

O/1193/24

TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK APPLICATION
NO. 3894608
BY SPIRIT OF THE OASIS LIMITED
TO REGISTER THE TRADE MARK (SERIES OF THREE):

PALMARÁE
PALMÁRAE
PALMARÁE

IN CLASS 33

AND

OPPOSITION THERETO
UNDER NO. 441258 BY
W.H.PALMER & CO. (INDUSTRIES) LIMITED

BACKGROUND & PLEADINGS

1. Spirit of the Oasis Limited (“**the applicant**”) applied to register the trade mark shown on the front page of this decision in the United Kingdom on 29 March 2023. It was accepted and published in the Trade Marks Journal on 14 April 2023 for the following goods:

Class 33: Gins.

2. For ease of reference, I will refer to the series of the contested marks as “**the contested mark**”, unless it becomes necessary to differentiate between the marks which comprise the series.
3. On 9 June 2023, W.H.Palmer & Co. (Industries) Limited (“**the opponent**”) opposed the application on the basis of Section 5(2)(b) of the Trade Marks Act 1994 (“the Act”)¹. The opponent is the proprietor of the UK registration number 3152607 for the following mark:

PALMERS

4. The opponent’s mark was filed on 2 March 2016 and registered on 8 July 2016 for the following goods:

Class 33: Spirits, liqueurs; gin.

5. For the purposes of this opposition, the opponent relies only on the term “*gin*” as covered by the earlier specification.

¹ The provisions of the Act relied upon in these proceedings are assimilated law, as they are derived from EU law. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 (as amended by Schedule 2 of the Retained EU Law (Revocation and Reform) Act 2023) requires tribunals applying assimilated law to follow assimilated EU case law. That is why this decision refers to decisions of the EU courts which predate the UK’s withdrawal from the EU.

6. In summary, the opponent in its notice of opposition claims that the contested mark is highly similar visually and aurally to the opponent's mark. It also asserts that "the extent that either mark has a conceptual meaning, that is held in the element PALM which is contained in both marks". Also, it claims that the competing goods are identical, and there exists a likelihood of confusion.
7. The applicant filed a defence and counterstatement and put the opponent to proof of use of the earlier mark relied upon, denying the opponent's claims. Although the applicant admits that the goods in the competing specifications are identical, it claims that there is no real risk of likelihood of confusion because the applicant's mark is distinguishable from the opponent's mark.

Papers filed and Representation

The opponent's evidence in chief

8. The opponent's evidence consists of a witness statement dated 30 October 2023 from Natalie Wallis, the Commercial Manager of Alcohols Limited (a subsidiary of the opponent) and of the opponent, a position which she has held since July 2022 and July 2015, respectively. Ms Wallis's evidence is accompanied by 9 Exhibits (NW1-NW9). Ms Wallis's evidence is directed to establishing genuine use of the earlier mark.

The applicant's evidence in chief

9. The applicant's evidence consists of a witness statement dated 19 December 2023 from Oliver Horner, the Director of the applicant. Mr Horner's evidence is accompanied by 14 Exhibits (OH1-OH14).

The opponent's evidence in reply

10. The opponent's evidence in reply consists of a witness statement dated 2 April 2024 from Clare Victoria Turnbull, Partner of Venner Shipley (the representative of the opponent). Ms Turnbull's evidence is accompanied

by 2 Exhibits (CVT1-CVT2). These contain the results of trade mark searches for “gin” goods that involve the initial letters “PALM-”.

11. Whilst I have read the evidence in full, I do not propose to reproduce or summarise it here but will refer to the salient points below, to the extent that it is considered appropriate.
12. Neither party filed written submissions in these proceedings.
13. The matter came to be heard by me via video conference on 21 August 2024. The applicant was represented by Mr Robin Webster of Stevens Hewlett & Perkins, and the opponent was represented by Mr Ashley Roughton of Counsel, instructed by Venner Shipley LLP.

Preliminary Remarks

14. I note that both parties have filed ‘state of the register’ evidence. The fact that there may be either a multitude of trade marks on the register with Class 33 protection for alcoholic beverages that contain the word “PALM” or a palm tree logo or a limited number of trade marks containing “PALM” in relation to gin is not a relevant factor to the assessment of this present case. Although such evidence is admissible, the outcome of this opposition will be determined based on the merits of the case and the assessment of similarity between the marks at issue. The mere presence of these trade marks on the register cannot be said to demonstrate that there has (or has not been) confusion in the marketplace, as there is no evidence that such trade marks are actually being used or, indeed, in relation to what goods. Thus, the state of the register is “irrelevant”² to this assessment, and it is established that evidence of the state of the register is of little

² (*BREXIT* (O/262/18) at [10]; *British Sugar plc v James Robertson & Sons Ltd* [1996] RPC 281 at 305).

assistance or even “worthless”³ in the context of an opposition of this nature.

DECISION

Section 5(2)(b)

15. Section 5(2)(b) of the Act is as follows:

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

[...]

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

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

16. By virtue of its earlier filing date, the trade mark upon which the opponent relies qualifies as an earlier trade mark pursuant to section 6 of the Act. As the earlier mark had completed its registration process more than 5 years before the application date of the mark in issue, it is subject to proof of use pursuant to section 6A of the Act. However, I note that Mr Webster at the hearing conceded that the opponent’s evidence is sufficient to show proof of use. In any event, for reasons that will become apparent later in this decision, I do not consider that the issue of proof of use will be determinative in these proceedings, and I will conduct my assessment on the basis that the opponent can rely upon the goods of its specification.

17. The principles considered in this opposition stem from the decisions of the European 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 BV* (Case C-342/97),

³ *Lifestyle Equities CV v Royal County of Berkshire Polo Club Ltd* [2022] EWHC 1244 (Ch).

Marca Mode CV v Adidas AG & Adidas Benelux BV (Case C-425/98), *Matratzen Concord GmbH v Office for Harmonisation in the Internal Market* (Trade Marks and Designs) (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-334/05 P) and *Bimbo SA v OHIM* (Case C-519/12 P):

- 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

18. The competing goods are as follows:

Opponent's goods	Applicant's goods
Class 33: Gin	Class 33: Gins

19. The applicant admitted that the competing goods are identical. I agree, the competing terms are self-evidently identical.

Average Consumer and the Purchasing Act

20. At the hearing, Mr Roughton submitted that the degree of attention paid by the average consumer varies between a low and no more than medium degree depending on the premises in which the goods are sold, including off-licence stores, supermarkets, and establishments such as bars and clubs. In addition, Mr Roughton pointed out in his skeleton argument that

gin is a staple product in many households. However, I note that no evidence has been filed to support such a claim.

21. Mr Webster, in his skeleton argument and oral submissions, stated that the opponent's goods, based on the evidence presented, are regarded as either super premium or ultra premium gins. He contended that consumers seeking out such premium products are likely to be prepared to pay premium price as well. In support of his submissions, Mr Webster has drawn my attention to paragraph 28 of a decision of this Tribunal (*JORDAN v JORDAN RIVER*, O/701/22)⁴, in which the Hearing Officer found that a medium degree of attention will be paid by the average consumer when buying wines. Although I note that each case must be decided on its merits and individual facts, I agree with my fellow Hearing Officer's assessment for the reasons advanced below.

22. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purposes 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 and services in question: *Lloyd Schuhfabrik Meyer*, Case C-342/97. In *Hearst Holdings & Anor v A.V.E.L.A. Inc & Ors*, [2014] EWHC 439 (Ch), at paragraph 70, Birss J (as he then was) described the average consumer in these terms:

“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

⁴ In particular, paragraph 28 states that: “28. [...] In my view, the average consumer will want to ensure that the beverage they are purchasing is of their preferred type, flavour or strength, whatever the price, which will vary from low to extremely high. I find that they would pay a medium degree of attention when buying the goods at issue.”

is typical. The term ‘average’ does not denote some form of numerical mean, mode or median.”

23. The average consumer for the respective goods will be the adult members of the public. All of the goods may be sold through a range of channels. They may be purchased in retail premises, such as supermarkets and off-licence stores, online or by mail order. In retail premises, the goods at issue will be displayed on shelves, where they will be viewed and self-selected by the consumers. Similarly, for the online stores, the consumers will select the goods relying on the images displayed on the relevant web pages. They may also be sold through bars, clubs, restaurants and public houses, where the goods are displayed on, for example, shelves behind the bar, and may be requested orally from a member of staff. In this regard, I bear in mind the Case T-3/04, *Simonds Farsons Cisk Plc v OHIM*, where the Court of First Instance (now the General Court) stated that:

“[...] 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.”

24. Consequently, even if these goods can be ordered orally in the premises exemplified above, a visual inspection of the bottles containing the goods is most likely to occur where the marks can be seen.⁵ Although the

⁵ See also Case T-187/17, *Anton Riemerschmid Weinbrennerei und Likörfabrik GmbH & Co. KG v EUIPO*.

competing goods are not considered particularly costly, the average consumer may examine the product to ensure that they select the correct type of beverage. Therefore, the selection process is predominantly a visual one, but aural considerations will also play their part. In this regard, the average consumer is likely to pay a medium (but not high) level of attention to selecting the goods at issue.


Comparison of Trade Marks

25. 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.”

26. 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.

27. The marks to be compared are:

Opponent's Mark	Applicant's Mark (Series of three)
PALMERS	

Overall Impression

28. The earlier word mark consists of the word “PALMERS” in upper case and standard typeface. Registration of a word mark protects the word itself and not “[...] the specific figurative or stylistic aspects which that mark might have. As a result, the font in which the word sign might be presented must not be taken into account. It follows that a word mark may be used in any form, in any colour or font type [...]”⁶
29. The contested mark consists of the stylised word element “PALMARÁE/PALMÁRAE” with an accent over either the last or penultimate ‘A’ letter, presented in upper case and in yellow, blue, and black. The word element will have the greatest weight in the overall impression, with the stylisation playing a lesser role.

Visual Comparison

30. At the hearing, Mr Roughton submitted that based on visual similarity, the average consumer will see “PALM-” and recognise it as “part of the Palm school or products”.

⁶ *LA Superquimica v EUIPO*, T-24/17, para 39. See also *Bentley Motors Limited v Bentley 1962 Limited*, BL O/158/17, paragraph 16.

31. In contrast, Mr Webster highlighted that the ending of the contested mark is unusual and will not go unnoticed, although the marks share identical beginnings. He also drew my attention to the AP's decision in *Sweetex v Sweetela* (O/167/11), where it was ruled that even if the marks shared six letters, the difference at the end is more likely to stand out. Mr Webster noted that the AP found the marks to be visually similar only to a moderate level, and thus, the visual similarity in this present case should be low.
32. The competing marks have different lengths, with the earlier mark consisting of seven letters, as opposed to the contested mark, which has eight and an added accent. Bearing in mind, as a rule of thumb, that the beginnings of marks tend to have more impact than the ends,⁷ the competing marks share the first four letters and the sixth "PALM-" while differing in the rest, namely "PALMERS/PALMARÁE". Nevertheless, I do not consider the difference created by the use of the coloured font in the series of the contested mark to be significant since normal and fair use allows word-only marks, like the earlier mark in this case, to be presented in any standard font or case.⁸ I find, therefore, that the colour scheme used by the applicant is not a complex one⁹ where the earlier word mark could notionally be used in a similar yellow or blue colour font. However, I consider that the stylisation of the contested mark would create another point of difference between the marks. Thus, weighing the various points of similarity and difference, I find them to be visually similar to no more than a medium degree.

Aural Comparison

33. At the hearing, Mr Roughton argued that there is a significant similarity aurally, asserting that the significant part that will be stressed aurally is the

⁷ See *El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02, where the General Court observed that the attention of the consumer is usually directed to the beginning of a mark.

⁸ *Dreamersclub Ltd v KTS Group Ltd*, BL O/091/19.

⁹ See paragraph 5 of the judgment of the Court of Appeal in *Specsavers* [2014] EWCA Civ 1294 and *J.W. Spear & Sons Ltd v Zynga, Inc.* [2015] EWCA Civ 290, at paragraph 47.

prefix “PALM-” as there is a high likelihood of slurring the end of the contested mark. He also added that the vowels “A” and “E” have a greater propensity to be pronounced the same.

34. On the other hand, Mr Webster contended that the marks differ in their syllable structure, with the earlier mark having a short and abrupt pronunciation. He also asserted that the ending of the mark would not be slurred due to the nature of those letters at the end of the mark.
35. The earlier mark will be pronounced as “PAH-MUHZ”. While I note that the contested mark “PALMARÁE/PALMÁRAE” contains an accent above either the last or penultimate letter ‘A’ in the series, I do not consider that the average English speaking consumer will understand this and will not factor it into their pronunciation of the mark. It is my view that the consumer is, therefore, likely to pronounce the mark as “PAH-MUH-REYE”, although I recognise that there may be other possible pronunciations. The earlier mark is two syllables long, whereas the contested mark is three. While the first syllable of both marks will be pronounced in an identical way, and the second syllable produces a somewhat similar sound, I disagree with the opponent’s assertion regarding the slurring of the last syllable in the contested mark. This is because the last syllable consisting of a consonant paired with vowels, i.e. “-REYE”, would create a quite distinct sound that is unlikely to be slurred or go unnoticed. Therefore, the third syllable of the contested mark introduces a phonetic difference between the competing marks. Taking into account the above factors and the overall impressions, I consider that the marks are aurally similar to a medium degree.

Conceptual Comparison

36. Mr Roughton posited that there exists a conceptual similarity associated with the term “PALMER” which is a known word – but not well-known – referring to “a pilgrim who returns from a pilgrimage to the promised land with a palm”. Further, during the hearing I asked Mr Roughton whether “PALMERS” would be considered as a common English name. He

responded that it is not especially common, noting that it ranks 80th in the Wiktionary list of the '250 most common surnames' (in England, Wales, and the Isle of Man) provided with the applicant's evidence (Exhibit OH14). Mr Roughton further stated that there is some commonality, but he would not rate it very high.

37. Mr Webster, on the other hand, submitted that the earlier mark "PALMERS" is a common surname originating from the founder of the mark, William Henry Palmer, as opposed to the contested mark "PALMARÁE" which he described as a misspelling of a palm grove in Morocco, Marrakesh. I asked Mr Webster whether the average consumer in the UK will be aware of the meaning in the contested mark, he responded that a gin expert/aficionado would probably make that connection.
38. For a conceptual message to be relevant it must be capable of immediate grasp by the average consumer. This is highlighted in numerous judgments of the GC and the CJEU including *Ruiz Picasso v OHIM* [2006] ECR I-643; [2006] E.T.M.R 29. The assessment must, therefore, be made from the point of view of the average consumer.
39. I note that the opponent's evidence provides historical details about the opponent as well as makes various references to the "Palmer's heritage"¹⁰. Among these references is a statement from Ms Wallis where she explains that:

"5. In 2017 the Company decided to introduce a finished gin product to complement the wholesale and concentrate gin products produced in the copper stills at Langley Distillery. The product was named Palmers after the founder of the Company and the first Palmers products were bottled in 2018. [...]" (Emphasis added)

¹⁰ See Exhibit NW2.

In addition, as mentioned above, Exhibit OH14 in the applicant's evidence highlights that the surname 'Palmer' ranks 80th among the most common English surnames. The applicant also provided evidence showing that it is common for gin brands to be named after common English surnames, such as Gordon's and Hendrick's.¹¹ However, the opponent elected not to challenge the applicant's evidence despite having filed evidence in reply concerning the 'status of the registry'. Further, when asked, Mr Roughton did not deny that "PALMERS" is a surname; he merely expressed doubt about its commonality.¹² In this regard, I concur with the applicant's claim that the earlier mark "PALMERS" will be seen as a surname in its possessive form, missing the apostrophe (i.e. "PALMER'S"), or simply as someone named "PALMERS". If perceived as a surname, although I do not consider it either greatly common, such as Smith or Jones, or unique, it is common enough, as indicated by its ranking in Exhibit OH14.

40. As to the contested mark, "PALMARÁE", the applicant has provided narrative evidence and exhibits to support that the mark was inspired by the "Palmaraie" palm grove located in Marrakech, Morocco. However, it is highly unlikely that a significant proportion of the consumers in the UK would be familiar with this geographical location or recognise the contested mark as a variant spelling of it. At the hearing, Mr Webster suggested that gin experts or aficionados would possibly make this connection, albeit I note that the average consumer in question, as previously delineated in this decision, is not considered an expert. Nonetheless, I consider that, even for that small group, establishing such a connection would require a degree of intellectual analysis or contemplation on the mark, which goes one step further in the conceptualisation process of a mark. Thus, in the absence of evidence, it is my view that a significant proportion, if not the entirety, of the consumers will perceive the contested mark as an invented word with no identifiable meaning.¹³ Consequently, I find there is no

¹¹ See Exhibit OH10.

¹² I also note Mr Roughton's reference in his skeleton argument at paragraph 17, which states that "[t]he fact that the opponent has been producing and selling gin by reference to its name does not appear to be seriously contested."

¹³ See *Interflora Inc v Marks and Spencer plc* [2013] EWHC 1291 (Ch).

conceptual similarity between the marks because one mark has a strong concept, whilst the other has none.

DISTINCTIVE CHARACTER OF THE EARLIER TRADE MARK

41. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97, paragraph 22 and 23, the CJEU stated that:

“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).

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).”

42. Registered trade marks possess varying degrees of inherent distinctive character from the very low, because they are suggestive of, or allude to, a characteristic of the goods or services, to those with high inherent distinctive character, such as invented words which have no allusive qualities.

43. As detailed in the previous section, the opponent's word mark "PALMERS" will be perceived as a surname (without the apostrophe) or simply as a name, but it is not descriptive or suggestive of the registered goods. In my view, the surname "PALMERS" can be considered to be a common enough surname. Therefore, I find that the earlier mark is inherently distinctive to a medium degree at best.

Enhanced Distinctiveness

44. I now turn to consider whether the distinctiveness of the opponent's mark has been enhanced through use. I note the following from the opponent's evidence:

- i. The opponent has been using PALMERS since 2018 in relation to gin. The mark has been used on the opponent's website.¹⁴
- ii. It has also been used on the Gin Guild website since at least 15 January 2018.¹⁵ Products are shown in packaging displaying the PALMERS brand.
- iii. The opponent has won various awards for its gin products in 2018 and 2023.¹⁶
- iv. In relation to products sold, Ms Wallis states that PALMERS gin products are sold via online retailers and physical stores. The opponent adduced a sample of redacted invoices dated between 2018 and 2022 and appear to be for delivery to various locations in the UK, including London, West Sussex, Ongar, Kent, Worcestershire, and Enderby.¹⁷
- v. The opponent promoted the goods on social media platforms, including Facebook and Instagram, providing screenshot

¹⁴ Exhibit NW2.

¹⁵ Exhibit NW5.

¹⁶ Exhibit NW6.

¹⁷ Exhibit NW7.

examples.¹⁸ Most of these examples date back to May 2018, with additional posts from April to July of the same year, and a couple from August 2022. I note that some of these posts seem to have had minimal reach/engagement, if any, in terms of likes and comments. Although it is visible from the screenshots that the Instagram account has 1,030 followers, it is unlikely that this reflects the follower count at the time of those posts; it's more plausible that this number reflects the current total at the time the screenshots were taken.

45. I find the evidence insufficient to demonstrate that the mark has acquired an enhanced degree of distinctive character through use in the UK for the relevant goods. Whilst I am satisfied that the opponent has been trading under the PALMERS brand, I have no information about its market share or overall advertising expenditure within the alcoholic beverages sector, which is likely to be very significant. Also, no evidence of promotional material indicates any extensive media coverage nor intensive advertising or promotional activities in the UK. Consequently, the evidence is not sufficient to establish that the distinctiveness of the earlier mark has been enhanced through use.

LIKELIHOOD OF CONFUSION

46. In assessing the likelihood of confusion, I must adopt the global approach set out in the case law to which I have already referred above in this decision. Such a global assessment is not a mechanical exercise. I must also have regard to the interdependency principle, that a lesser degree of similarity between the goods or services may be offset by a greater degree of similarity between the marks, and vice versa.¹⁹ It is essential to keep in mind the distinctive character of the opponent's trade mark since the more distinctive the trade mark, the greater may be the likelihood of confusion. I must also keep in mind that the average consumer rarely has the

¹⁸ Exhibit NW9.

¹⁹ See *Canon Kabushiki Kaisha*, paragraph 17.

opportunity to make direct comparisons between trade marks and must instead rely upon imperfect recollection.²⁰

47. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other. Indirect confusion is where the consumer notices the differences between the marks but concludes that the later mark is another brand of the owner of the earlier mark or a related undertaking.
48. In *Kurt Geiger v A-List Corporate Limited*, BL O/075/13, Mr Iain Purvis QC (as he then was) as the Appointed Person pointed out that the level of 'distinctive character' is only likely to increase the likelihood of confusion to the extent that it resides in the element(s) of the marks that are identical or similar. He said:

"38. The Hearing Officer cited *Sabel v Puma* at paragraph 50 of her decision for the proposition that 'the more distinctive it is, either by inherent nature or by use, the greater the likelihood of confusion'. This is indeed what was said in *Sabel*. However, it is a far from complete statement which can lead to error if applied simplistically.

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."

49. In *The Picasso Estate v OHIM*, Case C-361/04 P, the CJEU found that:

"20. By stating in paragraph 56 of the judgment under appeal that, where the meaning of at least one of the two signs at issue is clear and specific so that it can be grasped immediately by the relevant

²⁰ See *Lloyd Schuhfabrik Meyer*, paragraph 27.

public, the conceptual differences observed between those signs may counteract the visual and phonetic similarities between them, and by subsequently holding that that applies in the present case, the Court of First Instance did not in any way err in law.”

50. Whether a conceptual difference between the marks is sufficient to counteract the visual and aural similarities is liable to depend on the strength of that difference and the degree of visual and aural similarity between the marks. In *Diramode S.A. v. Richard Turnham and Linda Turnham* (“PIMKIE”), BL O/566/19, Mr Geoffrey Hobbs QC (as he then was), sitting as the Appointed Person, considered an opposition to the mark PIMKIE based upon the earlier mark PINKIES, for identical goods (precious metals and jewellery). Mr Hobbs stated that there was a high degree of visual and aural similarity between the marks and, following the CJEU’s judgement in C-437/16 P *Wolf Oil Corp v EUIPO*, that:

“28. [...] there is no rule to the effect that visual and aural similarities are automatically neutralised by conceptual differences. It [the CJEU] insisted upon the need for two distinct stages in the analysis of the overall likelihood of confusion, with the first being directed to ‘a finding of the conceptual differences between the signs at issue’ and second being directed to ‘assessment of the degree of conceptual differences’ with a view to determining whether they ‘may lead to the neutralisation of visual and phonetic similarities’.

29. Even though one of the marks in issue refers to a clear and immediately apparent concept and the other does not have a clear meaning which can be immediately perceived by the relevant public, the degree of visual and aural similarity between them may still be sufficient to give rise to the existence of a likelihood of confusion.”

51. Mr Hobbs went on to illustrate this point by referring to a decision of the GC, T-112/09, *Icebreaker Ltd v. OHIM*, in which the competing marks were ICEBERG and ICEBREAKER. The relevant Italian public would know the

meaning of ICEBERG, but not of ICEBREAKER. However, the GC said that since ICE in ICEBREAKER had a 'certain evocative force', there was a 'semantic bridge' between the marks. The GC agreed with the Board of Appeal in concluding that the conceptual comparison was not decisive and did not affect the visual and phonetic similarities or differences between the signs.

52. In *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17, James Mellor QC (as he then was), sitting as the Appointed Person, stressed that a finding of indirect confusion should not be made merely because the two marks share a common element. In this connection, he pointed out that it is not sufficient that a mark merely calls to mind another mark. This is mere association not indirect confusion.
53. In *Liverpool Gin Distillery Ltd and others v Sazerac Brands, LLC and others* [2021] EWCA Civ 1207, the Court of Appeal dismissed an appeal against a ruling of the High Court that trade marks for the words EAGLE RARE registered for whisky and bourbon whiskey were infringed by the launch of a bourbon whiskey under the sign "American Eagle". In his decision, Lord Justice Arnold stated that:

"13. As James Mellor QC sitting as the Appointed Person pointed out in *Cheeky Italian Ltd v Sutaria* (O/219/16) at [16] "a finding of a likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion". Mr Mellor went on to say that, if there is no likelihood of direct confusion, "one needs a reasonably special set of circumstances for a finding of a likelihood of indirect confusion". I would prefer to say that there must be a proper basis for concluding that there is a likelihood of indirect confusion given that there is no likelihood of direct confusion."

54. Earlier in this decision I have concluded that:

- the competing goods at issue are identical;
- the average consumer of the goods will be adult members of the public. The selection process is predominantly visual without discounting aural considerations, and the degree of attention will be medium (but not high);
- the competing marks are visually similar to no more than a medium degree, aurally similar to a medium degree, while there is no conceptual similarity;
- the earlier mark has at best a medium degree of inherent distinctive character. The use is not sufficient to establish enhanced distinctiveness of the marks.

55. Mr Roughton drew my attention to the relevant case law in relation to the interdependency principle, including footnote 6 in *L'Oreal SA v OHIM* where it was stated that: “[t]he consumer generally pays greater attention to the beginning of a mark than to the end. The earlier mark is at the beginning of the mark applied for. Consequently, the independent distinctive role that it has within that mark is all the more likely to cause confusion amongst the relevant public as to the commercial origin of the goods.” Mr Roughton claimed that even if there is a low degree of similarity between marks, there is identity between the goods in question.

56. Mr Webster drew my attention to *Sweetex v Sweetela*, which held that the marks were not confusingly similar based on visual and aural factors, even though conceptual considerations were not taken into account in that case. In addition, Mr Webster explained that, although the interdependency rule suggests that a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, the marks in this instance are too far apart. Also, given the level of attention consumers pay when purchasing such goods, these will be considered purchases.

57. Taking into account my findings earlier in this decision, I find that there is no likelihood of direct confusion for identical goods. While considering the principle of interdependency in this case, it is also well established that where the meaning of at least one of the two supposedly conflicting marks at issue is so clear and specific that it can be grasped immediately by the relevant public, the conceptual differences observed between those signs may counteract the visual and phonetic similarities between them.²¹ Notwithstanding imperfect recollection, the earlier mark, in this instance, has a strong and immediate concept, which will be understood as a surname/name, in contrast to the contested mark, which will be devoid of any meaning. Thus, the lack of a conceptual “hook” or a “semantic bridge” between the two marks will enable the average consumer to effectively distinguish between them, thereby counteracting their visual or aural similarities. Therefore, I am satisfied that the marks are unlikely to be mistakenly recalled or misremembered as each other and do not find there is a likelihood of direct confusion.

58. Turning now to indirect confusion, I bear in mind that there should be a proper basis for a finding of a likelihood of indirect confusion. I see no reasonable basis on which the consumer would be induced to believe that the competing marks are variants or sub-brands of each other nor that the goods in question are from the same or economically linked undertakings. Even if the average consumer recalls the points of similarity between the marks, such as that they share common beginnings “PALM-”, I still consider the marks would not be indirectly confused. Sitting as the Appointed Person in *Eden Chocolat*,²² James Mellor QC (as he then was) stated:

“81.4 [...] I think it is important to stress that a finding of indirect confusion should not be made merely because the two marks share

²¹ See *The Picasso Estate v OHIM*, Case C-361/04P, CJEU.

²² Case BL O/547/17 *Duebros Limited v Heirler Cenovis GmbH* (27 October 2017).

a common element. When Mr Purvis was explaining²³ in more formal terms the sort of mental process involved at the end of his [16], he made it clear that the mental process did not depend on the common element alone: ‘Taking account of the common element in the context of the later mark as a whole.’ (Emphasis added)

In light of the above rationale, despite the common beginnings in the marks, the average consumer will recall the marks as a whole. The word element in the contested mark, “PALMARAE”, will be seen as an invented term, as opposed to “PALMERS”, which will be perceived either as a common enough English surname or simply as someone named “PALMERS”. Furthermore, if the opponent’s mark is brought to mind, this will be a mere association, not confusion.²⁴ I see no other reason why a common origin or an economic connection would be assumed, and so I find that, even where the goods are identical, there is no likelihood of indirect confusion.

OUTCOME

59. The opposition has been unsuccessful. **There is no likelihood of confusion. The opposition on the basis of the claim under Section 5(2)(b) fails.** Therefore, subject to appeal, the application can proceed to registration.

COSTS

60. The applicant has been successful and is entitled to a contribution towards its costs based upon the scale published in Tribunal Practice Notice 1/2023. The sum is calculated as follows:

²³ In *L.A. Sugar*.

²⁴ See *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17, paragraph 81.

Considering the other side's statement and preparing a counterstatement	£300
Preparing evidence and considering and commenting on the other side's evidence	£850
Preparing for and attending the hearing	£950
Total	£2,100

61. I, therefore, order W.H.Palmer & Co. to pay to Spirit of the Oasis Limited the sum of £2,100. The above sum should be paid within twenty-one days of the expiry of the appeal period or, if there is an appeal, within twenty-one days of the conclusion of the appeal proceedings.

Dated this 17th day of December 2024

Dr Stylianos Alexandridis
For the Registrar,
The Comptroller General