

O/072/22

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. UK00003607799

BY DANIEL DYER TO REGISTER THE FOLLOWING TRADE MARK:



IN CLASS 33

AND

IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 600001760 BY LEE CHARLES BURTON

Background and Pleadings

1. On 10 March 2021, Daniel Dyer ('the Applicant') filed an application to register the trade mark shown on the cover page of this Decision, number UK00003607799. The application was published for opposition purposes in the *Trade Marks Journal* on 28 May 2021. Registration is sought in respect of the following class 33 goods:

Class 33: *Spirits; Spirits [beverages]; Distilled spirits; Rum [alcoholic beverage]; Alcoholic beverages of fruit; Low alcoholic drinks; Gin; Vodka; Whisky.*

2. On 4 June 2021, the application was opposed under the fast track opposition procedure by Lee Charles Burton ('the Opponent') based on section 5(2)(b) of the Trade Marks Act 1994 ('the Act'). The Opposition is directed against all of the Applicant's class 33 goods. The Opponent relies on the following earlier trade mark registration for its section 5(2)(b) ground:

UK00003239018



Filing Date: 22 June 2017

Date of entry in register: 22 September 2017

Relying on its goods in class 33:

Class 33: *Japanese white liquor (shochu); Japanese white liquor [shochu]; Kirsch; Korean distilled spirits (soju); Korean traditional rice wine (makgeoli); Liqueurs; Liqueurs containing cream; Liquor-based aperitifs; Low alcoholic drinks; Low-alcoholic wine; Malt whisky; Mead [hydromel]; Mulled wine; Mulled wines; Natural sparkling wines; Naturally sparkling wines; Nira [sugarcane-based alcoholic beverage]; Peppermint liqueurs; Perry; Piquette; Potable spirits; Pre-mixed alcoholic beverages; Pre-mixed alcoholic beverages, other than beer-based; Preparations for making alcoholic beverages; Prepared alcoholic cocktails; Prepared wine cocktails; Red ginseng liquor; Red wine; Red wines; Rice alcohol; Rose wines; Rum; Rum [alcoholic beverage]; Rum infused with vitamins; Rum punch; Rum-based beverages; Sake; Sake substitutes; Sangria; Schnapps; Scotch whisky; Scotch whisky based liqueurs; Sherry; Shochu (spirits); Sorghum-based Chinese spirits; Sparkling fruit wine; Sparkling grape wine; Sparkling red wines; Sparkling white wines; Sparkling wine; Sparkling wines; Spirits; Spirits and liquors; Spirits [beverages]; Still wine; Strawberry wine; Sugar cane juice rum; Sweet cider; Sweet wine; Sweet wines; Table wines; Tonic liquor containing herb extracts (homeishu); Tonic liquor containing mamushi-snake extracts (mamushi-zake); Tonic liquor flavored with japanese plum extracts (umeshu); Tonic liquor flavored with pine needle extracts (matsuba-zake); Vermouth; Vodka; Whiskey; Whiskey [whisky]; Whisky; White wine; White wines; Wine; Wine coolers [drinks]; Wine punch; Wine-based aperitifs; Wine-based drinks; Wines; Wines of protected appellation of origin; Wines of protected geographical indication; Yellow rice wine; Absinthe; Acanthopanax wine (Ogapiju); Aguardiente [sugarcane spirits]; Alcohol (Rice -); Alcoholic aperitif bitters; Alcoholic beverages containing fruit; Alcoholic beverages, except beer; Alcoholic beverages (except beer); Alcoholic beverages except beers; Alcoholic beverages*

(except beers); Alcoholic beverages of fruit; Alcoholic bitters; Alcoholic carbonated beverages, except beer; Alcoholic cocktail mixes; Alcoholic cocktails; Alcoholic cocktails containing milk; Alcoholic cocktails in the form of chilled gelatins; Alcoholic coffee-based beverage; Alcoholic cordials; Alcoholic egg nog; Alcoholic energy drinks; Alcoholic essences; Alcoholic extracts; Alcoholic fruit beverages; Alcoholic fruit cocktail drinks; Alcoholic fruit extracts; Alcoholic jellies; Alcoholic punches; Alcoholic tea-based beverage; Alcopops; Amontillado; Anise [liqueur]; Anisette; Anisette [liqueur]; Aperitif wines; Aperitifs; Aperitifs with a distilled alcoholic liquor base; Arak; Arak [arrack]; Arrack; Arrack [arak]; Baijiu [Chinese distilled alcoholic beverage]; Beverages (Alcoholic -), except beer; Beverages containing wine [spritzers]; Beverages (Distilled -); Bitters; Black raspberry wine (Bokbunjaju); Blackcurrant liqueur; Blended whisky; Bourbon whiskey; Brandy; Cachaca; Calvados; Canadian whisky; Cherry brandy; Chinese brewed liquor (laojiou); Chinese mixed liquor (wujiapie-jiou); Chinese spirit of sorghum (gaolian-jiou); Chinese white liquor (baiganr); Chinese white liquor [baiganr]; Cider; Ciders; Cocktails; Coffee-based liqueurs; Cooking brandy; Cooking wine; Cordials [alcoholic beverages]; Cream liqueurs; Curacao; Dessert wines; Digesters [liqueurs and spirits]; Distilled beverages; Distilled rice spirits [awamori]; Distilled spirits; Distilled spirits of rice (awamori); Dry cider; Edible alcoholic beverages; Extracts of spiritous liquors; Fermented spirit; Flavored tonic liquors; Fortified wines; Fruit (Alcoholic beverages containing -); Fruit extracts, alcoholic; Fruit wine; Gaolian-jiou [sorghum-based Chinese spirits]; Gin; Ginseng liquor; Grape wine; Grappa; Herb liqueurs; Hullless barley liquor; Hydromel [mead]; Japanese liquor containing herb extracts; Japanese liquor containing mamushi-snake extracts; Japanese liquor flavored with Japanese plum extracts; Japanese liquor flavored with pine needle extracts; Japanese regenerated liquors (naoshi); Japanese sweet grape wine containing extracts of

ginseng and cinchona bark; Japanese sweet rice-based mixed liquor (shiro-zake); Japanese sweet rice-based mixed liquor [shiro-zake].

3. The Opponent claims that the Applicant's mark is similar to its earlier mark and for identical or similar goods, leading to a likelihood of confusion on the part of the average consumer.
4. The Applicant filed a Defence and Counterstatement in which it denies that there would be a likelihood of confusion between the respective marks.
5. The Opponent is represented by Urquhart-Dykes & Lord LLP; the Applicant is represented by Tennant IP Limited.
6. Rule 6 of the Trade Marks (Fast Track Opposition) (Amendment) Rules 2013, S.I. 2013 2235, disapples paragraphs 1-3 of Rule 20 of the Trade Marks Rules 2008, but provides that Rule 20(4) shall continue to apply. Rule 20(4) states that:

“(4) The registrar may, at any time, give leave to either party to file evidence upon such terms as the registrar thinks fit.”
7. The net effect of these changes is to require parties to seek leave in order to file evidence in fast track oppositions. No leave was sought in respect of these proceedings.
8. Rule 62(5) (as amended) states that arguments in fast track proceedings shall be heard orally only if (i) the Office requests it or (ii) either party to the proceedings requests it and the registrar considers that oral proceedings are necessary to deal with the case justly and at proportionate cost; otherwise, written arguments will be taken. A hearing was neither requested nor considered necessary. Neither party filed written submissions in lieu of a hearing.

Relevant dates

9. Section 6A of the Act provides that where the registration date of the earlier mark is more than 5 years prior to the application date of the applied-for mark, the Opponent may be required to prove use of the earlier mark. In the instant case, Section 6A is not engaged because the registration date of the Opponent's mark is less than five years prior to the application date of the applied-for mark, i.e. 10 March 2021. Consequently, the Opponent is entitled to rely upon its mark in respect of all of its class 33 goods.

Decision

Section 5(2)(b) of the Act and related case law

10. Section 5(2)(b) of the Act states:

“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. The following principles are derived from the decisions of the CJEU¹ 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*

¹ Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Trade Marks Act relied on in these proceedings are derived from an EU Directive. This is why this decision continues to make reference to the trade mark case-law of EU courts.

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 C120/04; *Shake 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 might believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of goods

12. The Applicant's goods, enumerated above at [1] are to be compared against the Opponent's goods, set out at [2]. All of the terms within the Applicant's class 33 specification also appear in the Opponent's class 33 specification. The Applicant's goods are therefore unequivocally identical to the Opponent's goods.

Average consumer and the purchasing act

13. The average consumer is deemed to be reasonably well-informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's

level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer*, Case C-342/97.

14. In *Hearst Holdings Inc*² Birss J. (as he then was) described the average consumer thus:

“60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The word “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

15. I consider that the average consumer of the respective goods will be predominantly the general public. I appreciate that a smaller number of purchases will be made by professional consumers in the course of their business e.g. pubs/bars and restaurants.



16. The respective goods will be purchased either as sealed goods, for consumption at a time of the purchaser’s choosing, from physical shops/supermarkets or online stores; or as ‘ready-to-drink’ beverages from a public house/bar or restaurant. Purchases made from physical shops will, in most cases, be visual in nature; the purchaser self-selecting the goods from shelves. Some purchases will be made aurally by way of requests to retail staff. In a pub or bar setting, the average consumer will order from the bar by way of aural request. There will, in many instances, nevertheless be a visual aspect to the purchasing act to the extent that the spirit optics and bottles containing other beverages on display along or near the bar will be viewed before the purchaser makes their choice.³ The average consumer may consider factors such as alcohol content and vintage

² *Hearst Holdings Inc Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch).

³ *Rani Refreshments FZCO v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-523/12 and *Simonds Farsons Cisk plc v OHIM*, Case T-3/04, both General Court.

e.g. in the case of whiskies. Some alcoholic goods, particularly spirits, are expensive. Consequently, in my view, the level of attention displayed when purchasing the respective goods will be medium.

Comparison of the marks

	
Opponent's (earlier) mark	Applicant's (contested) mark

17. 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 the marks, 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.”

18. It would be wrong, therefore, to artificially dissect the trade marks, although it is necessary to take into account the distinctive and dominant components of the

marks, and to give due weight to any other features which are not negligible and, therefore, contribute to the overall impressions created by the marks.

19. The Opponent's mark is a complex mark containing a figurative element and stylised word elements. The left-hand side of the mark consists of the words 'The Spirit of Wales', with each word arranged on a separate line. The words are rendered in what might be described as a 'Celtic' font. The size of the font varies: the word 'Spirit' is in the largest font, with the word 'Wales' slightly smaller. The words 'The' and 'of' are much smaller than the other two words. This four-word element occupies about 50% of the surface area of the mark as a whole. The right-hand side of the mark comprises a complex figurative form, circular in shape. In the centre are the stylised letters 'S' and 'W', in Celtic font, appearing both entwined and overlaid; in a much larger font relative to the word 'Spirit'. The 'S' is solid black, whereas the 'W' is white with a black outline. These letters are enclosed within a circular border in a 'Celtic knot' design. An intricate dragon's head is incorporated into the border and positioned at the top of this complex figurative 'section' of the mark. The right-hand section occupies about 50% of the surface area of the mark as a whole. The left and right 'sections' of the mark are arranged side-by-side, rather than being incorporated as one unit, which, in my view, creates a visual separation between the 'sections'. The overall impression resides in the mark in its entirety. Both 'sections' will play an important visual role, with the word element on the left-hand side playing a greater role because, generally speaking, the mind 'latches' on to verbal elements first.

20. The Applicant's mark comprises word and device elements. The mark is composed of the words 'Spirit of Wales Distillery', in black, rendered in a 'joined-up' font which might be described as 'hand-writing'. The words are arranged at a slight oblique angle. The word 'Wales' is incorporated into a red fire-breathing dragon device, with the dragon's head and wing forming the beginning of the letter 'W'. The dragon's tail is formed from a flourish extending from the letter 'l'. The words 'Spirit', 'of' and 'Distillery' are in black, in much smaller font relative to the word 'Wales'. The overall impression resides in the mark in its entirety, with the word 'Wales', incorporating the dragon device, playing a more prominent visual role owing to its relative size and red colour.

21. Visual comparison

The Opponent has not offered any comment on this aspect. The Applicant has included the following comment in its Counterstatement:

The Applicant submits that the two marks are stylistically, strikingly different. Visually, the marks do not look similar. Obvious differences can be seen in the typeface and figurative elements, the positioning of elements, the interplay between figurative and word elements, and the differences in the use of colour.

22. Both marks contain the words 'Spirit of Wales', in that order, albeit in very different fonts. The Opponent's mark contains the word 'The' before the words 'Spirit of Wales', absent from the Applicant's mark. The Applicant's mark contains the word 'Distillery' after the words 'Spirit of Wales', absent from the Opponent's mark. The Opponent's mark is rendered in black and white and features a Celtic font; whereas the Applicant's mark is black and red and features a font that might be described as 'handwriting'. Both marks include a figurative element depicting a dragon, however the respective styles in which the dragons are rendered are, in my view, very different. In the Opponent's mark, the dragon's head is ornate and integrated as part of the circular Celtic knot design surrounding the letters 'SW'. There is no interplay between the dragon and the text element 'The Spirit of Wales'. In the Applicant's mark, on the other hand, the dragon is a much simpler design consisting of an outlined dragon shape with a solid red infill. The word 'Wales' is integrated into the dragon device.

Other points of difference are:

- The word and figurative elements of the Opponent's mark are arranged side-by-side rather than being integrated in one 'unit'; whereas in the Applicant's mark, there is interplay between the word and device elements, thus unifying them.
- The presence of the 'SW' text within the circular Celtic knot in the Applicant's mark, absent from the Opponent's mark.

23. Consequently, I find that the level of visual similarity between the respective marks is low.

24. Aural comparison

The Opponent has not offered any comment on this aspect. The Applicant has made the following comment in its Counterstatement:

Aurally, the stylised marks have little comparison outside of the descriptive, word elements.

25. The Opponent's mark will be articulated as 'The-*Spi*-rit-of-Wales', with the emphasis on the second syllable. I do not consider that the 'SW' element within the circular element will be articulated by the average consumer. In my view, some consumers might also neglect to articulate the word 'The'. The Applicant's mark will be articulated as '*Spi*-rit-of-Wales', with the emphasis on the first syllable. I consider it unlikely that the average consumer will articulate the word 'Distillery' due to its descriptiveness, though a small number of consumers may articulate it. The '*Spi*-rit-of-Wales' element is present in both marks and is aurally identical.

26. Consequently, I find the following:

- If the average consumer articulates the earlier mark as 'The-*Spi*-rit-of-Wales' and the applied for mark as 'The-*Spi*-rit-of-Wales' (without articulating 'Distillery'), then the marks will be highly aurally similar.
- If the 'Distillery' element of the Applied-for mark is articulated, then the marks will have a medium level of aural similarity.
- If the average consumer neglects to articulate the 'The' element of the Opponent's marks, and also neglects to articulate the 'Distillery' element of the Applied-for mark, then the respective marks will be aurally identical.

27. Conceptual comparison

The Opponent has not offered any comment on this aspect. The Applicant has made the following comment in its Counterstatement:

Conceptually, the respective stylisations of the marks are very different. The prior registration has a celtic theme, with medieval style typography and the use of a separate, figurative element of a celtic band surrounding the interlinked letters S and W. The band contains a stylised creature's head only at the top of the mark, however there are no further features that relate to the creature present.

28. Both marks are comprised of words found in the English dictionary, with which the average consumer will be very familiar. The word 'Spirit' has several senses⁴:

- A part of the person that is not physical and that consists of one's character and feelings; synonyms including 'soul', 'life', 'psyche';
- The non-physical part of a person that is believed to subsist after death;
- A ghost or supernatural being;
- The courage or determination with which people survive in the face of adversity, synonyms including, *inter alia*, 'courage', 'grit', 'guts';
- Liveliness and energy, synonyms including 'vigour', 'energy';
- The attitude that one has in a particular endeavour;
- One's 'spirits' are one's feelings at a particular time;
- A set of ideas, beliefs and aims that are held by a group of people;
- The feeling of loyalty to a group that is shared by members of that group;
- A strong alcoholic drink such as whisky or gin.

The word 'Wales' will be understood as referring to the country within the United Kingdom.

29. Dealing with the Opponent's mark first, it is my view that 'The Spirit of Wales' will be perceived by the average consumer as having a deliberately dual meaning. It will, to my mind, on the one hand, convey the idea of the 'spirit' of Wales in the sense of the history, culture and outlook of the country. The presence of the Celtic knot design element, together with the Celtic style font, conjures a notion of tradition and invokes the idea of drinks crafted using long-standing and authentic Welsh methods. The word 'Spirit' will also be perceived as a reference to 'spirits' as alcoholic beverages. The dragon device reinforces the notion of quintessential

⁴ <https://www.collinsdictionary.com/dictionary/english/spirit>, accessed 26 January 2022 at 09:45.

'Welshness' owing to its culturally iconic status as an often-used symbol of Wales. The 'SW' element will simply be understood as the initials for 'Spirit' and 'Wales' and will not add any further concept. In my view, the average consumer will be fairly accustomed to seeing marks involving a 'play on words' and the presence of the word 'The' at the beginning of the mark will, to my mind, 'nudge' the consumer towards perceiving 'spirit' in the sense of a sentiment, as well as a literal reference to the goods sold under the mark.

30. I now consider the Applicant's mark. The word 'Distillery' will be understood simply as the facility at which the production of spirit beverages (i.e. the process of distillation) takes place. In my view, with the exception of my comments on the 'Celtic' aspect, this mark will also convey the ideas set out above. However, the presence of the word 'Distillery' may, in my view, lead the average consumer to, in the first instance, perceive 'spirit' as a reference to spirit beverages. I nevertheless consider that the average consumer will also, perhaps as a secondary thought, perceive 'spirit' as a sentiment.

31. Consequently, I find that the respective marks are conceptually similar to a high degree.

Distinctive character of the earlier mark

32. *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).”

33. The Opponent’s mark is comprised of dictionary words with which the average consumer will be very familiar. The word ‘Spirit’ is descriptive of alcoholic beverages. However, I consider that the use of the word ‘spirit’ with the other words in the mark creates a dual meaning i.e. a play on words. Consequently, I find the earlier mark to be inherently distinctive to an average degree.

34. The Opponent has not adduced any evidence to enhance the level of inherent distinctive character.

Likelihood of confusion

35. Confusion can be direct or indirect. Mr Iain Purvis Q. C., as the Appointed Person, explained the difference in the decision of *L.A. Sugar Limited v By Back Beat Inc*⁵. Direct confusion occurs when one mark is mistaken for another. In *Lloyd Schuhfabrik*⁶, the CJEU recognised that the average consumer rarely encounters the two marks side by side but must rely on the imperfect picture of them that he has in his mind. Direct confusion can therefore occur by imperfect

⁵ Case BL O/375/10 at [16].

⁶ *Lloyd Schuhfabrik Meyer and Co GmbH v Klijsen Handel BV* (C-34297) at [26].

recollection when the average consumer sees the later mark before him but mistakenly matches it to the imperfect image of the earlier mark in his 'mind's eye'. Indirect confusion occurs when the average consumer recognises that the later mark is indeed different from the earlier mark, but, concludes that the later mark is economically linked to the earlier mark by way of being a 'sub brand', for instance.

36. Before arriving at my decision, I must make a global assessment taking into account all of the relevant factors, including the principles a) – k) set out above at [11].

37. The purchasing act will, in most cases, be primarily visual, therefore the visual aspect of the marks will play a more prominent role in the average consumer's perception of the marks.⁷

38. When considering all relevant factors 'in the round', I must bear in mind that a greater degree of similarity between goods *may* be offset by a lesser degree of similarity between the marks, and vice versa.

25. The respective goods are identical. The marks have only a low level of visual similarity. How the marks are seen is of particular importance here because, in most instances, the average consumer's first encounter with the marks will be visual. The marks will be aurally identical if the average consumer neglects to articulate the 'The' element of the Opponent's mark, and also neglects to

⁷ In *New Look Limited v OHIM*⁷ the General Court stated that:

"49. ...it should be noted that in the global assessment of the likelihood of confusion, the visual, aural or conceptual aspects of the opposing signs do not always have the same weight. It is appropriate to examine the objective conditions under which the marks may be present on the market...";

In *Quelle AG v OHIM*, Joined cases T-117/03 to T-119/03 and T-171/03, the general Court held that:

"68..... If the goods covered by the marks in question are usually sold in self-service stores where consumers choose the product themselves and must therefore rely primarily on the image of the trade mark applied to the product, the visual similarity between the signs will as a general rule be more important. If on the other hand the product covered is primarily sold orally, greater weight will usually be attributed to any phonetic similarity between the signs."

articulate the 'Distillery' element of the Applied-for mark. Conceptually speaking, the marks are highly similar. However, I consider that the visual differences between the marks are sufficiently marked to rule out the likelihood of direct confusion. I find this to be the case even though the respective goods are identical, and even though the earlier mark has an average level of inherent distinctive character.

26. I now consider whether there is a likelihood of indirect confusion. The marks are conceptually similar to a high level.

27. I have found the Opponent's mark to be inherently distinctive to an average degree. The CJEU held in *Sabel*⁸ that:

"24. The more distinctive the earlier mark, the greater will be the likelihood of confusion."⁹

The distinctive character of the earlier mark derives from the dual meaning of the word 'Spirit' which is brought about by the remaining words in the mark.

28. In *Whyte and Mackay*¹⁰ it was held that where an average consumer perceives that a composite mark consists of two or more elements, one of which has a distinctive significance independent of the mark as a whole, confusion may occur as a result of the similarity/identity of that element to the earlier mark. In the instant case, the 'Spirit of Wales' element has retained its independent distinctive role involving a 'play on words'.

⁸ *Sabel BV v Puma AG* (C-251/95), [1998] E. T. M. R. 1 (1997) at [24].

⁹ This principle was given an important qualification by Mr Iain Purvis Q.C, as the Appointed Person, in the decision of *Kurt Geiger v A-List Corporate Limited*, BL O-075-13:

"39. It is always important to bear in mind what it is about the earlier mark which gives it distinctive character. In particular, if distinctiveness is provided by an aspect of the mark which has no counterpart in the mark alleged to be confusingly similar, then the distinctiveness will not increase the likelihood of confusion at all. If anything, it will reduce it."

¹⁰ *Whyte and Mackay Ltd v Origin Wine UK Ltd and Another* [2015] EWHC 1271.

29. The respective marks share three words. I consider that the visual perception of the word 'The' in the Opponent's mark, and the word 'Distillery' in the Applicant's mark will be somewhat diminished. The 'The' at the beginning of the Opponent's mark will be easily overlooked by reason of the small size of font relative to the other elements of the mark. The word 'Distillery' in the Applicant's mark will be seen as descriptive. The conceptual message of the respective marks is highly similar because both marks contain 'Spirit of Wales' and feature a depiction of a dragon.

39. In my view, the culmination of these factors will result in a significant proportion of average consumers recognising that the marks are not the same but concluding that they relate to the same or economically-linked undertakings, e.g. variant or up-dated marks used by the same or a linked economic undertaking.

Conclusion

40. The Opposition succeeds in full. Subject to any successful appeal against this Decision, the application is refused.

COSTS

41. The Opponent has been successful and is entitled to a contribution towards its costs. Awards of costs in fast track opposition proceedings are governed by Tribunal Practice Notice 2/2015. Using that TPN as a guide, I award costs to the Opponent on the following basis:

Preparation of statement and consideration of the Applicant's statement:	£200
Opposition fee:	£100
Total:	£300

42. I therefore order Daniel Dyer to pay to Lee Charles Burton the sum of £300. This sum is to be paid within twenty-one days of the expiry of the appeal period or within twenty-one days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 27th day of January 2022

**Mx N. R. Morris
For the Registrar,
the Comptroller-General**