

O/1218/25

TRADE MARKS ACT 1994

IN THE MATTER OF UK TRADE MARK APPLICATION NUMBER 4021990

BY FORMENTERA MEDITERRANEAN SPIRITS, S.L.

FOR THE FOLLOWING TRADE MARK:



IN CLASS 33

AND

IN THE OPPOSITION THERETO UNDER NUMBER 449211

BY BALMORAL PASTORAL INVESTMENTS PTY LTD

BACKGROUND & PLEADINGS

1. On 5 March 2024, Formentera Mediterranean Spirits, S.L. (“the applicant”) applied to register the trade mark shown on the cover page of this decision in the United Kingdom (“the contested mark”). The contested mark was published for opposition purposes in the Trade Marks Journal on 24 May 2024 in respect of the following goods:

Class 33: Alcoholic beverages, except beers and wines; Alcoholic preparations for making beverages; none of the aforementioned being wine.

2. On 20 August 2024, the contested mark was opposed by Balmoral Pastoral Investments Pty Ltd (“the opponent”) under Section 5(2)(b) of the Trade Marks Act 1994 (“the Act”), relying on the following International Registration (the “earlier mark”):

FINISTERRE

International registration number: WO0000001133468

Relying on the goods for which it is registered, namely wine in class 33.

3. The earlier mark was registered in Australia on 21 September 2012 and, with effect from 4 April 2019, the opponent designated the UK as a territory in which it seeks to protect its mark under the terms of the Protocol of the Madrid Agreement. Protection was granted on 11 July 2019.
4. An earlier trade mark is defined in section 6 of the Act, the relevant parts of which state:

“(6)(1) In this Act an “earlier trade mark” means –

a registered trade mark or international trade mark (UK) 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.

5. The mark identified in paragraph 2 qualifies as an earlier trade mark under the above provision. As the earlier mark had not completed its registration process more than five years before the filing date of the applicant's mark (which is the relevant date for these proceedings), it is not subject to proof of use requirements.
6. The opponent claims that the marks in issue are "extremely similar"/"virtually identical", and that the applicant's goods are highly similar to the opponent's goods. Consequently, the opponent submits that there is a "very high likelihood of confusion" on the part of the public.
7. The applicant filed a counterstatement denying the claims made against it. Specifically, the applicant submits that there is a "lack of similarity in the marks and the goods covered" and there is no likelihood of confusion or association on the part of the public. Consequently, the applicant requests that the opposition be rejected in its entirety and that an award of costs be made in its favour.

REPRESENTATION

8. The opponent is represented by Abel & Imray LLP.
9. The applicant is represented by Sonder & Clay.

EVIDENCE AND SUBMISSIONS

10. Only the opponent filed witness evidence in support of its claim, which I have discussed in further detail in paragraphs 21 and 22 below. This witness statement was signed by Sofia Arenal, dated 6 February 2025, in her capacity as a chartered trade mark attorney at Abel & Imray LLP. The witness statement was filed with five exhibits (Exhibits SA1 to SA6). The applicant did not file evidence in reply.

11. No hearing was requested, and only the opponent filed written submissions in lieu of a hearing. This decision is taken following a careful consideration of the papers that have been filed by the parties, which will not be summarised but will be referred to as and where appropriate during this decision.
12. The provisions of the Act relied upon in these proceedings are assimilated law, as they are derived from EU law. Although the United Kingdom (“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.

DECISION

Section 5(2)(b)

13. The opponent’s opposition is based upon section 5(2)(b) of the Act which stipulates the following:

“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”.

14. Section 5A of the Act stipulates that where “grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the trade mark is applied for, the application is to be refused in relation to those goods and services only.”

15. The following principles are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*,¹ *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* (“Canon”),² *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.*,³ *Marca Mode CV v Adidas AG & Adidas Benelux BV*,⁴ *Matratzen Concord GmbH v Office for Harmonization in the Internal Market (Trade Marks and Designs)* (“OHIM”),⁵ *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*,⁶ *Shaker di L. Laudato & C. Sas v OHIM*⁷ and *Bimbo SA v OHIM*⁸:
- 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 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 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;

¹ Case C-251/95

² Case C-39/97

³ Case C-342/97

⁴ Case C425/98

⁵ Case C-3/03

⁶ Case C-120/04

⁷ Case C-334/05P

⁸ Case C-591/12P

- 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 may be offset by a greater 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 come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of Goods

16. The competing goods are as follows:

The opponent's goods	The applicant's goods
<u>Class 33:</u> Wine.	<u>Class 33:</u> Alcoholic beverages, except beers and wines; Alcoholic preparations for making beverages; none of the aforementioned being wine.

17. As a preliminary point, it should be noted that section 60A of the Act provides that goods are not to be regarded as being similar to each other on the ground that they appear in the same class under the Nice Classification⁹, or dissimilar on the ground that they appear in different classes under the Nice Classification.

18. In *Canon*,¹⁰ the Court of Justice of the European Union (“CJEU”) stated (at paragraph 23) that, when making the comparison, “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”.

19. The relevant factors identified by Jacob J. (as he then was) in the *Treat* case¹¹, for assessing similarity were:

- a. The uses of the respective goods;
- b. The users of the respective goods;

⁹ “Nice Classification” means the system of classification under the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957.

¹⁰ Case C-39/97

¹¹ [1996] R.P.C. 281

- c. The physical nature of the goods;
- d. The respective trade channels through which the goods reach the market;
- e. 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;
- f. The extent to which the respective goods 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 in the same or different sectors.

Alcoholic beverages, except beers and wines;... none of the aforementioned being wine.

20. I compare the applicant's above referenced goods with the opponent's "wine" goods. The limitations of the above term plainly set out that the applicant's goods do not cover wine and, as such, the above cannot be found to be identical with the opponent's goods. In respect of the similarity of these goods, the opponent submits that the applicant's above referenced goods are highly similar to its "wine" goods because:

"alcoholic drinks such as wine, perry, cider, spirits and cocktails (including pre-mixed cocktails), are sold side by side in off licences, supermarkets, convenience stores, bars, restaurants and online, for the same purpose and being of the same general nature, i.e., alcoholic drinks, for consumption by the same consumers, namely the general public aged 18 and older."

21. The opponent further submits that "Many businesses produce and/or sell a range of different alcoholic drinks, often under a house brand", and in support of this submission has filed the following evidence:

- (i) Exhibit SA1 contains a screen shot from the Wine and Spirit Trade Association's website (wsta.co.uk/about-us/) which Sofia Arenal states illustrates "the close relationship between wines and spirits". Whilst this screenshot confirms that WSTA offers membership to retailers, brand owners and wholesalers of wine and spirits, without a further explanation being provided, I fail to see how this exhibit evidences that there is a close relationship between wines and spirits.
 - (ii) Exhibit SA2 contains a screen shot from the website of UK business North & South Wines showing the sale of the opponent's FINISTERRE branded red wined goods, as well as whisky goods from other companies.
 - (iii) Exhibit SA3 contains a screen shot from the Downton Distillery, a distillery in the United Kingdom, evidencing that they produce spirits gin and vodka, including a chardonnay vodka.
 - (iv) Exhibit SA4 and SA5 contain screenshots from Australian based wineries and distilleries evidencing that they produce a variety of alcoholic drinks, including wine, gin and vodka.
22. The evidence submitted by the opponent does show a few examples of wine being produced and sold through the same trade channels, albeit the evidence produced is limited, and two of the examples reflect the production and sale of alcoholic goods outside of the United Kingdom, and do not therefore reflect the situation in the United Kingdom. However, regardless of whether wine and other alcoholic beverages (such as spirits and liqueurs) are produced by the same manufacturers, I do accept that they would be handled by the same distributors and through the same retail outlets to the same class of ultimate users. By way of example, I note that these goods are often displayed in the same aisles of larger retailers such as supermarkets. Consequently, regardless of the evidence submitted by the opponent, I do accept that there is an overlap in trade channels and users (that being adults over the age of 18).

23. “Alcoholic beverages” are also similar to wines to the extent that they are alcoholic and are drunk as a matter of taste and in order to obtain the effect of alcohol. The purpose of the goods is therefore similar. However, they are usually (but not always) made from different ingredients, and the alcoholic content in wines differ to that of other alcoholic beverages. The nature of these goods does therefore differ. For that reason, I do not consider that consumers are likely to purchase other alcoholic beverages as an alternative to wine. I do not therefore consider these goods to be competitive. Nor are they complementary, as they are neither important nor indispensable from one another.¹² Overall, I find the opponent’s wine to be similar to a low to medium degree to the applicant’s “Alcoholic beverages, except beers and wines”.

Alcoholic preparations for making beverages; none of the aforementioned being wine

24. I compare the above referenced goods with the opponent’s “wine” goods. These goods differ in method of use because “wine” is a finished article, whereas the applicant’s “alcoholic preparations for making beverages” are used to produce alcoholic beverages. There is a very superficial overlap in purpose to the extent that they both facilitate the drinking of alcoholic beverages. However, the specific purpose of the goods differs (one being for consumption and the other being for the preparation of a drink for consumption), and the nature of these goods will differ for the same reason. There may be some overlap in user, where members of the general public make their own beverages at home. There may also be an overlap in retailers. However, there is no competition between these goods given their differing purposes, and no complementarity as neither one is important nor indispensable for the other. Taking all of this into account, I consider the goods to be similar to a low degree.

Average consumer and the purchasing act

25. 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

¹² *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06

manner in which the goods are likely to be selected by the average consumer. 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 in question (see *Lloyd Schuhfabrik Meyer*¹³).

26. In *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*,¹⁴ Birss J. held:

“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 words “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

27. The overlapping goods at issue are various types of alcoholic beverages and preparations used in their production. The average consumer of the goods will be adult members of the general public. They will include connoisseurs alongside ‘social drinkers’ who will have a much more basic level of knowledge of the goods. However, both types of drinker may purchase the goods for consumption at home or in a social setting such as a bar or restaurant.
28. The goods are sold through a range of channels including wholesale outlets and retail outlets such as supermarkets and off-licences, as well as through specialist suppliers, and their online equivalents. In bricks and mortar stores, the goods will be sold on shelves where they will be viewed and self-selected by the consumer. A similar process will apply to websites, where the consumer will select the goods having viewed an image displayed on a webpage. The goods will also be sold in

¹³ Case C-342/97

¹⁴ [2014] EWHC 439 (Ch)

restaurants, bars and public houses, where they are likely to be displayed behind the counter or listed on a drinks menu. Overall, I consider the selection process will be predominantly visual, although I do not discount aural considerations, particularly in bars and restaurants, where the goods may also be selected and requested verbally.

29. The value of the goods, which are likely to be purchased on a semi-regular basis by the general public, will vary in price but are generally considered to be relatively inexpensive. I accept that high-end spirits or certain wines will be more than other alcoholic beverages, which may give rise to an elevated degree of attention being paid to such goods. In either instance, however, the average consumer will base their selection on the price of the goods, their personal taste at the time of purchase, as well as consideration of the particular occasion for which it is being purchased. Overall, I find that the average consumer will pay a medium level of attention during the selection process.

Comparison of marks


30. 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 *Bimbo SA v OHIM*,¹⁵ 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.”

¹⁵ Case C-591/12P

31. It would be wrong, therefore, to dissect the trade marks artificially, 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.

32. The respective trade marks are shown below:

Earlier mark	Contested Mark
<p style="text-align: center;">FINISTERRE</p>	

33. The applicant denies that the marks in issue are similar. However, the opponent submits that the marks are “extremely similar, and consumer will pay little attention to and may in fact totally disregard the minor additional elements in the [contested mark], because they are so weak”.

Overall Impression

34. The earlier mark is a word only mark, consisting of the word ‘FINISTERRE’. There are no other elements in the mark which contribute to its overall impression which lies in the word itself.

35. The contested mark is a figurative mark consisting of the letter ‘F’ in a large stylised bold font, with the words ‘DE FINISTERRE’ in a smaller capitalised font. Whilst I appreciate that the ‘F’ is the largest element of the mark, it is simply one letter presented in a standard typeface. I therefore fail to see how this can be said to dominate the overall impression of the mark over the words ‘DE FINISTERRE’. In my view, the consumer’s attention will be drawn to the words

'DE FINISTERRE' in an attempt to determine the origin of the mark. Consequently, I find the words 'DE FINISTERRE' to be the dominant element of the contested mark.

Visual Comparison

36. Visually, the marks overlap to the extent that they both contain the word 'FINISTERRE'. The contested mark also contains the additional 'F' and 'DE', which have no counterpart in the earlier mark. Whilst I appreciate these differences, I also note my finding that the words in the contested mark play a dominant role, and "FINISTERRE" is the longest word in the mark. Consequently, I consider the marks to be visually similar to a medium to high degree.

Aural Comparison

37. All elements of both marks would be read as letters or words. Consequently, I consider that all elements of both marks will be pronounced.

38. As outlined above, the marks overlap in their use of the word 'FINISTERRE', which will be pronounced identically in both marks. However, there is a phonetic difference created by the presence of the 'F' and 'DE' in the contested mark, which do not have a counterpart in the contested mark.

39. Taking all of this into account and, once again, noting my finding that the words in the contested mark will play a dominant role, and 'FINISTERRE' is the longest word in the contested mark, I consider the marks to be aurally similar to a medium to high degree.

Conceptual Comparison

40. For a conceptual message to be relevant it must be capable of immediate grasp by the average consumer.¹⁶ In this instance, both marks utilise the word

¹⁶ *Ruiz Picasso v OHI* [2006] ECR I-643; [2006] E.T.M.R

'FINISTERRE'. The opponent submits that 'FINISTERRE' derives from the Latin word 'finis terrae', which means 'end of the earth'. While this may be the case, I do not accept that the average UK consumer would attribute this meaning to the word 'FINISTERRE'. I consider that the average UK consumer would consider 'FINISTERRE' to be either an invented word or a foreign language word, with no clear meaning. Consequently, I do not consider that the average consumer would identify a conceptual meaning from the earlier mark.

41. In respect of the contested mark, the opponent submits that the 'DE' in the contested mark would be understood by the average consumer to mean 'of', given that this is its meaning in French and Spanish, which are 'widely-spoken European languages'. Consequently, the opponent submits that the contested mark would be understood by the average consumer to mean 'F OF FINISTERRE'.
42. As discussed above, I consider that the 'F' at the beginning of the contested mark would be read as simply the letter F, with no additional conceptual meaning.
43. I do accept that a large proportion of average consumers in the UK would understand 'DE' to mean 'of' in French. This is because many will be familiar with, for example, the 'Tour de France', which is understood by many as the 'Tour of France'. However, I note that 'of' is syncategorematic (i.e., that it is a word which lacks independent meaning and derives its meaning from its use alongside other words). Consequently, whether the average consumer understands the meaning of 'DE' as 'of', or not, I do not believe that this would assist the average consumer in attributing a meaning to the contested mark overall, without the concept being provided by the letter 'F' or the word 'FINISTERRE'.
44. As I have found that neither mark conveys a concrete conceptual message to the average consumer, these marks are therefore conceptually neutral.

Distinctive character of the earlier trade mark

45. In *Lloyd Schuhfabrik Meyer* 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 C108/97 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. The distinctiveness of a mark may be enhanced as a result of it having been used in the market place. In this instance, as discussed above, and whilst not necessary in these proceedings, the opponent has filed screenshots from the webpage of North & South Wines. These screenshots evidence a 6-bottle case of Syrah wine being advertised displaying the word “Finisterre” (i.e., the earlier mark), and a 6-bottle case of “Finisterre” chardonnay and “Finisterre” Cabernet Sauvignon being on sale. Whilst this evidence shows some wine goods being sold displaying the earlier mark, I do not consider that it alone is sufficient to establish that the distinctiveness of the earlier mark has been enhanced through use in the market place. Consequently, I only therefore have the inherent position to consider in this instance.

47. Distinctiveness is a scale along which marks of various types sit. A mark which is allusive of the goods will have less distinctive character than one that is not; dictionary words will also be less distinctive than words which are entirely fanciful. However, all will turn on the particular facts. For example, there are “invented” words which are really just composites of two allusive words and only distinctive as a result, and dictionary words which are more or less common than others.
48. The opponent submits that the earlier mark is “highly distinctive for the registered goods”. However, the applicant submits that the earlier mark “has a barely discernible level of distinctive character in respect of the goods covered”. As outlined above, I consider that the average UK consumer would consider “FINISTERRE” to be either an invented word or a foreign language word, with no clear meaning. Consequently, I do not consider it to have any relevance to the opponent’s goods, and I therefore consider it to have a high level of distinctive character.

Likelihood Of Confusion

49. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other, whilst indirect confusion is where the average consumer realises the marks are not the same but puts the similarity that exists between the marks and the goods down to the responsible undertakings being the same or related.
50. There is no scientific formula to apply in determining whether there is a likelihood of confusion; rather, it is a global assessment where a number of factors need to be borne in mind (see *Sabel*¹⁷). 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 (see *Canon*¹⁸). It is necessary for me to keep in mind the distinctive character of the earlier marks, the average consumer for the goods, and the nature of the purchasing process. In doing so, I must be alive to the fact that the average

¹⁷ C-251/95, para 22

¹⁸ C-39/97, para 17

consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them that he has retained in his mind.

51. I have found the applicant's goods to be similar to between a low and low to medium degree to the opponent's goods. I have also found that the marks are visually and aurally similar to a medium to high degree, and conceptually neutral.
52. I have found the earlier mark to have a high level of distinctive character. I have also identified that the average consumer of the goods would be adult members of the general public, who will pay a medium level of attention during the purchasing process for the goods in issue. I have also determined that the purchasing process for all of the goods in issue would be primarily visual in nature, although I do not discount aural considerations.
53. Weighing up all of the above, whilst also noting the principle of imperfect recollection, and that consumers rarely have the opportunity to compare marks side by side, I am satisfied that the similarities between the marks may result in the average consumer mistaking one mark for the other. This is particularly the case given my finding that "FINISTERRE" is part of the dominant element of the contested mark (of which it is also the longest word) and is the sole element of the earlier mark. It is my view that the average consumer will seek to pin their recollection of the marks on this word. Whilst I therefore appreciate that there are presentational differences between the marks, I consider these to be offset by the degree of aural and visual similarity between the marks in issue. As such, the presentational differences may be misremembered. Consequently, I consider there to be a likelihood of direct confusion between the marks. For the avoidance of doubt, I consider this to be the case even in respect of the goods which I have only found to be similar to a low degree, as this will be outweighed by the level of visual and aural similarity between the marks.
54. For completeness, I will also consider whether there is a likelihood of indirect confusion. Indirect confusion was described in the following terms by Iain Purvis

KC (as he then was), sitting as the Appointed Person, in *L.A. Sugar Limited v By Back Beat Inc*:¹⁹

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognised that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: ‘The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark’.

17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

(a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right (“26 RED TESCO” would no doubt be such a case).

(b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as “LITE”, “EXPRESS”, “WORLDWIDE”, “MINI”, etc.).

¹⁹ BL O/375/10

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension (“FAT FACE” to “BRAT FACE” for example).”

55. As outlined above, I consider the common element of the marks (being the word “FINISTERRE”) to have a high level of distinctive character. I am therefore of the view that average consumers would deem it to be so distinctive that they would assume that no other undertaking would be using it in their mark, and this applies regardless of the level of similarity of the goods upon which the marks are viewed. Consequently, overall, I do consider that there is also a likelihood of indirect confusion between the marks.

CONCLUSION

56. The opposition succeeds in full, and the contested mark is hereby, subject to any successful appeal of my decision, refused registration in its entirety.

COSTS

57. As the opponent has been successful it is entitled to a contribution towards its costs, based upon the scale published in Tribunal Practice Note 1/2023. In the circumstances, I award the opponent the sum of £1,300 as a contribution towards the cost of the proceedings. The sum is calculated as follows:

Official fee:	£100
Preparing a notice of opposition & considering the other side’s statement:	£250
Preparing evidence:	£600
Preparing submissions-in-lieu:	£350
<u>Total:</u>	<u>£1,300</u>

58. I therefore order Formentera Mediterranean Spirits, S.L. to pay Balmoral Pastoral Investments Pty Ltd the sum of £1,300. The above sum should be paid within 21 days of the expiry of the appeal period or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings.

Dated this 24th day of December 2025

B Hartland

For the Registrar