O/286/21

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. UK00003461243
BY CIDU COLLECTION GMBH
TO REGISTER:

Inchcruin

INCHCRUIN

(SERIES OF 2)

AS TRADE MARKS IN CLASS 33

AND

IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 420161 BY
LOCH LOMOND DISTILLERS LIMITED

BACKGROUND AND PLEADINGS

1. On 26 January 2020, CIDU Collection GmbH ("the applicant") applied to register the series of trade marks shown on the cover of this decision ("the application") in the UK for the following goods:

Class 33:	Scotch whisky; Scotch whisky based liqueurs; Whiskey; Whiskey [whisky]; Whisky; Beverages (Alcoholic -), except beer; Blended whisky; all being produced in Scotland; Brandy; Vodka; Gin.

2. The application was published for opposition purposes on 31 January 2020 and on 30 April 2020 it was opposed by Loch Lomond Distillers Limited ("the opponent"). The opposition is based on section 5(2)(b) of the Trade Marks Act 1994 ("the Act"). The opponent relies on the following mark:

INCHMURRIN
EUTM no. 3491537[1]
Filing date 31 October 2003; registration date 4 March 2005
Relying on some goods, namely:

Class 33:	Alcoholic beverages; whisky; spirits

("the opponent's mark")

3. The opponent submits that the similarity between the parties' marks and the identity of the respective goods will lead to a likelihood of confusion on the part of the public. The applicant filed a counterstatement denying the claims made and requested that the opponent provide proof of use of its mark.

4. Only the opponent has filed evidence and, during the evidence rounds, both parties filed written submissions. A hearing took place before me on 24 March 2021 by video conference. The opponent was represented by Usman Tariq of Ampersand

[1] Although the UK has left the EU and the transition period has now expired, EUTMs, and International Marks which have designated the EU for protection, are still relevant in these proceedings given the impact of the transitional provisions of The Trade Marks (Amendment etc.) (EU Exit) Regulations 2019 – please see Tribunal Practice Notice 2/2020 for further information.

Advocates, instructed by Keltie LLP. The opponent filed skeleton arguments in advance of the hearing. The applicant has been represented throughout these proceedings by FRKelly but elected not to attend the hearing.

5. 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 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.

EVIDENCE

<u>The opponent's evidence</u>

The Witness Statement of Christopher Alexander Mitchell dated 22 October 2020

6. Mr Mitchell is the Chief Financial Officer of the opponent, a position he has held since February 2020. Mr Mitchell has been employed by the opponent since March 2014.

7. Mr Mitchell states that the opponent's mark was first used in the EU in 2005 and has been continuously used ever since on goods such as whisky. A printout from the opponent's website is exhibited that shows bottles of whisky.[2] Mr Mitchell states that these images are products sold in the EU. Of these printouts, I note that one bottle of whisky is referred to as 'LL INCHMURRIN 18 YEAR OLD' and that another is referred to as 'LOCH LOMOND INCHMURRIN 12 YEAR OLD'. The latter was available to buy online as at the date of the printout; however, I note that the printout is undated.

8. Sales figures of whisky products under the INCHMURRIN brand are then discussed and I note that the following table has been provided to demonstrate the level of sales in the UK and in the EU:

[2] Exhibit CAM1

Year	Units* Sold EU	Revenue EU	Units* Sold UK	Revenue UK
2015	3,505	£194,609	290	£13,773
2016	3,540	£271,926	191	£38,687
2017	4,558	£429,705	677	£82,632
2018	6,642	£448,536	667	£77,838
2019	6,467	£387,238	588	£57,544

*Units are actual cases (6 x 70cl)

9. A number of invoices are also exhibited to Mr Mitchell's statement showing the sale of various types of whisky throughout the EU. [3] A majority of these invoices are dated between 11 October 2016 and 7 August 2019, which is within the relevant date. However, some invoices are dated outside the relevant period and I have not considered these. Further, there are invoices showing sales of whisky to Switzerland. As Switzerland is not an EU member state. I have not considered this evidence. Of the invoices dated within the relevant date and showing sales within the EU, I note the following:

    a. The invoices relate to sales of whisky to locations within the UK and also to Poland, Holland, France, Sweden, Italy, Latvia and Germany;
    b. While each invoice includes reference to a number of different types of whisky, each invoice does include a reference to 'INCHMURRIN' within the description column; and
    c. While I have not calculated the precise amount of sales that relate to 'INCHMURRIN' whisky, those sales equate to at least £100,000.

10. A number of printouts showing the promotion and advertising for whisky products shown under the 'INCHMURRIN' trade mark between 2015 and 2019 have been provided.[4] I do not intend to address each printout in full but I note that they show images of bottles of whisky bearing the 'INCHMURRIN' brand. While the images are all undated, they show images of awards that the whiskies have won and I note that the dates of these awards fall within the relevant period. I am, therefore,

[3] Exhibit CAM2
[4] Exhibit CAM3

content to conclude that these images are reflective of the advertising of the products during the relevant period. In terms of the customer base that these advertisements are targeting, I note that some of them include the UK website 'drinkaware.co.uk' meaning that I am satisfied that they target UK customers. Further, other advertisements contain prices in euros and descriptions of the goods in a foreign language. While I am unsure what language is being used, I am content to conclude that it is a European language given the use of euros on those advertisements. There is also a photograph of a van showing INCHMURRIN whisky that contains a '.nl' domain meaning that it is evidence of advertising in Holland. Overall, I am satisfied that this evidence shows advertising throughout the EU and the UK.

11. Mr Mitchell states that the 'INCHMURRIN' range of whisky is highly regarded and has been awarded a number of different awards that include 'World Spirit Competition', 'International Wine and Spirit Competition', 'World Whiskies Awards', 'The Scotch Whisky Masters' and 'International Spirits Competition'. Printouts of websites confirming some of these awards are provided.[5] I note that this evidence shows 'Inchmurrin' whisky as a winner of the gold medal at the 2016 and 2019 'World Whiskies Awards'. There is also evidence of two types of 'Inchmurrin' whiskies being awarded the gold medal in the 2017 Berlin International Spirits Competition.

12. Finally, Mr Mitchell has exhibited a number of printouts from third party websites showing bottles of whisky for sale.[6] While these printouts are undated, I note the printouts from the website 'Masters of Malt' contains reviews from within the relevant period. I also note that this website relates to delivery and sales within the UK. Therefore, I am content to conclude that this printout is reflective of the products on sale in the EU during the relevant period. As for the remaining print outs, these contain no dates and I am, therefore, of the view that they do not assist the opponent as there is nothing within them to suggest they are either from within the relevant period or indicative of the position during the relevant period.

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[5] Exhibit CAM4
[6] Exhibit CAM5

DECISION

Proof of use

13. 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) a registered trade mark, international trade mark (UK) or Community trade mark or international trade mark (EC) 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,
>
> (2) References in this Act to an earlier trade mark include a trade mark in respect of which an application for registration has been made and which, if registered, would be an earlier trade mark by virtue of subsection (1)(a) or (b), subject to its being so registered."

14. Given its filing date, the opponent's mark qualifies as an earlier trade mark under the above provisions. I note that in its counterstatement, the applicant sought to put the opponent to proof of use of its mark because its mark completed its registration process more than 5 years before the date of the application in issue. Therefore, the opponent's mark is subject to proof of use pursuant to section 6A of the Act.

15. The relevant statutory provisions are as follows:

> "Raising of relative grounds in opposition proceedings in case of non-use
>
> 6A-(1) This section applies where –
>
> > (a) an application for registration of a trade mark has been published,

(b) there is an earlier trade mark of a kind falling within section 6(1)(a), (b) or (ba) in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and

(c) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication.

(1A) In this section “the relevant period” means the period of 5 years ending with the date of the application for registration mentioned in subsection (1)(a) or (where applicable) the date of the priority claimed for that application.

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

(3) The use conditions are met if –

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

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

(4) For these purposes –

(a) use of a trade mark includes use in a form (the “variant form”) differing in elements which do not alter the distinctive character of the mark in the form in which it was registered (regardless of whether or not the trade mark in the variant form is also registered in the name of the proprietor), and

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

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

(5A) In relation to an international trade mark (EC) the reference in subsection (1)(c) to the completion of the registration procedure is to be construed as a reference to the publication by the European Union Intellectual Property Office of the matters referred to in Article 190(2) of the European Union Trade Mark Regulation.

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

16. Section 100 of the Act is also relevant, which reads:

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

17. In *Walton International Ltd & Anor v Verweij Fashion BV* [2018] EWHC 1608 (Ch) Arnold J (as he then was) summarised the law relating to genuine use as follows:

"114……The CJEU has considered what amounts to "genuine use" of a trade mark in a series of cases: Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, *La Mer* (cited above), Case C-416/04 P *Sunrider Corp* v *Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237, Case C-442/07 *Verein Radetsky-Order v Bundervsvereinigung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I-

9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759, Case C-149/11 *Leno Merken BV v Hagelkruis Beheer BV* [EU:C:2012:816], [2013] ETMR 16, Case C-609/11 P *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR, Case C-141/13 P *Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2014:2089] and Case C-689/15 *W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse* [EU:C:2017:434], [2017] Bus LR 1795.

115. The principles established by these cases may be summarised as follows:

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

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

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Leno* at [29]; *Centrotherm* at [71]. Accordingly, affixing of a trade mark on goods as a label of quality is not genuine use unless it guarantees, additionally and simultaneously, to consumers that those goods come from a single undertaking under the control of which the goods are manufactured and which is responsible for their quality: *Gözze* at [43]-[51].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14] and [22]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the

latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71]; *Reber* at [29].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Leno* at [29]-[30], [56]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72] and [76]-[77]; *Leno* at [55].

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

18. Pursuant to Section 6A of the Act, the relevant period for assessing whether there has been genuine use of the opponent's mark is the 5-year period ending with the date of the application in issue i.e. 27 January 2015 to 26 January 2020.

19. As the earlier mark is an EUTM, the opponent must show use in the EU. In *Leno Merken BV v Hagelkruis Beheer BV*, Case C-149/11, the Court of Justice of the European Union ("CJEU") noted that:

> "It should, however, be observed that … the territorial scope of the use is not a separate condition for genuine use but one of the factors determining genuine use, which must be included in the overall analysis and examined at the same time as other such factors. In that regard, the phrase 'in the Community' is intended to define the geographical market serving as the reference point for all consideration of whether a Community trade mark has been put to genuine use."[7]

20. Proven use of a mark which fails to establish that "the commercial exploitation of the marks is real" because the use would not be "viewed as warranted in the economic sector concerned to maintain or create a share in the mark for the goods or services protected by the mark" is, therefore, not genuine use.

Form of the Mark

21. In *Colloseum Holdings AG v Levi Strauss & Co.,* Case C-12/12, which concerned the use of one mark with, or as part of, another mark, the CJEU found that:

> "31. It is true that the 'use' through which a sign acquires a distinctive character under Article 7(3) of Regulation No 40/94 relates to the period before its registration as a trade mark, whereas 'genuine use', within the meaning of Article 15(1) of that regulation, relates to a five-year period following registration and, accordingly, 'use' within the meaning of Article 7(3) for the purpose of registration may not be relied on as such to establish 'use' within the meaning of Article 15(1)

[7] Paragraph 36.

for the purpose of preserving the rights of the proprietor of the registered trade mark.

32. Nevertheless, as is apparent from paragraphs 27 to 30 of the judgment in *Nestlé*, <u>the 'use' of a mark, in its literal sense, generally encompasses both its independent use and its use as part of another mark taken as a whole or in conjunction with that other mark.</u>

33. As the German and United Kingdom Governments pointed out at the hearing before the Court, the criterion of use, which continues to be fundamental, cannot be assessed in the light of different considerations according to whether the issue to be decided is whether use is capable of giving rise to rights relating to a mark or of ensuring that such rights are preserved. If it is possible to acquire trade mark protection for a sign through a specific use made of the sign, that same form of use must also be capable of ensuring that such protection is preserved.
34. Therefore, the requirements that apply to verification of the genuine use of a mark, within the meaning of Article 15(1) of Regulation No 40/94, are analogous to those concerning the acquisition by a sign of distinctive character through use for the purpose of its registration, within the meaning of Article 7(3) of the regulation.

35 Nevertheless, as pointed out by the German Government, the United Kingdom Government and the European Commission, <u>a registered trade mark that is used only as part of a composite mark or in conjunction with another mark must continue to be perceived as indicative of the origin of the product at issue for that use to be covered by the term 'genuine use' within the meaning of Article 15(1)"</u>. (emphasis added)

22. The opponent's mark as registered is used throughout the evidence. Clearly, this is use upon which the opponent can rely. I also note that the opponent has used the mark in the following ways:

a) INCHMURRIN 12 YEAR OLD;
b) INCHMURRIN 18 YEAR OLD;

c) INCHMURRIN MADEIRA/INCHMURRIN MADEIRA WOOD FINISH;

d) 

;

e) 

; and

f) 

23. In respect of the use shown at a) to c) above, I am of the view that the additional words will be seen as non-descriptive additions that indicate the type of whisky being sold. For example, ’12 YEAR OLD’ and ’18 YEAR OLD’ will be indicative of whisky that has been aged for 12 and 18 years, respectively. While it will not be as obvious as the former two examples, I am also of the view that ‘MADEIRA’/’MADEIRA WOOD FINISH’ will be indicative of a different type of whisky, for example a whisky aged in a cask that uses a different type of wood. As a result, I consider that the uses shown as a) to c) above will continue to indicate the origin of the goods at issue, being INCHMURRIN, and are, therefore, examples of use of the mark as registered in accordance with *Colloseum*.

24. I consider the font used in examples d) to f) above to be standard typefaces that are covered by the mark’s registration as a word only mark. Further, the use of colour is also acceptable as registration in black and white covers use in different colours. The addition of the words ‘SINGLE MALT SCOTCH WHISKY’ are purely descriptive and, in my view, have no trade mark significance. Further, I make the same findings as I have at paragraph 23 above in that the additional elements (AGED 12 YEARS, AGED 18 YEARS and MADEIRA WOOD FINISH) are indicative of the type of whisky being sold. Despite the additions, I consider that the marks labelled d) to f) will continue to indicate the origin of the goods at issue, being INCHMURRIN, and are, therefore, examples of use of the mark as registered in accordance with *Colloseum*.

Sufficient Use

25. An assessment of genuine use is a global assessment, which includes looking at the evidential picture as a whole, not whether each individual piece of evidence shows use by itself.[8]

26. In the opponent's evidence, I note that:

   a. In the UK, the opponent has sold £270,474 worth of whisky bearing the 'INCHMURRIN' mark during the years, 2015 to 2019;
   b. In the EU, the opponent has sold £1,732,014 worth of whisky bearing the 'INCHMURRIN' mark during the years 2015 to 2019;
   c. A number of invoices have been provided that confirm sales across the EU during the relevant period;
   d. The sales to countries in the EU include the UK (which was a member state during the relevant period), Poland, Holland, France, Sweden, Italy, Latvia and Germany; and
   e. A number of promotional literature and advertising for the years 2015 and 2019 show use of the mark.

27. At the hearing, I asked the opponent whether the EU figures referred to at point a above were inclusive of the UK figures referred to at point b. The opponent stated that while it wasn't sure, it was likely that the EU figures included the UK figures as, at the time the figures were produced, the UK was a part of the EU. I will proceed on that basis.

28. While I have no evidence from either party as to the size of the market for whisky in the EU, I would expect it to be a significant market amounting to billions of pounds per annum. The sales figures of £1,732,014 over a five-year period are not striking, especially in comparison to the size of the relevant market. However, the case law cited above states that use of a mark need not always be quantitatively significant for it to be deemed genuine.

[8] New York SHK Jeans GmbH & Co KG v OHIM, T-415/09

29. In addition to the sales figures shown above, I note that the evidence shows that the opponent has sold its whisky in many countries across the EU, meaning that the geographical spread of its use is significant. It also shows that the opponent has sought to advertise its mark throughout the EU and in the UK during the relevant period and has even been awarded a number of awards from various institutions. Further, I have given consideration to the fact that whisky is a drink that has a long manufacturing process of a number of years and that, for many producers of whisky, it is not likely to be mass produced. I have also considered that the market for whisky across the EU is likely to be extremely competitive with a vast number of producers competing with one another.

30. Taking all of the evidence into account, I am of the view that it is clear that the opponent has attempted to create and maintain a market for its goods under its mark. Therefore, I am satisfied that the opponent has demonstrated genuine use of its mark during the relevant period in the EU.

Fair Specification

31. I must now consider whether, or the extent to which, the evidence shows use of the opponent's mark in relation to the goods relied upon.

32. In *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors* [2016] EWHC 3103 (Ch), Mr Justice Carr summed up the law relating to partial revocation as follows.

> "iii) Where the trade mark proprietor has made genuine use of the mark in respect of some goods or services covered by the general wording of the specification, and not others, it is necessary for the court to arrive at a fair specification in the circumstance, which may require amendment; *Thomas Pink Ltd v Victoria's Secret UK Ltd* [2014] EWHC 2631 (Ch) ("Thomas Pink") at [52].
>
> iv) In cases of partial revocation, pursuant to section 46(5) of the Trade Marks Act 1994, the question is how would the average consumer fairly describe the

services in relation to which the trade mark has been used; *Thomas Pink* at [53].

v) It is not the task of the court to describe the use made by the trade mark proprietor in the narrowest possible terms unless that is what the average consumer would do. For example, in *Pan World Brands v Tripp Ltd* (Extreme Trade Mark) [2008] RPC 2 it was held that use in relation to holdalls justified a registration for luggage generally; *Thomas Pink* at [53].

vi) A trade mark proprietor should not be allowed to monopolise the use of a trade mark in relation to a general category of goods or services simply because he has used it in relation to a few. Conversely, a proprietor cannot reasonably be expected to use a mark in relation to all possible variations of the particular goods or services covered by the registration. *Maier v Asos Pl*c [2015] EWCA Civ 220 ("Asos") at [56] and [60].

vii) In some cases, it may be possible to identify subcategories of goods or services within a general term which are capable of being viewed independently. In such cases, use in relation to only one subcategory will not constitute use in relation to all other subcategories. On the other hand, protection must not be cut down to those precise goods or services in relation to which the mark has been used. This would be to strip the proprietor of protection for all goods or services which the average consumer would consider to belong to the same group or category as those for which the mark has been used and which are not in substance different from them; *Mundipharma AG v OHIM* (Case T-256/04) ECR II-449; EU:T:2007:46."

33. I remind myself that the goods relied upon by the opponent are as follows:

Class 33:	Alcoholic beverages; whisky; spirits

34. The applicant has submitted that:

“The evidence filed, if considered sufficient, only shows use of the Trade Mark in respect of “whiskey” and it is submitted that “whiskey” is the only good that should be considered in the Opposition.”

35. At the hearing, the opponent put forward detailed submissions in respect of fair specification. While I do not intend to reproduce them in full here, I will briefly summarise the points raised. The opponent argued that as it has proven genuine use of whisky, the use should be taken to exemplify use of the broader categories of “spirits” and “alcoholic beverages”. The basis for this argument is that to cut down the opponent’s protection to “whisky” only would be to strip the opponent of protection for spirits and alcoholic beverages that the average consumer would consider to be categories of goods that include whisky. Further, the opponent submits that any restriction to “whisky” but not other types of spirits or alcoholic beverages would be arbitrary in the circumstances.

36. Further, in respect of its argument in support of being granted fair specification for “spirits”, the opponent relies upon the fact that the opponent’s goods have obtained awards under the category of ‘spirits’. In those competitions, it would have been competing with other types of spirits. The opponent further submitted that as a result, the use of whisky should be seen to cover ‘spirits’ generally. While the evidence shows that the opponent won a Gold Award at the 2017 Berlin International Spirits Competition, I note that the list of the winners have been divided up into separate sub-categories, including, amongst others, brandies, rum and whiskies.[9] Therefore, the sub-category of whisky has clearly been identified as being separate. In any event, the test for fair specification is the perception of the average consumer, who will be a member of general public and not specialist awards businesses. Therefore, whether or not the award body considers whisky as a sub-category of spirits is not relevant to the issue of fair specification. This line of argument is, therefore, dismissed.

37. The opponent submitted that the average consumer would not consider “whisky” to be distinct from “spirits” or “alcoholic beverages” but would instead consider

[9] See pages 60 and 61 of Exhibit CAM4 of the witness statement of Mr Christopher Alexander Mitchell

them to fall within the same group or category because genuine use should be taken to exemplify use in the broader categories. While the arguments raised by the opponent are noted, I am of the view that the average consumer would consider “whisky” to be a distinct subcategory of “spirits” and “alcoholic beverages”. While I appreciate that the average consumer would be aware that “whisky” is a sub-category of both of those broader terms, I refer to the case law above and find that use in relation to “whisky” only does not constitute use in relation to all other subcategories of “spirits” or “alcoholic beverages” such as vodka or cider, for example.

38. I refer, again, to the case law cited in that it specifies that the opponent should not be allowed to monopolise use of a trade mark in relation to a general category of goods simply because it has used it in relation to a few. However, the case law also states that the opponent cannot reasonably be expected to use its mark in relation to *all* possible variations of goods for which its mark registered. I agree that it is not reasonable to expect the opponent to use its mark in relation to all variations of alcoholic beverages or spirits in order to be granted genuine use for those terms. However, the present issue is that the opponent has not shown use in *relation to a few* (as the case law above suggests) but in relation to only one, being whisky. Consequently, I do not consider it to be unfair or arbitrary to limit the scope of protection to just one good given that spirits and alcoholic beverages are considerably broad categories.

39. Overall, I am not satisfied that genuine use has been proved in relation to any goods other than whisky. As a result, it is necessary to limit the goods upon which the opponent may rely. For the purpose of fair specification, I limit the opponent’s specification to “whisky”.

Section 5(2)(b): legislation and case law

40. Section 5(2)(b) of the Act reads as follows:

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

(a) …

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

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

41. Section 5A of the Act states as follows:

"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."

42. The following principles 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 Office for Harmonization 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-334/05P and *Bimbo SA v OHIM*, Case C-591/12P.

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

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

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

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

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

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

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

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

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

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

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

Comparison of goods

43. In light of my finding above, the competing goods are as follows:

The opponent's goods	**The applicant's goods**
<u>Class 33</u> Whisky	<u>Class 33</u> Scotch whisky; Scotch whisky based liqueurs; Whiskey; Whiskey [whisky]; Whisky; Beverages (Alcoholic -), except beer; Blended whisky; all being produced in Scotland; Brandy; Vodka; Gin.

44. When making the comparison, all relevant factors relating to the goods in the specifications should be taken into account. In the judgment of the CJEU in *Canon*, Case C-39/97, the court stated at paragraph 23 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".

45. The relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, for assessing similarity were:

(a) The respective uses of the respective goods or services;

(b) The respective users of the respective goods or services;

(c) The physical nature of the goods or acts of service;

(d) The respective trade channels through which the goods or services 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 or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

46. The General Court confirmed in *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T- 133/05, that, even if goods or services are not worded identically, they can still be considered identical if one term falls within the scope of another or (vice versa):

> "29. In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by trade mark application (Case T-388/00 Institut fur Lernsysteme v OHIM- Educational Services (ELS) [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark".

47. At the hearing, the opponent made submissions in relation to the comparison of goods. I also note that the applicant made submissions in respect of the goods comparison in its written submissions. I do not intend to reproduce those in full here but I have taken them into account when making the following comparison.

48. "Scotch whisky", "scotch whisky based liqueurs" "whiskey", "whiskey [whisky]", "whisky", "blended whisky" in the application are all subject to the limitation that they are produced in Scotland. Therefore, they are all types of Scottish whiskies

that will fall within the broader category of “whisky” in the opponent’s specification. These goods are, therefore, identical under the principle outlined in *Meric*.

49. “Whisky” in the opponent’s specification is a type of alcoholic beverage and falls within the broader term of “beverages (alcoholic -), except beer” in the application which is also subject to the limitation referred to at paragraph 48 above. Therefore, in accordance with the principle outlined in *Meric*, these goods are identical.

50. While “brandy”, “vodka” and “gin” in the application and “whisky” in the opponent’s mark are produced using different processes and using different raw ingredients, they will overlap in nature in that they are all considered different types of spirits. All of these spirits can be consumed neat as a short drink or combined with a soft drink (such as coke or tonic water) or other types of mixers (as ingredients in cocktails) meaning that they will overlap in method of use. These goods are also commonly consumed for pleasure, whilst socialising or with an intention to become intoxicated and, as a result, overlap in purpose. There is also likely to be an overlap in user due to the broad user base for all of these drinks. Further, there is likely to be a competitive relationship between these goods as a consumer, for example, may choose to have a vodka and coke over a whisky and coke or to have a neat brandy over a neat whisky. They also overlap in trade channels because they are likely to be sold through the same retailers, being displayed on shelves in close proximity to one another. Further, at bars, the goods are likely to be displayed near each other behind or above the bar. Overall, I consider these goods to be similar to a high degree.

The average consumer and the nature of the purchasing act

51. As the case law set out above indicates, it is necessary for me to determine who the average consumer is for the respective parties’ goods. I must then decide 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."

52. The applicant submits that:

"The average consumer of the goods in question will be adults above the age of 18 although in the case of "whiskey", this tends to be consumed by adults of an older age. Therefore, it is submitted that the average consumer of the respective goods will largely be adult members of the public."

53. While the applicant submits that the average consumer of the goods will be adult members of the public, it appears to be arguing that consumers of whisky will be older adults. The applicant has provided no evidence or further explanation in support of its argument. In any event, I do not consider that the average consumer of whisky would be an older adult and instead, will form the same group of average consumers as other alcoholic beverages or spirits, in that they will be members of the general public over the age of 18.

54. The goods at issue are most likely to be sold through a range of retail outlets such as supermarkets and off-licences, their online equivalents or specialist suppliers. The goods will also be sold in restaurants, bars and public houses. In retail outlets, the goods at issue will be displayed 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. In outlets such as restaurants, bars and public houses, the goods are likely to be on display, for example, behind the counter at bars or on drinks menus. While I do not discount there may be an aural component in the selection and ordering of the goods in eating and drinking establishments, this is likely to take place after a visual

inspection of the goods or a menu. The selection of the goods at issue will, therefore, be primarily visual, although I do not discount that aural considerations may play a part.

55. The goods at issue are not everyday beverage products but are likely to be purchased on a semi-regular basis. The cost of the goods at issue will likely be fairly inexpensive. When selecting the goods, the average consumer is likely to consider such things as the origin of the goods, the age of the goods, size, flavour, use by/best before dates and alcoholic content. The average consumer is, therefore, likely to pay a medium degree of attention during the selection process of the goods.

Comparison of marks

56. It is clear from *Sabel v Puma AG* (particularly paragraph 23) that the average consumer normally perceives a trade 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 trade marks must be assessed by reference to the overall impressions created by the trade marks, bearing in mind their distinctive and dominant components.

57. 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."

58. 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.

59. The respective trade marks are shown below:

The opponent's mark	The application
INCHMURRIN	Inchcruin INCHCRUIN (Series of 2)

60. I have submission from both parties regarding the comparison of the marks and while I do not intend to reproduce them in full here, I have taken them into account when making the following assessment.

Overall Impression

61. The opponent's mark is a word only mark and there are no other elements that contribute to the overall impression of the mark which lies in the word itself. The application is a series of two word only marks with the only difference between them being the use of capital letters. There are no other elements that contribute to the overall impression of the marks which lies in the word itself.

Visual Comparison

62. Visually, the marks share the first four letters and the last two letters, being 'INCH' and 'IN', respectively. The marks differ in that between these letters are the letters 'MURR' in the opponent's mark and 'CRU' the application. Given that beginnings and the ends of the marks are identical, I find that they are visually similar to a high degree.

Aural Comparison

63. The opponent submits that its mark will be pronounced either 'INTSH-MURR-IN' or 'INTSH-MOOR-IN'. As for the application, I am of the view that it will be

pronounced ‘INTSH-CREW-IN’. Regardless of how the opponent’s mark is pronounced, the first and last syllables of the marks are identical. Taking all of this into account, I find the marks to be aurally similar to a high degree.

<u>Conceptual Comparison</u>

64. At the hearing, the opponent submitted that ‘INCHMURRIN’ and ‘INCHCRUIN’ are small islands situated in Loch Lomond in Scotland. The opponent also submitted that the evidence submitted shows that the opponent also sells a whisky called ‘INCHMOAN’, which is also an island in Loch Lomond. While this may be the case, the mark ‘INCHMOAN’ is not relied upon in these proceedings and any reliance upon it does not assist the opponent.

65. While it may be the case that Inchmurrin and Inchcruin are names of islands in Loch Lomond, I do not consider that a significant proportion of average consumers would be aware of this. While it is possible people who live near Loch Lomond may be aware of this, I do not consider that they make up a significant proportion of average consumers. This is particularly the case given that the opponent submitted that Inchmurrin has eight inhabitants and that Inchcruin is uninhabited. Instead, I am of the view that ‘INCHMURRIN’ and ‘INCHCRUIN’ are likely to be seen by the average consumer as made up words with no obvious meaning. As a result, neither mark has any discernible concept meaning that, overall, they will be conceptually neutral.

Distinctive character of the opponent’s mark

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

> “22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other

undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

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

67. Registered trade marks possess various degrees of inherent distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the goods or services, to those with high inherent distinctive character, such as invented words which have no allusive qualities. The distinctiveness of a mark can be enhanced by virtue of the use made of it. In this case, at the hearing, the opponent submitted that its mark has acquired a high degree of distinctive character through use. While the submissions are noted, I do not consider the evidence filed by the opponent is sufficient to demonstrate enhanced distinctiveness. I note that the opponent has failed to provide evidence of the market share held by its mark in the UK. Further, while the evidence provided show sales of the opponent's goods within the UK, I have no evidence as to the size of the relevant market for the opponent's goods in the UK. However, given that the opponent's goods are whisky, I am of the view that the market would be significant with an annual turnover of hundreds of millions of pounds. In comparison to the relevant market, the evidence of turnover provided is low and would, in my view, represent a low market share. Finally, while examples of advertisements were provided, there is no evidence regarding how much has been invested in promoting its marks. I, therefore, do not consider that the evidence filed is sufficient

to show that the opponent's marks have acquired an enhanced level of distinctive character. Consequently, I have only the inherent position to consider.

68. The opponent's mark is a word only mark that consists of the word 'INCHMURRIN'. While the opponent has submitted that 'INCHMURRIN' is the name of an island on Loch Lomond, I have already found that this would not be known to a significant proportion of average consumers. Instead, I have found the word to be a made up word with no obvious meaning. While the opponent submitted that the name 'INCHMURRIN' alludes to a Scottish connection, I do not consider this to be the case either. While I acknowledge that 'INCHMURRIN' is an island in a Scottish loch, I do not consider that the average consumer will make this connection. This is because while whisky is commonly associated with Scotland, it is also commonly associated with Ireland, America and Japan, so I see no obvious allusion to Scotland. Therefore, I do not consider that the opponent's mark has any descriptive or allusive qualities. Overall, I find that the opponent's mark enjoys a high degree of inherent distinctive character.

Likelihood of confusion

69. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other, while 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 and services down to the responsible undertakings being the same or related. 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. 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 services and vice versa. As I mentioned above, it is necessary for me to keep in mind the distinctive character of the earlier mark, 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 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.

70. I have found the applicant's goods to be either identical or highly similar to the opponent's goods. I have found the average consumer for the goods to be members of the public over the age of 18. I have found that the goods will be selected through primarily visual means (although I do not discount an aural component). I have concluded that the average consumer will pay a medium degree of attention when selecting the goods.

71. I have found the opponent's mark to have a high degree of inherent distinctive character. I have found application to be visually and aurally similar to a high degree and conceptually neutral to the opponent's mark. Taking all of these factors into account together with the principle of imperfect recollection, I consider that the average consumer is likely to mistake the application and the opponent's mark for one another. I am of the view that the differences between the marks will be overlooked or forgotten by the average consumer, especially considering the fact that the beginnings and ends of the marks are identical with the only difference sitting in the middle of the marks. Consequently, I consider there to be a likelihood of direct confusion between the marks.

72. If the average consumer was to recognise the words INCHMURRIN and INCHCRUIN as islands within Loch Lomond, it would create a high degree of conceptual similarity between the marks. As a result, the marks would be visually, aurally and conceptually similar to a high degree. In these circumstances, I consider that the average consumer would misremember or be mistaken as to which mark referred to which island within Loch Lomond. Therefore, I consider there to be a likelihood of direct confusion between the marks even if the marks are recognised as being references to islands within Loch Lomond.

CONCLUSION

73. The opposition succeeds in its entirety and the application is refused.

COSTS

74. As the opponent has been successful, it is entitled to a contribution towards its costs based upon the scale published in Tribunal Practice Notice 2/2016. In the

circumstances, I award the opponent the sum of **£1,600** as a contribution towards its costs. The sum is calculated as follows:

Preparing a notice of opposition and considering the applicant's counterstatement:	£200
Preparing evidence:	£500
Preparing for and attending a hearing:	£800
Official fee:	£100
Total	**£1,600**

75. I therefore order CIDU Collection GmbH to pay Loch Lomond Distillers Limited the sum of £1,600. This 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 20th day of April 2021

A COOPER
For the Registrar