O-239-21

TRADE MARKS ACT 1994
IN THE MATTER OF APPLICATION No. 3402812
BY THE MALT WHISKY COMPANY LIMITED
TO REGISTER THE TRADE MARK

IN CLASS 33

AND

IN THE MATTER OF OPPOSITION THERETO
UNDER No. 418382 BY
THE VINTAGE MALT WHISKY COMPANY LIMITED

BACKGROUND

1) On 29 May 2019, The Malt Whisky Company Limited (hereinafter the applicant) applied to register the trade mark shown on the previous page in respect of the following goods in class 33: Single Malt Scotch Whisky; Blended Malt Scotch Whisky; Single Grain Scotch Whisky; Blended Scotch Whisky; Single Malt Irish Whiskey; Blended Irish Whiskey; Single Grain Irish Whiskey; Pot Still Irish Whiskey; Blended Malt Irish Whiskey; Blended Malt Whisky; Blended Malt Whiskey.

2) The application was examined and accepted, and subsequently published for opposition purposes on 9 August 2019 in Trade Marks Journal No.2019/032.

3) On 11 November 2019 The Vintage Malt Whisky Company Limited (hereinafter the opponent) filed a notice of opposition, subsequently amended. The opponent is the proprietor of the following trade mark:

Mark	Number	Dates of filing & registration	Class	Specification relied upon
THE VINTAGE MALT WHISKY COMPANY	3297467	16.03.18 11.10.19	33	Alcoholic beverages; spirits; whisky; liqueurs; but in so far as whisky and whisky based liqueurs are concerned, only Scotch whisky and Scotch whisky based liqueurs produced in Scotland.

4) The grounds of opposition are, in summary:

a) The opponent contends that its mark above and the mark applied for are very similar and that the goods applied for are identical / similar to the services for which the earlier mark is registered. As such the mark in suit offends against Section 5(2)(b) of the Act.

b) The opponent also contends that it has a considerable reputation in its mark in respect of the goods for which it is registered. It states that the similarity between the marks and businesses is such that there is a likelihood of consumers assuming a link. It contends that this will enable the applicant to take unfair advantage of the opponent's reputation and free ride on its investment in promoting and advertising the brand. Use of the mark in suit will dilute and

tarnish the reputation of the opponent. It contends that the mark in suit offends against section 5(3) of the Act.

c) As a result of the use made of the sign THE VINTAGE MALT WHISKY COMPANY since 1992 the opponent has acquired a substantial amount of goodwill and reputation in its mark in the UK in relation to alcoholic beverages such that the average consumer will assume that the services of the applicant are those of the opponent or linked to them and therefore misrepresentation will occur. The mark in suit therefore offends against section 5(4)(a) of the Act.

5) On 13 February 2020 the applicant filed a counterstatement, in which it does not put the opponent to proof of use of its mark. The opponent denies the grounds of opposition save for accepting that the goods of the two parties "are highly similar, if not identical".

6) Both parties are professionally represented and both seek an award of costs in their favour. Only the opponent filed evidence. Neither party wished to be heard on the issue and so a decision will be made from the papers. Both parties filed submissions which I shall take into account as and when necessary.

OPPONENT'S EVIDENCE

7) The opponent filed a witness statement, dated 30 July 2020, by Jacqueline McKay its Trade Mark Attorney. She contends that the opponent has made significant use of its mark and has acquired distinctiveness and enhanced reputation. She provides as at exhibit JM1 a witness statement and exhibits from Harry Brian Crook, which is dated 10 May 1991. It is claimed that this is the evidence which was filed with the opponent's application which, together with the contents of the statement, leads me to suspect that the statement is erroneously dated 10-5-91 when it should have been 10-5-19. He states that the opponent's mark was first used in 1992 in relation to alcoholic beverages and has been used throughout the UK since. He states that the mark is used as a "House" brand along with the opponent's secondary brands such as FINLAGGEN, THE COOPER'S CHOICE, SMOKE STACK and GLENALMOND. He claims that the opponent's UK turnover under its mark is as follows:

Year	£ millions	Advertising £
2014	2.0	

2015	2.7	10,000
2016	3.3	10,000
2017	3.9	15,000
2018	4.0	15,000

8) At exhibit HBC3 he provides a sample of five invoices from the period 1995 – 2015 totalling approximately £45,000, all relating to whisky. The goods are sold via over 200 retail outlets including Marks & Spencer and Majestic Wines. The opponent claims to have advertised in various magazines such as *SCRUM, Drinks International, Scottish Field* and *STV Business Bites*. Copies of these advertisements are said to be provided at exhibit HBC5, however, the only advertisements seem to be from an American magazine *Malt Advocate* dated 2000, and *Scottish Field*, dated 2017. He states that the opponent has won various awards and lists these at exhibits HBC6 & 7. It is unclear how prestigious and recognised these awards are, for example a number of the awards were given by "Jim Murrays Whisky Bible". No details of this publication have been provided. He states that the mark has also appeared in a number of annual whisky guides, listed at exhibit HBC8. The opponent is a member of the Scottish Whisky Association (SWA). A letter from the SWA is provided at exhibit HBC9. He states that the term "vintage" stems from the Latin word for wine and so vintage is "correctly used in relation to wine, and not in relation to whisky". I do not accept this premise as the word "vintage" is a well-known dictionary word meaning old, usually of quality. It is a term used in relation to clothing, books and a myriad of other items including alcoholic drinks such as port and rum.

9) The opponent also filed a witness statement, dated 31 August 2020, by Caroline James a director of the opponent. She points out that the evidence of Mr Crook was deemed sufficient by the Registry to show that the mark had acquired distinctiveness such that it could be registered.

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

DECISION

11) Although the UK has left the EU, section 6(3)(a) of the European (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.

12) The first ground of opposition is under section 5(2)(b) which reads:

> "5.-(2) A trade mark shall not be registered if because -
>
> (a) .....
>
> (b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,
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> there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark."

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

> "6.-(1) In this Act an "earlier trade mark" means -
>
> (a) a registered trade mark, international trade mark (UK) or Community trade mark which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks."

14) The opponent is relying upon its trade mark listed in paragraph 3 above which is clearly an earlier trade mark. As the opponent's mark had not been registered for five years at the time that the applicant's mark was filed (29 May 2019), the proof of use requirements do not bite.

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

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

(k) if the association between the marks creates a risk that the public will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

The average consumer and the nature of the purchasing decision

16) As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' goods. I must then determine the manner in which these goods are likely to be selected by the average consumer in the course of trade. 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*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

"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."

17) The goods at issue in these proceedings relate to whisky. The average consumer for such goods will be the public at large (including businesses), albeit insofar as those goods which have an alcoholic content in excess of 0.5% are concerned, the average consumer will be over the age of 18. The beverages at issue may be sold through a range of channels, including retail premises such as supermarkets, and off-licences (where the goods are normally displayed on shelves and are obtained by self-selection) and in public houses (where the goods are displayed on, for example, shelves behind the bar and where the trade marks will appear on dispensers (optics) at the bar etc.). When the goods are sold in, for example, public houses the ordering/selection process is likely to be an oral one. However, there is nothing to suggest that the goods are sold in such a manner as to preclude a visual inspection. In *Simonds Farsons Cisk plc v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM),* Case T-3/04, the Court of First Instance (now the General Court) said:

> "In that respect, as OHIM quite rightly observes, it must be noted that, even if bars and restaurants are not negligible distribution channels for the applicant's goods, the bottles are generally displayed on shelves behind the counter in such a way that consumers are also able to inspect them visually. That is why, even if it is possible that the goods in question may also be sold by ordering them orally, that method cannot be regarded as their usual marketing channel. In addition, even though consumers can order a beverage without having examined those shelves in advance they are, in any event, in a position to make a visual inspection of the bottle which is served to them."

18) Consequently, while the goods may be ordered orally in public houses, it is likely to be in the context of, for example, a visual inspection of the bottles containing the goods prior to the order being placed. Considered overall, the selection process is likely to be predominantly a visual one, although I accept that aural considerations will also play their part. Turning now to the level of attention the average consumer will display when selecting the goods, given that for the most part the cost of the goods is likely to be relatively low, but bearing in mind that the average consumer will wish to ensure they are selecting the correct type, flavour, strength etc. of beverage, they are, in my view**, likely to pay a slightly above average level of attention to the selection of the goods in class 33 at issue.**

Comparison of goods

19) In the judgment of the Court of Justice of the European Union (CJEU) in *Canon*, Case C-39/97, the court stated at paragraph 23 of its judgment that:

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

20) The goods of the two parties are as follows:

Applicant's goods	Opponent's goods
Single Malt Scotch Whisky; Blended Malt Scotch Whisky; Single Grain Scotch Whisky; Blended Scotch Whisky; Single Malt Irish Whiskey; Blended Irish Whiskey; Single Grain Irish Whiskey; Pot Still Irish Whiskey; Blended Malt Irish Whiskey; Blended Malt Whisky; Blended Malt Whiskey.	Alcoholic beverages; spirits; whisky; liqueurs; but in so far as whisky and whisky based liqueurs are concerned, only Scotch whisky and Scotch whisky based liqueurs produced in Scotland.

21) Clearly, all of the Scotch whisky products in the applicant's specification are identical to the Scotch whisky in the opponent's specification. The Irish Whiskey products in the applicant's specification are highly similar or virtually identical to the Scotch whisky in the opponent's specification.

Comparison of trade marks

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

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

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

Opponent's earlier mark	Applicant's Mark
THE VINTAGE MALT WHISKY COMPANY	

24) The marks of both parties are entirely descriptive in that they refer to companies which offer malt whisky for sale. Clearly, both parties marks share the words "THE", "MALT" and "WHISKY". Whilst the opponent's mark ends with the word "COMPANY" the applicant's mark has "Co" which the average consumer will see and recognise for what it is, a short-hand version of the word "company". The only differences between the marks is that the opponent's mark has the word "VINTAGE" in it and the applicant's mark has a degree of stylisation and some device elements. The word "vintage" will be seen for what it is, a reference to a whisky which is older and of higher quality. It is clear that there are visual and aural similarities with only minor visual and aural differences. Conceptually both marks describe precisely what the parties' business is about, and differ only in that the opponent's mark implies an older (mature) scotch of higher quality. Both marks are descriptive of the products they sell i.e. whisky, indeed if they were used on any other goods the mark would be deceptive. Neither mark has a dominant or distinctive element and, in my opinion, neither is registerable prima facie. Overall the marks must be considered highly similar.

Distinctive character of the earlier trade mark

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

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

26) In *Kurt Geiger v A-List Corporate Limited*, BL O-075-13, Mr Iain Purvis Q.C. 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.'

40. In other words, simply considering the level of distinctive character possessed by the earlier mark is not enough. It is important to ask 'in what does the distinctive character of the earlier mark lie?' Only after that has been done can a proper assessment of the likelihood of confusion be carried out".

27) The opponent has relied upon the acceptance by the Registry that based upon the evidence which has been provided again in these proceedings, that the opponent's mark had acquired distinctiveness and so was placed upon the Register. Having studied the evidence filed I do not consider this to be a sound decision. The mark is inherently totally descriptive of a company which

sells vintage whisky. The evidence is flawed in many areas, not least the fact that the mark relied upon is a house mark used in conjunction with a variety of other marks. It is unclear quite how the public perceives the various marks, partly because it is not possible to see how the mark relied upon is used on the bottles of whisky sold under a variety of other marks. The turnover figures are rough estimates and whilst respectable are not overwhelming and the old adage of use not equalling distinctiveness must also be taken into account. The advertising is very small and the awards listed are not put into context of public recognition. Indeed none of the figures are put into context of the market in the UK for whisky. Distinctive character is a measure of how strongly the mark identifies the goods/services of a single undertaking. Logically, in order for the mark to strongly identify the goods/services of a particular undertaking to a significant part of the public, it must first be known by at least that section of the public. The opponent has singularly failed to show that its mark is known amongst the relevant public. I find the opponent's mark inherently non-distinctive although, since it is registered, I have to accept, as per *Formula One Licensing BV v OHIM,* Case C-196/11P, that legally and for the sake of my comparison the mark has at least a very low degree of inherent distinctiveness. I find that the mark cannot benefit from enhanced distinctiveness.

Likelihood of confusion

28) In determining whether there is a likelihood of confusion, a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective services and vice versa. As I mentioned above, it is also necessary for me to keep in mind the distinctive character of the opponent's trade mark as the more distinctive this trade mark is, the greater the likelihood of confusion. I must also keep in mind the average consumer for the services, the nature of the purchasing process and the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he has retained in his mind. Earlier in this decision, I concluded that:

- the average consumer for the goods is an adult member of the UK public (including businesses) who will select the goods by predominantly visual means, although not discounting aural considerations and that they are likely to pay a slightly above average level of attention to the selection of the goods in class 33 at issue.

- Overall, the marks of the two parties are highly similar.

- The opponent's mark is inherently distinctive to a very low degree, but cannot benefit from enhanced distinctiveness through use.

- The goods of the two parties are identical or highly similar / virtually identical.

29) I take into account the views expressed in *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10, where Mr Iain Purvis Q.C., as the Appointed Person, explained that:

> "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 recognized 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.

30) In *Duebros Limited v Heirler Cenovis GmbH,* BL O/547/17, Mr James Mellor Q.C., 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.

31) Taking all of the above into account, even where the respective goods are identical, a combination of the fact that the opponent's mark is endowed with, at best, only a minimal level of distinctive character and the albeit minor visual, aural and conceptual distinctions between the marks, when combined, are sufficient that the earlier mark will not be brought to mind. The similarities between the marks are contained in words which are not the dominant or distinctive parts of the marks. The guidance of the CJEU in *Medion* that the presence of a common element may lead to a finding of confusion is not necessarily decisive and does not reflect the circumstances in the current case. There is no likelihood of confusion, either direct or indirect. **The opposition under Section 5(2)(b) therefore fails.**

32) I next turn to the ground of opposition under section 5(3) which reads:

> "(3) A trade mark which-
>
> (a) is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a European Union trade mark or international trade mark (EC), in the European Union) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.

33) The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors,* Case 252/07, *Intel,* Case C-408/01, *Addidas-Salomon,* Case C-487/07, *L'Oreal v Bellure* and Case C-323/09, *Marks and Spencer v Interflora* and Case C383/12P, *Environmental Manufacturing LLP v OHIM.* The law appears to be as follows.

a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors, paragraph 24.*

(b) The trade mark for which protection is sought must be known by a significant part of that relevant public; G*eneral Motors, paragraph 26.*

(c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Saloman, paragraph 29* and *Intel, paragraph 63.*

(d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark's reputation and distinctiveness; *Intel, paragraph 42*

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel, paragraph 68;* whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel, paragraph 79.*

(f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; *Intel, paragraphs 76 and 77* and *Environmental Manufacturing, paragraph 34.*

(g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel, paragraph 74.*

(h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact of the earlier mark; *L'Oreal v Bellure NV, paragraph 40*.

(i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora, paragraph 74 and the court's answer to question 1 in L'Oreal v Bellure).*

34) I must first consider whether the opponent has shown it has the requisite reputation. In *General Motors,* Case C-375/97, the CJEU held that:

> “25. It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined.
>
> 26. The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.
>
> 27. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.
>
> 28. Territorially, the condition is fulfilled when, in the terms of Article 5(2) of the Directive, the trade mark has a reputation ‘in the Member State’. In the absence of any definition of the Community provision in this respect, a trade mark cannot be required to have a reputation 'throughout‘ the territory of the Member State. It is sufficient for it to exist in a substantial part of it.”

35) The evidence filed by the opponent fails to show that it has a reputation in the trade mark claimed. The opponent admits that the mark is used only as a “house mark” and that the main trade mark upon the front label of the bottles of whisky will be its other marks. It is unclear how prominent the house mark is upon the bottle and how aware the average consumer is that the mark is indeed a trade mark. As stated earlier in this decision the inherent distinctiveness of this mark is very low. The evidence of use, such as it is, does not persuade me that the mark has acquired a reputation in the UK.

36) In case I am wrong on this point I will go onto consider whether the average consumer will make the necessary link between the marks of the two parties. In carrying out this comparison I am aware that the level of similarity required for the public to make a link between the marks for the purposes of 5(3) may be less than the level of similarity required to create a likelihood of confusion (*Intra-Presse SAS v OHIM,* Joined cases C-581/13P & C-582/13P). To my mind, the marks of the two parties are highly descriptive and are simply the company names. The average consumer is well used to identifying very small differences in names, be they people’s names or company names and so they will not make a link between them. **The ground of opposition under section 5(3) fails.**

37) Lastly, I turn to the ground of opposition under section 5(4)(a) which reads:

> "(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented-
>
> (a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, where the condition in subsection (4A) is met,
>
> (aa) …..
>
> (b) …..
>
> A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an "earlier right" in relation to the trade mark."

38) In *Discount Outlet v Feel Good UK,* [2017] EWHC 1400 IPEC, Her Honour Judge Melissa Clarke, sitting as a deputy Judge of the High Court, conveniently summarised the essential requirements of the law of passing off as follows:

> "55. The elements necessary to reach a finding of passing off are the 'classical trinity' of that tort as described by Lord Oliver in the Jif Lemon case (Reckitt & Colman Product v Borden [1990] 1 WLR 491 HL, [1990] RPC 341, HL), namely goodwill or reputation; misrepresentation leading to deception or a likelihood of deception; and damage resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all three limbs.
>
> 56. In relation to deception, the court must assess whether *"a substantial number"* of the Claimants' customers or potential customers are deceived, but it is not necessary to show that all or even most of them are deceived (per *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21)."

39) Halsbury's Laws of England Vol. 97A (2012 reissue) provides further guidance with regard to establishing the likelihood of deception. In paragraph 309 it is noted (with footnotes omitted) that:

“To establish a likelihood of deception or confusion in an action for passing off where there has been no direct misrepresentation generally requires the presence of two factual elements:

(1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and

(2) that members of that class will mistakenly infer from the defendant’s use of a name, mark or other feature which is the same or sufficiently similar that the defendant’s goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact.

In arriving at the conclusion of fact as to whether deception or confusion is likely, the court will have regard to:

(a) the nature and extent of the reputation relied upon;

(b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;

(c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;

(d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and

(e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.”

In assessing whether confusion or deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action.”

40) Earlier in this decision I found that use of the mark in suit, actual or on a fair and notional basis would not result in confusion with the opponent's mark. Accordingly, it seems to me that the necessary misrepresentation required by the tort of passing off will not occur. The opposition under Section 5(4)(a) of the Act must fail.

CONCLUSION

41) The oppositions under Sections 5(2)(b), 5(3) and 5(4)(a) fail.

COSTS

42) As the applicant has been successful it is entitled to a contribution towards its costs.

Preparing a statement and considering the other side's statement	£300
Considering other side's evidence	£400
Submissions	£800
TOTAL	£1500

43) I order The Vintage Malt Whisky Company Limited to pay The Malt Whisky Company Limited the sum of £1500. 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 6th day of April 2021

George W Salthouse
For the Registrar,
the Comptroller-General