a statement and considering the other side's statement	£300
Preparing evidence and considering the evidence of the applicants	£800
Providing written submissions	£800
<b>TOTAL</b>	<b>£2100</b>

52) I order Philip Adamson Hannay and Laura Anne Scanlan Hannay to pay Inver House Distillers Limited the sum of £2100. This sum to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

**Dated this 21<sup>st</sup> day of December 2017**

**George W Salthouse**  
**For the Registrar,**  
**the Comptroller-General**