

O-923-22

TRADE MARKS ACT 1994

**IN THE MATTER OF TRADE MARK APPLICATION NO. 3600183
BY D&M WINCHESTER LIMITED IN RESPECT OF THE FOLLOWING TRADE
MARK**

COLEBURN

IN CLASSES 32, 33, 39, 40

**AND IN THE MATTER OF OPPOSITION THERETO UNDER NO. 425722 BY
COLEBURN DISTILLERY LIMITED**

AND

**IN THE MATTER OF REGISTRATION NOS. 912792214 AND 3051460
IN THE NAME OF COLEBURN DISTILLERY LIMITED
BOTH IN RESPECT OF THE TRADE MARK**

COLEBURN

IN CLASSES 33, 39 AND 40

AND

**IN THE MATTER OF APPLICATIONS FOR REVOCATION THERETO
UNDER NOS. 503665 AND 503666
BY D&M WINCHESTER LIMITED**

Background and pleadings

1. D&M Winchester Limited ("Party B") applied to register the following trade mark in the UK:

3600183

COLEBURN

Filing date: 24 February 2021

Publication date: 23 April 2021

Class 32: *Non alcoholic beverages; still and sparkling water; mineral water; spring water.*

Class 33: *Alcoholic beverages; whisky; malt whisky; scotch whisky; whisky-based liqueurs.*

Class 39: *Arranging of distillery tours; organisation of tours of whisky distilleries; sightseeing tours; booking and reservation services for tours; tourist guide services; bonded storage; bonded warehousing; cask warehousing services for alcoholic spirits; bottling services.*

Class 40: *Distillery services; whisky distillery services.*

Class 41: *Museum services; museum exhibition; arranging conferences; organising cultural and arts events; organising exhibitions; education in the fields of history, culture and heritage; organising seminars, conferences, symposiums, lectures, meetings, award ceremonies, social events, dinners and public speaking events; arranging and hosting festivals relating to heritage, culture and history; organising and arranging entertainment, heritage and cultural activities; organising of social, sporting and fundraising events; publishing of books, texts, leaflets, reports, newsletters, magazines and scientific and research papers; provision of online electronic publications;*

entertainment services provided by hotels; information, consultancy and advisory services relating to all of the aforesaid services.

Class 43: *Hotels services; resort hotels; provision of accommodation; lodging services; provision of conference facilities; operating of cafes and restaurants; operating of bars; provision of food and drink; catering services; bed and breakfast services; organisation and provision of facilities for conferences, conventions, trade fares, weddings, parties and events; rental of holiday lodgings.*

Class 44: *Spa and health spa services; provision of spa facilities; beauty salon services; hairdressing; beauty care services; beauty treatment services.*

2. Coleburn Distillery Limited ("Party A") subsequently opposed the trade mark under section 5(1), section 5(2)(a) and section 3(6) of the Trade Marks Act 1994 (hereafter "the Act"). In respect of sections 5(1) and 5(2)(a), Party A relies upon one earlier mark, the relevant details of this mark are shown below:

3051460

COLEBURN

Filing date: 14 April 2014

Registration date: 25 July 2014

Class 33: *Alcoholic beverages (except beers).*

Class 39: *Storage services; warehouse storage services; warehousing services; warehousing and storage services for whisky maturation; bonded warehousing services; transport services; bottling services; tour guide services; arranging and conducting of tours; information and advisory services relating to the aforesaid.*

Class 40: *Spirits distillery services; design printing for others.*

3. Party A claims that its mark is identical to Party B's mark and the respective goods and services are identical or similar. It claims that there exists is likelihood of confusion and the contested application offends under section 5(1) and section 5(2)(a) of the Act.

4. In respect of the grounds based upon section 3(6), Party A claims that it opposed Party B's applications 3318073 THE WHISKY RESORT COLEBURN and 3355440 THE COLEBURN WHISKY RESORT and that these applications were subsequently withdrawn. Party A claims the parties are in direct competition and that Party B is the landlord of Party A's Coleburn Distillery. It asserts that Party B decided to try to enter the whisky market in 2016 when it began operating its own whisky warehouses next door to Party A's warehouses at the Coleburn Distillery and poached or lured away several of Party A's employees.

5. Party B filed counterstatements denying the majority of these claims. It puts Party A to proof of use of its mark. It asserts that it has been owner and landlord of the Coleburn Distillery site and buildings since 2004 and has always intended, in good faith, to use the COLEBURN trade mark and has a genuine reason to protect these rights in the UK and it is entirely understandable why, as the owner of the site, that it filed the contested mark. Party B does accept that the marks are identical and that the goods and services in classes 33, 39 and 40 are also identical.

6. Party B points out that Party A's earlier mark 3051460 is subject to a non-use revocation challenge (CA503666) filed on 24 February 2021. At the same time, it also filed a non-use revocation challenge (CA503665) against Party A's registration 912792214. The relevant details of Party A's 3051460 are provided at paragraph 2, above. The relevant details of its 912792214 registration are provided below:

COLEBURN

Filing date: 14 April 2014

Date of entry in register: 29 August 2014

Class 33: *Alcoholic beverages (except beers).*

Class 39: *Storage services; warehouse storage services; warehousing services; warehousing and storage services for whisky maturation; bonded warehousing services; transport services; bottling services; tour guide services; arranging and conducting of tours; information and advisory services relating to the aforesaid.*

Class 40: *Spirits distillery services; design printing for others.*

7. Revocation is sought under both section 46(1)(a) and section 46(1)(b). The five-year periods in which use must be shown and the dates in which revocation is sought is set out for each mark in the table below:

3051460	Under s.46(1)(a)	Under s.46(1)(b)
Five Year Period	26 July 2014 - 25 July 2019	24 February 2016 – 23 February 2021
Date revocation would take effect	26 July 2019	24 February 2021

912792214	Under s.46(1)(a)	Under s.46(1)(b)
Five Year Period	30 August 2014 – 29 August 2019	24 February 2016 – 23 February 2021
Date revocation would take effect	30 August 2019	24 February 2021

8. Party A filed counterstatements denying these claims.

9. Registration 3051460 is the earlier mark relied upon in Party A opposition. Whilst the revocation against 912792214 is not related to the opposition, it nevertheless falls to be decided on very similar time periods and considering the fact that the marks and goods and services are identical, both revocation actions were consolidated with the opposition. The parties filed evidence in these proceedings, and I will summarise this to the extent that it is considered necessary.

10. Party B has also filed written submissions and I will keep these in mind but I will not summarise them.

11. A hearing took place on 27 July 2022 with Party B by represented by Mr Andrew McWhirter, an advocate instructed by D&M Winchester Ltd. Party A was represented by Ms Charlotte Blythe of counsel, instructed by Potter Clarkson LLP.

Evidence

12. Party A's evidence takes the form of four witness statements of Mr Edward Odim together with Exhibits 1 – 34, Exhibit EO01A and Exhibits EO01 – EO10. Mr Odim provides information regarding the business of Aceo Limited (hereafter "Aceo") and its use of Party A's mark. He explains that he is managing director of Aceo and owner of Party A. His third and fourth witness statements address the criticisms of his evidence by Party B.

13. Party B's evidence takes the form of two witness statements of Ms Gwenda Smits, together with Exhibits GS1 – GS8. Ms Smits is a director of Party B who is the owner and landlord of the Coleburn Distillery site. This evidence consists of criticism of Party A's evidence.

EU Case Law

14. 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.

DECISION

Genuine use: Party B's applications for revocation against Party A's registrations 3051460 and 912792214 and Party B's request for proof of use in the opposition

15. Party A has been put to proof of use in its opposition action against Party B's mark. In addition, Party B has filed revocation actions based on non-use in respect to Party A's earlier mark and also its 912792214 mark. The latter is a comparable mark created on the UK register following the UK's departure from the EU. It is a duplication of its mark on the EU register. This factual matrix results in Party A having to demonstrate that its 912792214 mark has been genuinely used under the provisions set out in section 46(1) of the Act and having to demonstrate that its 3051460 mark has been put to genuine use under the provisions of section 6A and section 46(1). The case law governing these two provisions is the same. The only material difference is the five-year period, as defined in section 6A(1A) states:

“(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.”

16. Applying this to the opposition proceedings here, the date of the application for registration of Party B's mark is 24 February 2021. This results in the relevant period, in which Party A must show use for the purposes of its opposition, being 25 February 2016 – 24 February 2021 with the section 46(1)(a) period, and is only one day different to the section 46(1)(b) period in the revocation action against the same mark. In light of this - and noting that in the present case genuine use shown in the five years before the application for revocation is apt both to prevent revocation and to satisfy the proof of use for opposition purposes - I find it convenient to consider the proof of use request in the opposition and the two revocation actions together. For convenience, I will do so by reference to section 46 of the Act, but I keep in mind that the proof of use point raised in the opposition and the different time period when deciding the issue under section 6A of the Act.

17. Section 46 of the Act states:

“46. - (1) The registration of a trade mark may be revoked on any of the following grounds-

(a) that within the period of five years following the date of completion of the registration procedure it has not 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, and there are no proper reasons for non-use;

(b) that such use has been suspended for an uninterrupted period of five years, and there are no proper reasons for non-use;

(c) [...]

(d) [...]

(2) For the purpose of subsection (1) 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 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.

(3) The registration of a trade mark shall not be revoked on the ground mentioned in subsection (1)(a) or (b) if such use as is referred to in that paragraph is commenced or resumed after the expiry of the five year period and before the application for revocation is made:

Provided that, any such commencement or resumption of use after the expiry of the five year period but within the period of three months before the making of the application shall be disregarded unless preparations for the commencement or resumption began before the proprietor became aware that the application might be made.

(4) [...]

(5) Where grounds for revocation exist in respect of only some of the goods or services for which the trade mark is registered, revocation shall relate to those goods or services only.

(6) Where the registration of a trade mark is revoked to any extent, the rights of the proprietor shall be deemed to have ceased to that extent as from-

(a) the date of the application for revocation, or

(b) if the registrar or court is satisfied that the grounds for revocation existing at an earlier date, that date”.

18. In addition, in respect of Party B’s 912792214 mark, this is a comparable mark and paragraph 8 of part 1, schedule 2A is also relevant. It reads:

“8.— Non-use as defence in infringement proceedings and revocation of registration of a comparable trade mark (EU)

(1) Sections 11A and 46 apply in relation to a comparable trade mark (EU), subject to the modifications set out below.

(2) Where the period of five years referred to in sections 11A(3)(a) and 46(1)(a) or (b) (the "five-year period") has expired before [IP completion day]—

(a) the references in sections 11A(3) and (insofar as they relate to use of a trade mark) 46 to a trade mark are to be treated as references to the corresponding EUTM; and

(b) the references in sections 11A and 46 to the United Kingdom include the European Union.

(3) Where [IP completion day] falls within the five-year period, in respect of that part of the five-year period which falls before [IP completion day]—

(a) the references in sections 11A(3) and (insofar as they relate to use of a trade mark) 46 to a trade mark, are to be treated as references to the corresponding EUTM ; and

(b) the references in sections 11A and 46 to the United Kingdom include the European Union”.

19. The five-year period under section 46(1)(a) expired before “IP Completion Day” (31 December 2020) and the section 46(1)(b) period covers a period both before and after IP Completion Day. As a consequence, in respect of Party B’s 912792214 mark, use in the EU prior to IP Completion Day may also be taken into account for the purposes of illustrating genuine use.

20. 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 Marken 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].”

21. In *Naazneen Investments Ltd v OHIM*, Case T-250/13, the General Court upheld a decision by the OHIM Board of Appeal that the sale of EUR 800 worth of non-alcoholic beverages under a mark over a 5 year period, which had been accepted

was not purely to maintain the trade mark registration, was insufficient, in the economic sector concerned, for the purposes of maintaining or creating market share for the goods covered by that Community trade mark. The use was therefore not genuine use. The relevant part of the judgment of the General Court is as follows:

“46. In the fifth place, the applicant argues that, in accordance with the case-law cited in paragraph 25 above, use of a trade mark is to be regarded as token if its sole purpose is to preserve the rights conferred by the registration of the mark. It claims that the Board of Appeal contradicted itself by stating, on the one hand, in paragraph 31 of the contested decision, that the total amount of transactions over the relevant period seemed to be token, and by stating, on the other hand, in paragraph 42 of the contested decision, that it did not doubt the intention of the proprietor of the mark at issue to make real use of that mark in relation to the goods in question.

47. In this connection, suffice it to point out that the applicant’s argument is based on an incorrect reading of the contested decision. The Board of Appeal used the term ‘token’ to describe the total amount of transactions, approximately EUR 800, and not to categorise the use of the mark at issue.

48. In the sixth place, the applicant claims that the Board of Appeal, by relying solely on the insufficient use made of the mark at issue, did not comply with the case-law according to which there is no quantitative threshold, determined a priori and in the abstract, that must be chosen in order to determine whether use is genuine. The Board of Appeal also failed to comply with the case-law according to which even minimal use may be sufficient in order to be deemed genuine.

49. According to the case-law, the turnover achieved and the volume of sales of the goods under the mark at issue cannot be assessed in absolute terms but must be assessed in relation to other relevant factors, such as the volume of commercial activity, the production or marketing capacities or the degree of diversification of the undertaking using the trade mark and the characteristics of the goods or services on the relevant market. As a result, use of the mark at

issue need not always be quantitatively significant in order to be deemed genuine (see, to that effect, judgments in *VITAFRUIT*, cited in paragraph 25 above, EU:T:2004:225, paragraph 42, and *HIPOVITON*, cited in paragraph 27 above, EU:T:2004:223, paragraph 36). Even minimal use can therefore be sufficient in order to be deemed genuine, provided that it is warranted, in the economic sector concerned, to maintain or create market shares for the goods or services protected by the mark. Consequently, it is not possible to determine a priori, and in the abstract, what quantitative threshold should be chosen in order to determine whether use is genuine. A de minimis rule, which would not allow OHIM or, on appeal, the General Court, to appraise all the circumstances of the dispute before it, cannot therefore be laid down (see, to that effect, order of 27 January 2004 in *La Mer Technology*, C-259/02, ECR, EU:C:2004:50, paragraphs 25 and 27, and judgment of 11 May 2006 in *Sunrider v OHIM*, C-416/04 P, ECR, EU:C:2006:310, paragraph 72).

50. In the present case, contrary to what the applicant claims, the Board of Appeal did not determine a minimum threshold ‘a priori and in the abstract’ so as to determine whether the use was genuine. In accordance with the case-law, it examined the volume of sales of the goods in question in relation to other factors, namely the economic sector concerned and the nature of the goods in question.

51. The Board of Appeal accordingly took the view that the market for the goods in question was of a significant size (paragraph 28 of the contested decision). It found also that the goods in question, namely non-alcoholic beverages, were for everyday use, were sold at a very reasonable price and that they were not expensive, luxury goods sold in limited numbers on a narrow market (paragraph 29 of the contested decision). Furthermore, it took the view that the total amount of transactions over the relevant period, an amount of EUR 800, seemed to be so token as to suggest, in the absence of supporting documents or convincing explanations to demonstrate otherwise, that use of the mark at issue could not be regarded as sufficient, in the economic sector concerned, for the purposes of maintaining or creating market shares for the goods covered by that mark (paragraph 31 of the contested decision).

52. It is therefore apparent, contrary to what the applicant claims, that it was in accordance with the case-law cited in paragraph 49 above that the Board of Appeal took the view that, in the present case, minimal use was not sufficient to be deemed genuine.”

22. The judgment of the General Court was upheld on further appeal to the CJEU: see Case C-252/15 P.

Overarching issue

23. Party B submits that any use is by Aceo and not Party A who is recorded as being a dormant company. Ms Blythe submitted that the company is not dormant but just not trading¹ and that it is common practice that one company owns the IP and another linked company uses it. I agree with Ms Blythe. Further, use must be assessed in the context of the market and not the Companies register. In this respect, the only question is whether Aceo is using the contested marks with Party A's permission.

24. Party B submits that use by Aceo is not acceptable because there is no evidence that it was licensed to them. Mr Odum, in his witness statement states² that:

“I am director of both [Party A] and [Aceo] ... Aceo acquired the Lease of the then derelict Coleburn Distillery Warehouses with the intention of setting up a business that offered cask whisky warehousing and related services. ... [Party A]'s important IP assets are retained within the company but licensed and fully used by Aceo with the consent of [Party A] ... Such consent was given by [Party A] to Aceo some years ago but unfortunately the documentation has not been retained ... Exhibit 20 is a recently issued letter from [Party A] confirming such consent.”

¹ This is supported by Mr Odum's statement at para 3 of his second witness statement

² His second witness statement, para 3

25. A licence agreement is not effective unless it is in writing (see section 28(2) of the Act³) and no such agreement is in evidence. I do not consider that in light of the requirement set out at section 28(2) that it is open to me to accept Mr Odim's statement and his contemporaneous letter conferring permission in place of the agreement itself. Consequently, I find that the claim that the mark was licensed to Aceo has not been established. However, this is not the end of the matter because Mr Odim also claims that Aceo used the mark with Party A's consent. Further, use by a third party with consent is sufficient for the purposes of assessing genuine use.⁴ It is Party A's unchallenged evidence that Mr Odim is managing director of Aceo and the owner of Party A. Mr Odim also states that Aceo had Party A's consent to use the mark. There is no requirement for consent to be in writing and, in fact, the Appointed Person/the court has found that verbal consent may be sufficient.⁵ When keeping in mind that Mr Odim is the controlling mind behind both Party A and Aceo I accept his statement at face value that Party A provided consent to Aceo to use trade mark 3051460.

Assessment of the extent of genuine use

Class 33

26. I note that there is nothing in the evidence to demonstrate any use in respect of the wide category of drinks indicated by the specified goods "*Alcoholic beverages (except beers)*". To the extent that the evidence is relied upon, it is in respect of the narrow category that is whisky.

27. At the hearing, Ms Blythe clarified that use is claimed only in respect of a Christmas 2018 release of Coleburn whisky. In light of this clarification, I focus on the evidence that may support this claim and the following evidence is relevant:

³ "28. - (1)

(2) A licence is not effective unless it is in writing signed by or on behalf of the grantor. Except in Scotland, this requirement may be satisfied in a case where the grantor is a body corporate by the affixing of its seal."

⁴ *INoTheScore Trade Mark*, BL-O/276/09 (AP), para 28

⁵ See, for example, *Dalsouple Societe Saumuroise Du Caoutchouc v Dalsouple Direct Ltd & Anor* [2014] EWHC 3963 (Ch), [37] – [50]

- Aceo produce a whisky under the Coleburn brand⁶ which was first bottled in 2018;⁷
- Mr Odim states that a “Coleburn” whisky brand was developed and “Aceo has sold it and distributed it amongst its customers and members of the trade as part of the promotion and marketing of the product”;⁸
- As regards sales and promotion figures, despite criticism of the absence of these in Party B’s evidence-in-chief, Mr Odim responded merely by stating that “we have several thousand of this product and ... we have been maturing a large volume of whisky which, when ready, at aged 14, will provide us with the whisky that we will need to produce a mass volume product, which will involve bottling around 30,000 bottles ...”;⁹
- Evidence is provided of label designs over years¹⁰ but there is no evidence they were ever used and don’t relate the one release relied upon;
- Undated pictures of whisky bottles on shelves are provided.¹¹ As Mr McWhirter submitted, it is not clear if these are actually for sale (there are no price indications). A close-up photograph shows the following:

⁶ See Exhibit 1 being an extract from scotchwhisky.com. This appears to come from the website’s 2020 year pages but Mr Odim understands that the information was first put on the website in 2014 – see his witness statement of 4 October 2021, para 29

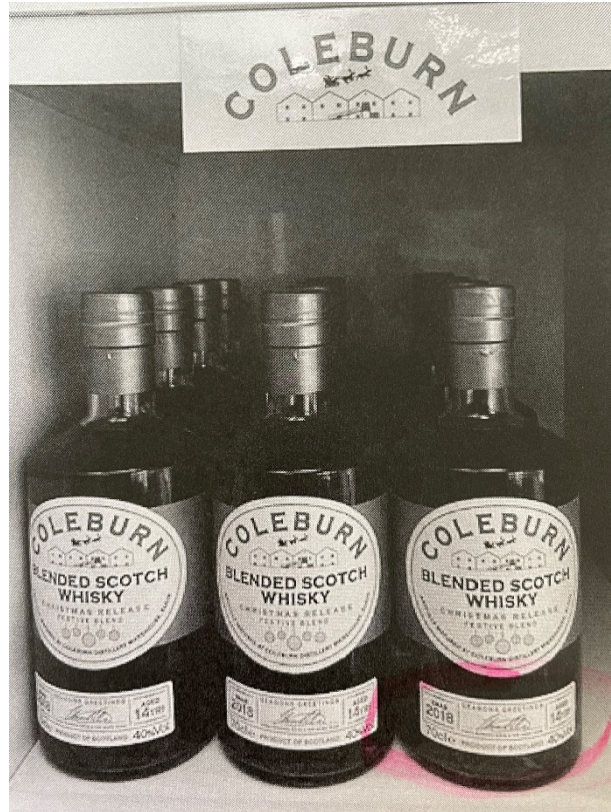
⁷ Mr Odim’s witness statement of 4 October 2021, para 30

⁸ Mr Odim’s first witness statement, para s

⁹ Mr Odim’s witness statement of 4 October 2021, para 31

¹⁰ See Exhibit 2

¹¹ At Exhibit 4



- A further image shows the following bottle¹²:

¹² At Exhibit 5



- This image appears to be of the same bottles shown on the shelves in the other photographs. The label carries the date “XMAS 2018” and between the word “COLEBURN” and a representation of a building there is a representation of Santa Claus on his sleigh being pulled through the sky by reindeers. The label also includes the words “Christmas Release Festive Blend” (hereafter, “the Santa Claus label”);
- These shelves are at Aceo’s storeroom in its office in Gloucestershire and are ready to be sent out to customers who order online or from other sales routes;¹³
- An undated screenshot from Aceo’s website entitled “Our Products” shows a number of whisky bottles, one of which appears to be the same bottle

¹³ Mr Odim’s witness statement of 4 October 2021, para 22

produced above (The Santa Claus figurative element is just legible).¹⁴ It is stated that the Coleburn Blended whisky product was put on the website for sale on 25 January 2021;¹⁵

- Three invoices, all dated “16/07/2019” are exhibited,¹⁶ each relating to the sale of six bottles of “Coleburn – Blended Scotch Whisky” at £19.95 each. The purchases are shown to be in Germany, Poland and UK respectively;
- A further two invoices are provided showing the costs relating to the Coleburn product bottling.¹⁷ These are dated in December 2018. The first of these is for a transport service in respect of “cased goods” and the second relates to the payment of £1545 and has a hand written text referring to “duty payment Christmas bottling”;
- An image of whisky bottles is said to show duty paid stamps on the back of Coleburn Whisky bottles¹⁸, but this cannot be seen in the image;
- A screenshot from the website www.whiskybase.com showing a bottle of Coburn whisky;¹⁹
- Copies of customer feedback are also provided, all dated in December 2018.²⁰ These show statements that include:

“Very many thanks for the bottle of The Coleburn. Much appreciated”,

“I was delighted to receive a lovely bottle of your Coleburn Scotch Whisky”,

“Yesterday, I received the miracle parcel from Gloucestershire. First I had been concerned a little bit, since I did not order anything. But when I figured out, that it was coming from Gloucestershire, I could imagine who was the sender. I am deeply impressed and thankful about this unexpected present, thank you very much”

¹⁴ Exhibit 6

¹⁵ See Mr Odum’s witness statement of 4 October 2021, para 32

¹⁶ Exhibit 7

¹⁷ Exhibit 8

¹⁸ Exhibit 9

¹⁹ Exhibit 10

²⁰ At Exhibit 11

“I would like to thank you very much for your kind gift of Coleburn 14 Year Old Blend”

- One Facebook post originating from the EU is also provided²¹ and contains a photograph of five bottles, one of which appears to be the Coburn whisky featuring the Santa Claus label. It is dated May 2019;
- Income figures are provided in respect a number of “activities”, but no income figures are provided in respect of the sale of whisky;
- On Aceo’s website, a range of spirits are sold including Coleburn whisky. A screenshot (undated but provided with Mr Odim’s witness statement of 4 October 2021) shows an image of a number of spirit bottles including a Coleburn whisky with the Santa Claus label;²²
- The “2018 COLEBURN bottling” has been verified by the Spirits Drinks Verification Unit, despite it originally being recorded under the wrong name.²³

28. In summary, there is some limited evidence showing bottles bearing the mark and three invoices that relate to the sale of 18 bottles. It is also clear that Aceo has additional stocks of this 2018 Christmas release, but the evidence fails to demonstrate that there have been any additional sales of the whisky. Crucially, there is no financial information or market share information relating to the volume of sales of Coleburn whisky. This is something that would have been easy for Party A to provide, and contrasts with the fact that it has provided income figures for its services. It is Party B’s case that the 2018 release of Coleburn Whisky was purely for promotional purposes and with Mr McWhirter submitting that the release was in respect of a small batch of bottles that were given away as gifts to Aceo’s warehousing customers. This is denied by Mr Odim²⁴ who submits that the purpose of such promotion was with the intention of selling it in Party A’s various markets around the world, including the UK. It may have been the intention, but for the reasons identified above, the evidence does not support that such intentions were realised. Use of the mark must relate to goods that are actually marketed, or about to

²¹ At Exhibit 12

²² See para 4 and Exhibit 21

²³ Mr Odim’s witness statement of 4 October 2021, paras 5 and 6 and Exhibit 23

²⁴ His witness statement of 4 October 2021, paras 13 and 24

be marketed and for which preparations to secure customers are under way. In both regards, the evidence is insufficient. The only sales of Coleburn whisky corroborated by the evidence are the 18 bottles that are the subject of the three invoices. This is insufficient for a finding of genuine use.

29. Whilst Ms Blythe only relied on the Christmas release of 2018, I note that the evidence²⁵ also refers to a Coleburn bottling produced to mark the reopening of Aceo's whisky warehouses in 2014. This was a special bottling of whisky for a party with 200 guests and the main purpose of the bottling was to launch the Coleburn Whisky warehousing services. There is no evidence that these bottles were ever sold but rather, it appears to have been given to the guests invited to the re-opening party. I conclude that even if Ms Blythe chose to rely upon this, it would not have advanced Party A's genuine use claim.

30. In summary, I find that the evidence is insufficient to demonstrate genuine use in respect of whisky or any other goods in Class 33 during either of the five-year periods (set out on paragraph 7). Neither has genuine use been shown during the five-year period relevant for showing proof of use in respect to the opposition proceedings and, as a consequence of this, Party A is unable to rely upon any Class 33 goods in the opposition.

Class 39

31. It is not disputed that Aceo leases Party B's warehouse, but Party B submits that the evidence fails to show use under the mark Coleburn in respect of any of these services. The evidence in support of use can be summarised as follows:

- Aceo leased its whisky warehouses from Party B in 2014 and then spent £350,000 refurbishing and renovating the dilapidated site.²⁶

²⁵ Para 7 of Mr Odim's witness statement of 4 October 2021

²⁶ Mr Odim's witness statement dated 25 April 2022, paras 17 and 18

- Aceo's Coleburn Whisky Warehouse Storage Service business has totalled a turnover of "over £2.5 million" since 2014. This includes guided tours of the warehouse;²⁷
- The following sales data is presented in a spreadsheet:²⁸

Year ending 31 December	Rent	Tours	Services	Totals
2014	£46,594	£205	0	£46,799
2015	£435,515	£8,038	0	£443,553
2016	£261,015	£6103	0	£267,118
2017	£462,951	£240	0	£463,191
2018	£460,222	£6,791	£1,505	£468,518
2019	£435,422	£9,253	£49,398	£494,073
2020	£375,547	£120	£6,750	£382,417
Total	£2,477,266	£30,750	£57,653	£2,565,669

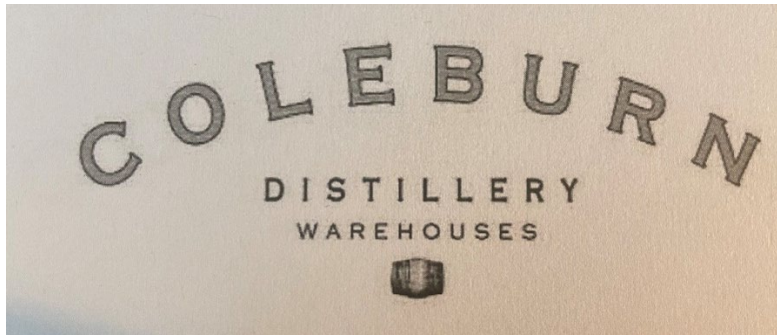
- At its Coleburn warehouses, Aceo offers a comprehensive cask management service that includes cask storage, HMRC administration, sampling, strength testing, regauging, cask monitoring, cask repairs, cask racking and re-racking, disgorging and filling and blending, visits to casks, invitations to whisky functions and events as well as bottling, logistics and design labelling services.²⁹
- The promotional brochures (shown at Exhibit 13 and Exhibit 27) are sent out to all customers. It is updated annually and mainly sent in digital format to customers with their annual or 6-monthly cask rent invoices. It is also sent to all new customers and prospective customers.³⁰ The following representation of the Coleburn mark appears on its front cover:

²⁷ Mr Odim's witness statement of 28 April 202, paras 12 and 13

²⁸ Mr Odim's witness statement of 10 February 2022, para 7 and Exhibit EO1

²⁹ Mr Odim's witness statement of 4 October 2021, para 9

³⁰ Ditto, para 17



- Aceo has around 150 customers receiving what it describes as its “Coleburn Service” as set out in the brochures and detailed above;³¹
- Aceo has conducted well over 1000 warehouse tours since 2014 including customers of whisky companies who use Aceo’s cask storage and management services, as well as members of the public and whisky enthusiasts. The tours are advertised on Aceo’s website and in newsletters. One company, Speyside Tours, regularly brings visitors to the Aceo site;³²
- Members’ Day events and tours are held for over 100 customers of Aceo’s “Coleburn Service”³³ and copies of the invitation sent for each of the years 2015 – 2018 are provided.³⁴ Photographs are provided of these customers attending such a day;³⁵
- Newsletters are distributed to “Coleburn Service” customers with their invoices. Copies of the front page of the 2016, 2017 and 2018 newsletters are provided with the words COLEBURN DISTILLERY WAREHOUSES appearing prominently at the top of these pages;³⁶
- As of April 2016, Aceo was holding 6,000 casks of whisky in its Coleburn warehouses.³⁷

32. This evidence illustrates the nature of Aceo’s business under the Coleburn branding and clearly shows activities since 2014 and growing to nearly half a million pounds a year. The use shown does not support or justify the retention of all of the

³¹ Ditto

³² Ditto, para 27 and Exhibit 29

³³ Mr Odim’s witness statement of 4 October 2021, paras 26 and 40

³⁴ Exhibit 16

³⁵ Mr Odim’s witness statement of 4 October 2021, para 41 and Exhibit 17

³⁶ See Exhibit 18

³⁷ Mr Odim’s witness statement of 25 April 2022, para 27

broad terms specified in Class 39. The activities shown are described by the terms *warehousing and storage services for whisky maturation; bonded warehousing services; whisky bottling services, arranging and conducting of tours* [insofar as they relate to whisky warehousing]. I consider all these terms describe categories of services that comply with the guidance in *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*, BL O/345/10 and in particular, the following part of paragraph 47 of *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors* [2016] EWHC 3103 (Ch):

“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].”

33. There is nothing to suggest that there has been use in respect of any other type of warehousing services or tours and I consider that it is not appropriate to permit Party A to retain the more general terms *storage services, warehouse storage services, warehousing services, transport services; tour guide services; information and advisory services relating to the aforesaid*.

34. Party B submits that the lease agreement between it and Aceo did not grant permission for Aceo to conduct tours and it should not be able to benefit from provision of a service that is a claimed breach of this agreement. This is an issue beyond the scope of the assessment of genuine use. I am required to consider what use has been shown and not whether there was some contractual reason why that use was not allowed. It is an issue of a claimed breach of contract that may have potential relevance to an issue of bad faith, but this is not a ground claimed by Party B. Consequently, I dismiss this limb of Party B’s submissions.

35. In summary, I find that genuine use has been demonstrated in respect of *warehousing and storage services for whisky maturation; bonded warehousing services; whisky bottling services, arranging and conducting of tours relating to whisky warehousing*. The consequence of this is that both of Party A’s marks can

remain registered in respect of these services and it may rely upon these services of its earlier mark in its opposition to Party B's mark.

Class 40

36. In respect of *design printing for others*. Ms Blythe submitted that there is evidence of a labelling design service. This evidence consists of two mentions of a "design labelling service" by Mr Odim when outlining what services are covered by Aceo's "Coleburn Service" offering.³⁸ I am unable to ascertain from these two statements, the extent of any use in respect of this particular service and, accordingly, I am unable to find that there has been genuine use.

37. In respect of *Spirits distillery services*, I note that Aceo does not operate a distillery. Ms Blythe sought to convince me that Aceo's that whisky maturation and management involves many aspects of distilling such as sampling, strength testing and blending. I disagree. I bear in mind the case law cautions against liberal interpretation that may render fuzzy and imprecise the limits a trade mark registration and particularly the need to confine specified services to the core of the possible meanings attributable to the terms. General terms are to be interpreted as covering the services clearly covered by the literal meaning of the terms, and not other services.³⁹ Whilst they may be described as similar services and may even, in some circumstances, be provided by the same undertaking, they are not the same services. I conclude that this is not evidence of *spirits distillery services* and there is no other evidence that would support a claim of genuine use of such services.

Summary of findings regarding the revocation non-use claim in respect of Party A's 912792214 mark

38. Party A has demonstrated genuine use in respect of the following services:

³⁸ Mr Odim's witness statement of 28 April 2021, para 4 and his witness statement of 4 October 2021, para 9

³⁹ See for instance *YouView TV Ltd v Total Ltd* [2012] EWHC 3158 (Ch), Floyd J. (as he then was). See too the guidance, on interpreting terms, of Lord Justice Arnold in *Sky v Skykick* [2020] EWHC 990 (Ch),

Class 39: *warehousing and storage services for whisky maturation; bonded warehousing services; whisky bottling services, arranging and conducting of tours relating to whisky warehousing*

39. In respect of the revocation, Party B has been successful in respect of all of Party A's goods and services except those listed in the previous paragraph and the registration survives only in respect of the services listed in the previous paragraph. The registration is revoked in respect of all the other goods and services. Revocation will be from the earliest effective dates under section 46(1)(a) as set out in my paragraph 7 above.

Summary of findings regarding the revocation non-use claim in respect of Party A's 3051460 mark and proof of use in Party A's opposition

40. Party A's earlier mark 3051460 is revoked to the same extent as 912792214 and as set out in the previous two paragraphs.

41. In respect of proof of use for the purposes of the opposition, Party A may rely only upon the list of services shown in paragraph 38.

Section 5(1), Section 5(2)(a) and Section 3(6): Party A's opposition to Party B's application to register 3600183

Section 5(1)

42. Section 5(1) of the Act states:

"5. - (1) A trade mark shall not be registered if it is identical with an earlier trade mark and the goods or services for which the trade mark is applied for are identical with the goods or services for which the earlier trade mark is protected."

43. In its counterstatement, Party B admits that the respective marks are identical and that the respective goods and services covered by classes 33, 39 and 40 are

identical. Such a statement was made after consideration of Party A's full specifications. However, Party A's specifications have been restricted to the services in Class 39. It follows that the goods in Class 33 and the services in Class 40 are not identical to the services that Party A may now rely upon. This ground fails in respect of those goods and services.

44. Party A's Class 39 specification has been restricted and it is necessary to consider if party B's admission regarding identical services applies where Party A can only rely upon a limited number of terms. In *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T- 133/05, the General Court stated that:

“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 für 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”.

45. I comment briefly below on the comparison of services in Class 39.

Arranging of distillery tours; organisation of tours of whisky distilleries

46. I consider Party A's *arranging and conducting of tours relating to whisky warehousing* to be highly similar to Party B's services but not identical because the respective terms describe tours of different (if closely related) types of facilities. This ground cannot, therefore, succeed in respect of these services.

Sightseeing tours

47. This term is a broad term that includes Party A's *arranging and conducting of tours relating to whisky warehousing* and, therefore, includes identical services.

Booking and reservation services for tours; tourist guide services

48. I find that these *booking and reservation services for tours* is covered by Party A's services of *arranging ... of tours relating to whisky warehousing* because "arranging" will include booking and reservation services. In respect of *tourist guide services*, these are identical to *conducting of tours relating to whisky warehousing* because the conducting of tours involves tour guides.

Bonded storage; bonded warehousing; cask warehousing services for alcoholic spirits

49. It is self-evident that when Party B's term is compared to Party A's *warehousing and storage services for whisky maturation; bonded warehousing services* that they cover identical services.

Bottling services

50. This term self-evidently includes Party A's *whisky bottling services*

51. In summary, this ground succeeds against the following of Party B's Class 39 services:

sightseeing tours; booking and reservation services for tours; tourist guide services; bonded storage; bonded warehousing; cask warehousing services for alcoholic spirits; bottling services.

52. It fails in respect of all other of Party B's goods and services.

Section 5(2)(a)

53. Section 5(2)(a) of the Act states:

"(2) A trade mark shall not be registered if because –

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

54. In the judgment of the Court of Justice of the European Union 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”.

55. 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.

56. As noted earlier, the respective marks are identical. The goods and services that are not identical to Party A's services are considered under the series of following sub-headings:

Class 32: *Non alcoholic beverages; still and sparkling water; mineral water; spring water.*

57. It is not clear to me that there is any similarity between Party A's services and any of these goods. Warehousing, whisky maturation, whisky bottling and conducting of tours differ in their nature, purpose, methods of use, they do not share trade channels and neither are they in competition. Whilst some non-alcoholic drinks could conceivably be added to whisky, this does not create a complementary relationship of the type mentioned in *Canon*. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06, the General Court stated that "complementary" means:

"...there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking".

58. With this guidance in mind, I conclude that consumers would not normally consider that non-alcoholic drinks would originate from a provider of whisky warehouse services of the type listed in Party A's specification. I find that these goods share no similarity with Party A's services.

Class 33: *Alcoholic beverages; whisky; malt whisky; scotch whisky; whisky-based liqueurs.*

59. *Alcoholic beverages* includes whisky and I consider that this term will stand or fall with the whisky products also listed. These are all “goods”, whereas Party A’s terms describe services and, consequently, they are different in nature. Further, their purpose and method of use is different, with whisky and whisky based liqueurs being drunk for pleasure, whereas the purpose Party A’s services is to store, mature and bottle whisky. There may be overlap of trade channels in that a whisky warehouse may also be the provider of whisky, and a consumer may also believe that to be case. There is also a complementary relationship because of the close relationship between maturing whisky and providing the end product. As a result, as I commented in respect of trade channels, the consumer may expect a party that produces whisky to also offer whisky maturing services. Taking all of this into account, I conclude that there is a low to medium level of similarity.

Class 39: *Arranging of distillery tours; organisation of tours of whisky distilleries;*

60. I consider that these services share a high level of similarity to Party A’s *arranging and conducting of tours relating to whisky warehousing*. Distillery services and whisky warehouse services are closely related and may be provided by the same or economically linked trader. A whisky maker may provide its own warehousing. Consequently, tours of such facilities may also be provided by the same or linked undertaking.

Class 40: *Distillery services; whisky distillery services.*

61. As I explained in the previous paragraph, there is a close relationship between distillery services and whisky warehousing services and it is likely to be common that a business may provide both and even where they don’t, the consumer may expect such services to be provided by the same or linked undertaking because both services are part of whisky production. I conclude that the respective services share a medium level of similarity.

Class 41: *Museum services; museum exhibition; arranging conferences; organising cultural and arts events; organising exhibitions; education in the fields of history, culture and heritage; organising seminars, conferences, symposiums, lectures, meetings, award ceremonies, social events, dinners and public speaking events; arranging and hosting festivals relating to heritage, culture and history; organising and arranging entertainment, heritage and cultural activities; organising of social, sporting and fundraising events; publishing of books, texts, leaflets, reports, newsletters, magazines and scientific and research papers; provision of online electronic publications; entertainment services provided by hotels; information, consultancy and advisory services relating to all of the aforesaid services.*

62. Whilst I accept that many of these services could in some way relate to whisky warehousing, maturation or bottling, but this is not a sufficient reason to find similarity. The nature, purpose and methods of use of all these services is different to those that Party A may rely upon. Further, it is not obvious to me that the providers would be the same or overlap and this is no evidence that this would be so. Therefore, I conclude there is no overlap of trade channels. The respective services are not in competition, and neither are they complementary in the sense described on *Boston Scientific*. I conclude that the respective services do not share any similarity.

Class 43: *Hotels services; resort hotels; provision of accommodation; lodging services; provision of conference facilities; operating of cafes and restaurants; operating of bars; provision of food and drink; catering services; bed and breakfast services; organisation and provision of facilities for conferences, conventions, trade fares, weddings, parties and events; rental of holiday lodgings.*

63. *Bed and breakfast services, organisation and provision of facilities for ... , weddings, parties and events; rental of holiday lodgings* are self-evidently not similar to whisky warehousing, maturation and bottling (or the conduct of related tours) as covered by the fair specification. There is no conceivable similarity in terms of their nature, purpose, method of use, they are not in competition, nor are they complementary and they will have different trade channels. I find that they are not similar to Party A's services.

64. It is possible that *organisation ... for conferences, conventions, trade fares* may, in some way, relate to the subject matter of Party A's terms but this is an insufficient reason to find similarity. These services differ in terms of nature, purpose, method of use, they are not in competition, nor are they complementary in the sense described in *Boston Scientific*. Finally, even where such services are about whisky warehousing, maturation and/or bottling, the consumer is not likely to believe that Party B's services are provided by the same or linked undertaking as a provider of the subject services. I find that there is no similarity.

65. In respect of Party B's *operating of cafes and restaurants; operating of bars; provision of food and drink; catering services*, similar reasoning as I set out in the previous paragraph applies here also. Whilst such services may serve whisky to customers, this is not sufficient reason to find similarity and because they differ in terms of nature, purpose, method of use and trade channels and because they are not in competition nor are they complementary to Party A's services. I find that they are not similar.

Class 44: *Spa and health spa services; provision of spa facilities; beauty salon services; hairdressing; beauty care services; beauty treatment services.*

66. There is no obvious similarity between these services and those of Party A and I note that, at the hearing, Ms Blythe, on behalf of Party A, informed me that the opposition was no longer being maintained against Party B's Class 44 services.

Outcome of section 5(2)(a) ground

67. I have found that the following of Party B's goods and services share no similarity to Party A's services:

Class 32: *Non alcoholic beverages; still and sparkling water; mineral water; spring water.*

Class 41: *Museum services; museum exhibition; arranging conferences; organising cultural and arts events; organising exhibitions; education in the*

fields of history, culture and heritage; organising seminars, conferences, symposiums, lectures, meetings, award ceremonies, social events, dinners and public speaking events; arranging and hosting festivals relating to heritage, culture and history; organising and arranging entertainment, heritage and cultural activities; organising of social, sporting and fundraising events; publishing of books, texts, leaflets, reports, newsletters, magazines and scientific and research papers; provision of online electronic publications; entertainment services provided by hotels; information, consultancy and advisory services relating to all of the aforesaid services.

Class 43: *Hotels services; resort hotels; provision of accommodation; lodging services; provision of conference facilities; operating of cafes and restaurants; operating of bars; provision of food and drink; catering services; bed and breakfast services; organisation and provision of facilities for conferences, conventions, trade fares, weddings, parties and events; rental of holiday lodgings.*

Class 44: *Spa and health spa services; provision of spa facilities; beauty salon services; hairdressing; beauty care services; beauty treatment services.*

68. Some similarity between the respective goods and services is required before there can be a likelihood of confusion.⁴⁰ It follows that this ground must fail against these goods and services.

69. In respect of the remaining goods and services, I have found that these are similar to at least a low to medium degree to Party A's services:

Class 33: *Alcoholic beverages; whisky; malt whisky; scotch whisky; whisky-based liqueurs.*

Class 39: *Arranging of distillery tours; organisation of tours of whisky distilleries;*

⁴⁰ *eSure Insurance v Direct Line Insurance*, [2008] ETMR 77 CA, para 49

Class 40: Distillery services; whisky distillery services.

70. There is no scientific formula to apply in determining whether there is a likelihood of confusion. It is a global assessment where a number of factors need to be borne in mind. I must also take account of the interdependency principle, i.e. that a lesser degree of similarity between the respective marks may be offset by a greater degree of similarity between the respective services or vice versa. Here, the respective marks are identical and the respective goods and services share a low to medium (or higher) level of similarity. There is a relationship between all these goods and services in that they all relate to the production, maturation, bottling and provision of whisky for, or to, the consumer and because of this there may be overlap between the respective consumers who will range from ordinary members of the public with no more than a passing interest or fondness for whisky through to connoisseurs with a good knowledge of distilling, maturation and qualities of whisky and also trade professionals. The level of care and attention will vary across these consumers from no more than an average degree to connoisseurs/professionals who are likely to pay a higher level of attention.

71. Taking all of this into account, there is a likelihood of confusion even where the consumer has a good knowledge of the industry. There is likely to be an assumption that the respective goods and services are provided by the same or linked undertaking. This ground of opposition succeeds in respect of these goods and services.

Section 3(6)

72. Section 3(6) of the Act states:

“(6) A trade mark shall not be registered if or to the extent that the application is made in bad faith.”

73. In *Sky Limited & Ors v Skykick, UK Ltd & Ors*, [2021] EWCA Civ 1121 the Court of Appeal considered the case law from *Chocoladefabriken Lindt & Sprüngli AG v*

Franz Hauswirth GmbH, Case C-529/07 EU:C:2009:361, *Malaysia Dairy Industries Pte. Ltd v Ankenævnnetfor Patenter Varemærker* Case C-320/12, EU:C:2013:435, *Koton Mağazacılık Tekstil Sanayi ve Ticaret AŞ*, Case C-104/18 P, EU:C:2019:724, *Hasbro, Inc. v EUIPO, Kreativni Dogaaji d.o.o. intervening*, Case T-663/19, EU:2021:211, *pelicantravel.com s.r.o. v OHIM, Pelikan Vertriebsgesellschaft mbH & Co KG (intervening)*, Case T-136/11, EU:T:2012:689, and *Psytech International Ltd v OHIM, Institute for Personality & Ability Testing, Inc (intervening)*, Case T-507/08, EU:T:2011:46. It summarised the law as follows:

“68. The following points of relevance to this case can be gleaned from these CJEU authorities:

1. The allegation that a trade mark has been applied for in bad faith is one of the absolute grounds for invalidity of an EU trade mark which can be relied on before the EUIPO or by means of a counterclaim in infringement proceedings: *Lindt* at [34].
2. Bad faith is an autonomous concept of EU trade mark law which must be given a uniform interpretation in the EU: *Malaysia Dairy Industries* at [29].
3. The concept of bad faith presupposes the existence of a dishonest state of mind or intention, but dishonesty is to be understood in the context of trade mark law, i.e. the course of trade and having regard to the objectives of the law namely the establishment and functioning of the internal market, contributing to the system of undistorted competition in the Union, in which each undertaking must, in order to attract and retain customers by the quality of its goods or services, be able to have registered as trade marks signs which enable the consumer, without any possibility of confusion, to distinguish those goods or services from others which have a different origin: *Lindt* at [45]; *Koton Mağazacılık* at [45].

4. The concept of bad faith, so understood, relates to a subjective motivation on the part of the trade mark applicant, namely a dishonest intention or other sinister motive. It involves conduct which departs from accepted standards of ethical behaviour or honest commercial and business practices: *Hasbro* at [41].
5. The date for assessment of bad faith is the time of filing the application: *Lindt* at [35].
6. It is for the party alleging bad faith to prove it: good faith is presumed until the contrary is proved: *Pelikan* at [21] and [40].
7. Where the court or tribunal finds that the objective circumstances of a particular case raise a rebuttable presumption of lack of good faith, it is for the applicant to provide a plausible explanation of the objectives and commercial logic pursued by the application: *Hasbro* at [42].
8. Whether the applicant was acting in bad faith must be the subject of an overall assessment, taking into account all the factors relevant to the particular case: *Lindt* at [37].
9. For that purpose it is necessary to examine the applicant's intention at the time the mark was filed, which is a subjective factor which must be determined by reference to the objective circumstances of the particular case: *Lindt* at [41] – [42].
10. Even where there exist objective indicia pointing towards bad faith, however, it cannot be excluded that the applicant's objective was in pursuit of a legitimate objective, such as excluding copyists: *Lindt* at [49].
11. Bad faith can be established even in cases where no third party is specifically targeted, if the applicant's intention was to obtain the mark for purposes other than those falling within the functions of a trade mark: *Koton Mağazacılık* at [46].

12. It is relevant to consider the extent of the reputation enjoyed by the sign at the time when the application was filed: the extent of that reputation may justify the applicant's interest in seeking wider legal protection for its sign: *Lindt* at [51] to [52].

13. Bad faith cannot be established solely on the basis of the size of the list of goods and services in the application for registration: *Psytech* at [88], *Pelikan* at [54]".

74. According to *Alexander Trade Mark*, BL O/036/18, the key questions for determination in a claim of bad faith are:

- (a) What, in concrete terms, was the objective that the applicant has been accused of pursuing?
- (b) Was that an objective for the purposes of which the contested application could not be properly filed? and
- (c) Was it established that the contested application was filed in pursuit of that objective?

75. It is necessary to ascertain what the applicant knew at the relevant date: *Red Bull GmbH v Sun Mark Limited and Sea Air & Land Forwarding Limited* [2012] EWHC 1929 (Ch). Evidence about subsequent events may be relevant, if it casts light backwards on the position at the relevant date: *Hotel Cipriani SRL and others v Cipriani (Grosvenor Street) Limited* and others, [2009] RPC 9 (approved by the Court of Appeal in England and Wales: [2010] RPC 16).

76. The relevant date for assessing bad faith is the filing date of the contested application, namely, 24 February 2021.

77. I consider the issue by reference to the key questions set out in *Alexander Trade Mark*.

What, in concrete terms, was the objective that the applicant has been accused of pursuing?

78. Party A's claim is that Party B decided to try to enter the whisky market in 2016 when it began operating its own whisky warehouses next door to Aceo's warehouses at the Coleburn Distillery and poached or lured away several of Aceo's employees. Ms Blythe pointed to Party A's taking out, in 2014, a 25-year lease from Party B of the whisky warehouses and filling store at the Coleburn site,⁴¹ and Party A's £350,000 renovation of the warehouses, the subject of the lease agreement, and the subsequent operating under the Coleburn name. She submitted that, as a result, Party B was aware of Aceo and allowed it to continue its activities for a number of years and that, in these circumstances, it was dishonest to for Party B to apply for the mark.

Was that an objective for the purposes of which the contested application could not be properly filed?

79. Ms Blythe submitted that the only intention for filing the application was to prevent Party A from continuing to use the name Coleburn.

Was it established that the contested application was filed in pursuit of that objective?

80. Party A relies upon:

- (i) the undisputed fact that Aceo signed a 25-year lease with Party B in 2014 in respect of the whisky warehouses and filling store at the Coleburn Distillery in order for it to operate its whisky management services;
- (ii) the fact that it invested £350,000 refurbishing and renovating the site and has, since then, conducted its activities from there under the Coleburn name;

⁴¹ Mr Odim's witness statement of 25 April 2022 at para 17

- (iii) Party B being aware of all of this as it was Aceo's landlord and it allowed Aceo to invest in the site and to offer its services under the Coleburn name for some 7 years prior to applying for the contested mark;
- (iv) The fact that over the years before and after the execution of the lease, Party B has progressed with its plans to convert the other premises on the site into a hotel with no whisky connection. Ms Blythe cited the evidence⁴² that Party B had stripped out all the distillery equipment and applied to the local council to change the use of the premises from a distillery to a hotel/entertainment centre⁴³;
- (v) The fact that in more recent years, Party B has attempted to move into the provision of whisky-related services and set up a whisky sales and cask storage website in 2018⁴⁴ where it purports to offer the exact same services as Aceo at the same location;
- (vi) A misleading statement on Party B's website that states that it has traditional dunnage warehouses when such warehouses are, in fact, leased to Aceo and not useable by Party B until 2039.⁴⁵

81. Ms Blythe submitted that this background illustrates that Party B's application covering services in Classes 33, 39 and 40 (being the same services as Aceo provide from the premises) was dishonest and that Party B were fully aware of what Aceo was doing at the premises.

82. Party B's position is that it has been owner and landlord of the Coleburn Distillery site and buildings since 2004 and has always intended, in good faith, to use the COLEBURN trade mark and has a genuine reason to protect these rights in the UK and it is entirely understandable why, as the owner of the site, that it filed the contested mark. In its counterstatement, it stated that it would provide evidence of its "longstanding and continuing intentions to provide the subject goods and services under the trade mark in the UK".

⁴² Mr Odum's witness statement of 25 April 2022, para 14 and Exhibit EO6

⁴³ Ditto, para 15 and Exhibits EO7 -8

⁴⁴ Ditto, para 28

⁴⁵ Ditto

83. Mr McWhirter reiterated that as owner and landlord of the Coleburn Distillery site, it has a genuine business need to use the Coleburn name and a right to do so, being the owner of the distillery and that it always intended to use the name. There is little evidence in support of this claim but he referred me to Party B's "investment brochures".⁴⁶ This brochure, dated 29 April 2016, describes Party B's plans for the Coleburn Distillery site as follows:

"[Party B] has acquired the former Coleburn Distillery ... and will develop a luxury hotel and conference centre on the site ... Although operations [of the distillery] ended in 1985, to this day the bonded warehouse still holds 6,000 casks of aging whisky ...

The recommended hotel scheme calls for renovation of the original distillery building to have 40 tasteful bedrooms and Brasserie/lounge bar. New structures will include a lobby and conference & events plaza, an upscale spa, rentable cottages totalling 81 rooms, a fine dining venue, and an activities centre."

84. This fails to support Party B's defence that it intended to use the Coleburn name in respect of a whisky distillery or other related services. Rather, it shows a clear focus on developing a hotel, spa and conference facility on the site. However, I note that it also made reference to use of the bonded warehouse, in 2016, and this is also referenced in Party A's statement of case where it says that Party B has opened its own warehouse next door to Aceo's warehouse. In light of this, I accept that Party B was operating a whisky warehouse on the site from 2016.

85. Under the heading "Whisky sales and cask storage D&M Winchester Ltd", Party B's website makes reference to (this page contains a 2018 copyright notice):⁴⁷

⁴⁶ Exhibit GS8

⁴⁷ Exhibit GS8

“sourcing your whisky, adding value to the whisky with cask management/art of maturation and experimentation, bottling (with our partner bottlers), labelling and branding, ...

... The Coleburn Dunnage Warehousing buildings create a higher humidity and that makes for the best possible spirit quality ... and we provide an analytical passport of the spirit, detailing what exactly is happening in the cask.

...

The casks we have under our control are monitored closely ...”

86. These statements are also consistent with Party B operating a whisky warehouse on the site since 2016 despite stripping out all the distillery equipment and applying to the local council to change the use of the premises from a distillery to a hotel/entertainment centre. However, at least some of the warehousing is leased to Aceo and Party B will not be able to use these facilities until 2039. There is also an indication from Party B that its “Coleburn masterplan” included “a view to reinstate whisky production to the distillery” (see undated page from the Bonded Warehouse Association’s website⁴⁸ shown below). It also identifies its core activities as “whisky cask sales, cask storage (dunnage style) and Whisky cask management” and refers to the fact that it “blend[s] and bottle[s] on site with a bespoke bottling line facility” operational since 2020. It identifies the next step in this “masterplan” as the reopening of the distillery.

⁴⁸ Exhibit GS8

WINCHESTER LTD

WHISKY SALES • CASK STORAGE • BOTTLING

D&M was initially established when the Coleburn distillery site had been acquired in 2004 and the company incorporated in that year.

The core business activity from D&M consists of Whisky cask sales, cask storage (dunnage style) and Whisky cask management.

D&M blend and bottle on site with a bespoke bottling line facility – this line is operational since 2020. The blending and bottling services currently are for third-party partners.

D&M is further developing turnkey solution-services whereby D&M supplies spirit, provides Whisky cask maturation & Control in the Bonded warehouses on site with dedicated Whisky Operations achieving optimum finished/bottled goods.

D&M bought the Coleburn whisky distillery site with a view to reinstate whisky production to the distillery, which was originally founded in 1897.

In tandem with relevant Whisky Operations, Coleburn Distillery is being prepared for a Destination Whisky Resort with associated 5-star hospitality facilities including a focal point Bistro and Whisky themed, authentic log cabins.

The comprehensive Coleburn masterplan will be implemented in different phases.

At present, we are expanding our existing warehousing capacity on site with new build development. Next step is the relaunch and reinstatement of the silent Coleburn Distillery.

Please see for further background information: www.thewhiskyresort.com and promo video link via <https://www.youtube.com/watch?v=ql3EsbCW-mw>

D&M Winchester Ltd, Coleburn Distillery, Longmorn, Scotland, IV30 8SN

Contact Name

Business Type

Business Telephone

Fax Number

Email Address

Blender and Bottler - Production

01343 862910

info@thewhiskyresort.com

 Visit Website

87. I note Party A's submission that Party B's plans are to develop the rest of the site into a hotel.⁴⁹ The above evidence appears to show that, at least since 2018, its plans are somewhat broader. A reasonable interpretation of the evidence is that at the time Aceo leased the warehousing premises, Party B had plans to develop the other parts of the site into a hotel complex but at that time the plans had not crystallised into re-starting whisky production and related whisky activities. However,

⁴⁹ Mr Odim witness statement of 25 April 2022, paras 11 – 28

by 2018, this appears to have changed and such activities were now part of Party B's plans for developing the site and it is, in fact, operating its own warehouse next door to Party A's warehouse. This provides Party B with a *prima facie* need to apply for a trade mark in 2021 because it indicates that it had a business interest in the mark. However, at the relevant date, it would have known of Aceo's investment in the warehouse facilities and its activities under the Coleburn name in respect of certain of the services which Party B's mark covers. The *prima facie* presumption of good faith is rebuttable. I find that the circumstances shown in evidence by Party A are enough to rebut the presumption of good faith, such that the onus shifts to Party B to overcome the allegation of bad faith. This will include consideration of the impact of any explanation of the objectives and commercial logic pursued by the application but is not necessarily determined by it. As the case law states - whether the applicant was acting in bad faith must be the subject of an overall assessment, taking into account all the factors relevant to the particular case. I find that this creates the necessary objective circumstances that raise a rebuttable to the presumption of good faith and it is for Party B to provide a plausible explanation of the objectives and commercial logic pursued by the application.

88. Party B's defence is that it owns the Coleburn Distillery site and always had an intention to provide whisky based services from the site. It is common ground that they own the site, but this does not give an automatic monopoly right to a Coleburn trade mark. The essential function of a trade mark is as an indicator of business origin. In this respect, it already knew that Aceo was using the mark to indicate its services and had known for some time. Whilst knowledge of someone else using a mark does not lead to an automatic finding of bad faith, in the current case, it is difficult to see any reason other than an intentional act to gain rights in a mark with an almost identical footprint to Party A's mark and to be able to provide identical services under an identical name from the same or adjoining premises. Being the owner of those premises does not provide a legitimate reason to do this.

89. Also on the issue of intention, there is no evidence that Party B had an intention to start providing whisky and whisky related services at the time when Aceo moved to the premises and commenced providing some of these services under the Coleburn name. Further, there is no evidence that Aceo were informed of Party B's intentions

or that it too intended to use the Coleburn name. There is nothing in the evidence to suggest that Aceo was aware of these intentions prior to the filing of Party B's contested mark. Therefore, Party B's intention at the time it filed its application does not illustrate that it was acting in good faith. The objective circumstances of the case fail to establish good faith. It is for Party B to provide a plausible explanation of the objectives and commercial logic pursued by the application, but it has failed to do so. Whilst Party B has provided a plausible explanation of the objectives and commercial logic pursued by the application, its conduct of pursuing this after leasing its warehouse to Aceo, allowing them to refurbish this and to provide services under the Coleburn and then, despite this, filing for the same mark constitutes conduct which departs from accepted standards of ethical behaviour or honest commercial and business practices.

90. In summary, I conclude that, insofar as Party B's goods and services clearly impinge upon the activities of Party A, the contested application was filed in bad faith and was made to intentionally undermine the existing and legitimate business of Aceo. Consequently, the ground succeeds to the same extent as the section 5 grounds and in respect of the same list of goods and services reproduced at paragraph 69, above.

Summary

Party B's applications for revocation of Party A's registrations 3051460 and 912792214

91. These proceedings succeed against all of Party A's goods and services except insofar as both the 3051460 and 912792214 marks may remain registered in respect of the following Class 39 services, which reflects the fair specification of services that I determined from the evidence:

Warehousing and storage services for whisky maturation; bonded warehousing services; whisky bottling services, arranging and conducting of tours relating to whisky warehousing

92. The revocation date in respect of Party B's registration 3051460 is 26 July 2019. In respect of registration 912792214, the revocation date is 30 August 2019.

Party A's Opposition to Party B's application no. 3600183

93. The opposition succeeds in respect of the following list of goods and services:

Class 33: *Alcoholic beverages; whisky; malt whisky; scotch whisky; whisky-based liqueurs.*

Class 39: *Arranging of distillery tours; organisation of tours of whisky distilleries; sightseeing tours; booking and reservation services for tours; tourist guide services; bonded storage; bonded warehousing; cask warehousing services for alcoholic spirits; bottling services*

Class 40: *Distillery services; whisky distillery services.*

94. The opposition fails in respect of all the remaining goods and services.

COSTS

95. The parties have both achieved a measure of success and they should bear their own costs. Consequently, I decline to make an order of costs.

Dated this 25th day of October 2022

**Mark Bryant
For the Registrar**