

O-402-12

TRADE MARKS ACT 1994

APPLICATION 2575023 BY BORDEAUX INDEX LIMITED

TO REGISTER THE MARK 'BORDEAUX INDEX'

IN CLASSES 16, 21, 33, 35, 36, 39 & 41

AND

**OPPOSITION 102315 BY CONSEIL INTERPROFESSIONNEL DU VIN DE
BORDEAUX AND INSTITUT NATIONAL DE L'ORIGINE ET DE LA QUALITE**

BACKGROUND

1. This is an opposition by Conseil Interprofessionnel Du Vin De Bordeaux (“CIVB”) and Institut national de l’origine et de la qualite (“INAO”) to an application filed on 14 March 2011 by Bordeaux Index Limited (“Index”) to register the trade mark BORDEAUX INDEX for the following goods and services.

Class 16:

Paper, cardboard and goods made from these materials, not included in other classes; printed matter; books, booklets, magazines, journals, brochures, leaflets, pamphlets, newsletters, periodical publications, printed publications relating to wines, newsletters relating to wines; posters; picture books; tickets, printed souvenir programmes, flyers, printed promotional literature, postcards, stickers, napkins, paper decorations namely bunting, branded banners, signs; instructional and teaching material (except apparatus); plastic materials for packaging (not included in other classes).

Class 21:

Household and kitchen utensils and containers; non-electrical instruments and materials all for cleaning purposes; coasters not of paper and other than table linen; corkscrews; decanters; drinking glasses and vessels including wine glasses; glassware; flasks (not of precious metal); glass stoppers; plastic stoppers; ice buckets; ice cube moulds; earthenware, pottery and porcelain; unworked or semi-worked glass (except used in building); bottles and containers made from glass, porcelain, earthenware or ceramics, including miniature versions of such bottles and containers; cooling equipment for beverages including cooling equipment and apparatus for wine; wine coolers; utensils for wine tasting including tubes for wine tasting; utensils for wine storage including wine racks.

Class 33:

Alcoholic beverages (except beers) including alcoholic beverages containing wine; wine; champagne.

Class 35:

Provision of retail and advisory services in relation to the buying and selling of alcoholic beverages including wine; the bringing together, for the benefit of others, of alcoholic beverages, including wine, and related accessories, enabling customers to conveniently view and purchase those goods from an Internet website marketing alcoholic beverages, including wine and related accessories; retail services connected with the sale of wines, and advisory services relating to the aforesaid; information, advisory and consultancy services relating to all of the foregoing; business advisory services in relation to wines; market analysis, namely wine markets and related markets analysis studies; economic forecasting in relation to wine goods; auctioneering of wine goods; provision of commercial information in relation to wines; import and export agencies; wine tastings (promotional services); advertising, marketing and promotional services in the field of alcoholic beverages in particular in the field of wine, and related activities; dissemination of advertising, marketing and publicity materials relating to wine; wine sampling; business intermediary and advisory services in the field of buying and selling wine and related products and rendering related services.

Class 36:

Financial affairs; financial services and financial services provided via the internet; provision of financial analysis and financial information, including via the internet; financial management and financial consultancy; investment analysis, in particular for wine goods, wine markets and related markets; preparation and provision of financial information relating to wine goods, wine markets and related markets; brokerage services; wine brokerage services; investment consultancy services relating to wine; consultancy services relating to the purchase and sale of wine; investment advisory services, in particular for the purchase and sale of wine; investment management services in relation to wine; acquisition services for financial investment, namely acquisition services for financial investment in wine goods; capital and fund investment services in relation to wine; financial analysis in relation to wine goods, wine markets and related markets; provision of information on value and auction prices of wines; services in relation to valuation of wines and wine cellars.

Class 39:

Collection, storage, warehousing, packaging, transportation and distribution of perishable goods; collection, storage, warehousing, packaging, transportation and distribution of alcoholic beverages, in particular wine; provision of storage facilities with controlled conditions for perishable goods, in particular wine; information, advisory and consultancy services relating to all the foregoing; travel agency services, in particular travel arrangement, arranging of tours, booking of seats for travel, escorting of travellers and sightseeing (tourism) and travel arrangement in relation to wine tours. .

Class 41:

Education and providing of training in the field of providing food and drink, gastronomy, oenology, and cooking; arranging and conducting of training workshops, colloquiums, conferences, congresses, seminars and symposiums on providing food and drink, gastronomy, oenology and cooking; services for teaching wine appreciation and knowledge of wine; entertainment services; organisation of wine tasting and wine tasting events; organisation of wine dinners; organisation of wine tours; organisation of corporate events; club services offering information to members about wine appreciation, wine tasting, wine production, wine vintages and the purchase of wine; publication of printed matter (other

than publicity texts) in electronic format including on the internet or print, in the field of providing food and drink, gastronomy, oenology and cooking; publishing of printed matter relating to wine.

2. The list of goods and services is long, but it can be seen that it covers wine in class 33, retailing of wine in class 35, promotional and marketing services for wines in class 35, financial investment services relating to wine in class 36, storage and distribution of wine in class 39, education and entertainment services relating to wine and related travel services in classes 39 and 41, wine glasses, decanters and wine coolers etc. in class 21, and printed matter relating to wine and the publishing of such materials in classes 16 and 41, respectively.

3. CIVB is a legal person created under French law whose functions include the protection of the appellation Bordeaux. All growers of grapes and producers of wine in the Bordeaux area are required to subscribe to CIVB. INAO is a public body organised under the aegis of the French Ministry of Agriculture and charged with the protection of French appellations of origin.

4. The grounds of opposition are, in summary, that:

- i) Bordeaux is a famous wine producing district of France. The name Bordeaux is protected under French law and also under Regulations of the European Union protecting names of specified regions for the production of quality wine. The name Bordeaux is therefore a sign which may serve, in trade, to designate geographical origin. The opposed mark includes the name Bordeaux. Registration would therefore be contrary to s.3(1)(c) of the Trade Marks Act 1994 (“the Act”).
- ii) The mark consists of the geographical designation Bordeaux and the descriptive word Index. The combination is not distinctive and therefore registration of the mark would be contrary to s.3(1)(b) of the Act.
- iii) The mark is of such a nature as to deceive the public as to the geographical origin of the goods and services. Registration would therefore be contrary to s.3(3)(b) of the Act.
- iv) Bordeaux is protected under EC Regulation No. 1234/2007 (as amended) and the registration of marks including the designation Bordeaux that relate to “wine” is in breach of article 118L of that regulation. The applicant has applied to register the mark in relation to a wide range of goods/services not limited to the sale and supply of Bordeaux wines. Such use is contrary to article 118M of the Regulation. Registration would therefore be contrary to s.3(4) of the Act.

- v) The traders in Bordeaux wines, represented here by CIVB, have built up valuable goodwill in the UK. As a result, use of the opposed mark is liable to be prevented by the law of passing off because of *“the likely damage to such goodwill caused by the erosion of the singularity and exclusiveness of the description Bordeaux and the debasing and cheapening of its reputation caused by its use on other products”*. Registration would therefore be contrary to s.5(4)(a) of the Act.
- vi) By virtue of its large and long-established reputation, the appellation Bordeaux is entitled to protection under article 6bis of the Paris Convention as a well known trade mark. It therefore qualifies as an “earlier trade mark” under s.6(1)(c) of the Act.
- vii) The opposed mark is similar to the earlier trade mark and its use in relation to goods/services covered by the opposed application would create a likelihood of confusion on the part of the public. Registration would therefore be contrary to s.5(2)(b) of the Act.
- viii) The use of the opposed mark for anything other than Bordeaux wines would take unfair advantage of the distinctive character and repute of the earlier trade mark by appropriating to itself some part of that character and repute. Such use would also be detrimental to the distinctive character and repute of the earlier mark by diluting and diminishing the distinctiveness, uniqueness, effectiveness and prestigious connotations of the appellation Bordeaux. Registration of the opposed mark would therefore be contrary to s.5(3) of the Act.

5. Index filed a counterstatement denying the grounds of opposition. I note in particular that:

- i) Index offered and remains willing to amend its list of goods in class 33 to *“alcoholic beverages but not including wine other than wines which comply with the conditions of the protected designation of origin ‘Bordeaux’; and not including spirit drinks other than spirit drinks which comply with protected designation of origin ‘Fine Bordeaux’; wines which comply with the protected designation of origin ‘Bordeaux’”*.
- ii) It is denied that the word ‘Index’ is descriptive of any of the goods or services covered by the application. On the contrary, the word is said to be distinctive for these goods/services. Therefore it is denied that the mark is caught by the exclusions in s.3(1)(b) or (c) of the Act.

- iii) It is denied that Bordeaux has a reputation for any of the goods/services in classes 16, 21, 35, 36, 39 and 41. It is also denied that the mark is deceptive for alcoholic beverages in class 33. In any event, it is argued that the restriction described above will overcome any possible objection in class 33.
- iv) It is denied that Regulation 1234/2007 applies to the goods/services in classes 16, 21, 35, 36, 39 and 41 of the application. It is also denied that the Regulation applies to class 33 because the applicant does not affix the opposed mark to the wines it sells, which retain their original labelling and packaging. Therefore the applicant's actual use of the mark doesn't falsely indicate that wines comply with the product specification of the designation of origin 'Bordeaux' when they do not. Separately, it is claimed that any objection under this head will also be overcome by the proposed amendment of the application in class 33.
- v) It is denied that the opponents have established any goodwill in the mark 'Bordeaux' "*which is personal to them or any individual trader*". It is denied that use of the opposed mark has caused, or will cause, a misrepresentation to the public. In this connection it is pointed out that Index traded under the opposed mark in the UK for 15 years prior to the date of the application.
- vi) It is denied that 'Bordeaux' qualifies for protection as a well known mark because it is not the mark of "*a person*" as required by s.56(1) of the Act.

6. Both sides seek an award of costs.

THE EVIDENCE

The Opponents' Evidence

7. The opponents' evidence consists of witness statements by:

- i) Roland Feredj, the Director of CIVB.
- ii) Véronique Fouks, the Head of Legal and International Department at INAO.
- iii) Allan Cheesman, a freelance consultant in the wine and spirit industry.
- iv) Douglas Crichton Morton, who is a consultant to CIVB for the UK and Ireland.

8. M. Feredj explains that the functions of CIVB are set out in French law. He exhibits¹ a copy of an English translation of Law No. 48-1284 of 1948. It is clear from this that the functions of CIVB cover research, promotion and the oversight of quality measures for the wines of Bordeaux. This includes taking legal action to prevent misuse of the name 'Bordeaux'. M. Feredj provides some examples of overseas trade mark applications that were withdrawn or rejected after objections from CIVB.

9. M.Feredj states that:

"...the owners of the collective goodwill vested in the name BORDEAUX are all those who lawfully produce wine in the Bordeaux District of France in accordance with French law and ship such wine to England and Wales. If a passing-off action to protect Bordeaux were brought in English courts, the Claimant would be one or more Bordeaux traders, whether acting alone to protect his share of the goodwill, or representing all those traders..... The CIVB represents all such traders, all of whom are required by law to subscribe to CIVB. Though conducted in the name of a trader, such action would be financed and carried on by CIVB".

10. M. Feredj also provides a description of the controls that are applied to Bordeaux wines under the various Appellation d'origine Contrôlée regulations. As well as delimiting the area from which such wines may be produced, the regulations also control the permitted grape varieties, grape yields and the alcoholic strength of the wines.

11. According to M. Feredj, Bordeaux wines have been exported to the UK since the 12th century and the wines have established a particular reputation for quality amongst consumers here. So much so that they have their own name for the wines: 'claret'.

12. Véronique Fouks explains that the INAO has responsibility for the proper use of names signifying geographical origin on products beyond wines, which is why it is a party to the opposition. She says that Bordeaux is registered as a designation of origin under EU Council Regulation 1234/2007. Madame Fouks is "advised" (she does not say by who) that "recent" (her statement is dated April 2012) searches of the Internet show that the applicant uses the opposed mark in relation to services for retailing, purchasing, trading, tasting, investment and storage, of wines. She notes that more than half of the wines listed on Index's website in 2012 were not from Bordeaux.

¹ See exhibit RF1

She includes a quotation from the applicant's website which she notes describes 'The Bordeaux Index' like this:

"Rather than pricing monthly, our technology facilitates dynamic, daily updates and will allow users to monitor the market at their convenience. It's the most transparent, accurate and simple way of gauging the market performance of Bordeaux".

13. Mr Cheesman worked in the wine buying department of Sainsbury's, the supermarket, for most of the time between 1971 and 2002. Since then he has provided consultancy services to various wine businesses and he is a senior judge for three major wine competitions. He visits wine retailers regularly and has regular contact with staff selling wine and with their customers. He is therefore very experienced in the wine trade.

14. Mr Cheesman's evidence is that 'Bordeaux' is recognised by the UK public as meaning exclusively a wine produced in the Bordeaux region of France. The wines have a prestigious reputation amongst the UK public, second perhaps only to Champagne. This *"leads people who know little or nothing about wine to spend large amounts of money on Bordeaux, because they want 'the best' and equate Bordeaux with the 'the best'."* Mr Cheesman acknowledges that the dominance of French wines has been superseded in recent years by Australian wines. However, he observes that customers appear to feel safe buying an expensive bottle of Bordeaux from an unknown chateau when they would not spend the same amount of money on an unknown Australian wine. This is because of the perceived level of quality and consistency of the wines.

15. Mr Cheesman also gives evidence about the reputation of Bordeaux for other products. He says that *"when the public sees the name Bordeaux on a product they will expect it to be the wine"*. He acknowledges that the city is also the centre of an industrial district which produces many things, but he says that none of them are called Bordeaux.

16. I note here that Mr Cheesman's experience as a wine trader plainly doesn't place him in any position to give expert evidence about the other things for which Bordeaux is or is not known, or what the public's reaction would be to the use of the name Bordeaux on a non-wine product.

17. Returning to Mr Cheesman's evidence about the wine trade, he says that the applicant is known to him as a supplier of wines from Bordeaux and elsewhere *"and as promoters of an Index of prices of wines, which is designed one imagines to encourage potential and actual investors to pay regard to the historic and ongoing prices of wines potentially as an investment"*.

18. Mr Morton is also very experienced in the wine trade having worked in that field for 37 years. He is currently responsible for the promotional and PR activities of CIVB in the UK and Ireland. Prior to that he was Managing Director of Baron Philippe de Rothschild UK and controlled the company portfolio including the international Bordeaux brand, 'Mouton Cadet'.

19. Mr Morton says that these roles required him to have an in-depth knowledge of consumer attitudes to wines that he acquired through direct consumer contact, market research studies and constant contact with the trade to monitor purchasing habits and to obtain feedback from sales personnel.

20. Apart from the term 'Bordeaux mixture' (a gardening product), Mr Morton says that the word Bordeaux has never, to his knowledge, been used for any product or service other than wine. Accordingly, he purports to give evidence that *"anyone hearing the word Bordeaux in any commercial context naturally thinks of the wine and/or the region and nothing else"*.

21. I note once again that Mr Morton's experience in the wine trade plainly doesn't entitle him to give expert evidence as to the meaning of Bordeaux *"in any commercial context"*.

22. More relevantly, Mr Morton gives evidence as to CIVB's advertising campaigns for Bordeaux wines between 1997 and 2012. According to the figures he provides, CIVB spent around €1 m per annum advertising Bordeaux wines in the UK out of annual budgets of around €2-4.5m per annum. Some examples of the advertising are in evidence². The wines of Bordeaux have been promoted through advertisements in national and regional newspapers, special interest and popular magazines and on posters and billboards, including the London Underground. The wines are also promoted through trade and consumer wine tastings throughout the UK³ and national wine offers, such as 'Wine and Dine with Bordeaux wine' and competitions to win cases of Bordeaux wines⁴. CIVB also produces educational articles about Bordeaux wines, such as the Bordeaux supplement to the Food and Travel magazine⁵.

23. Mr Morton states that over 30 million bottles of Bordeaux wines per annum were shipped to the UK between 1990 and 2007 nearly all of which bore the name Bordeaux somewhere on the label.

24. Mr Morton is also aware of Index. He describes their business in identical terms to those used by Mr Cheesman.

² See DCM2

³ See DCM3

⁴ See DCM4

⁵ See DCM5

Index's Evidence

25. Index's evidence takes the form of a witness statement by Colin West, a Director of the company. Mr West says that Index has been trading under the opposed mark since 1997. The business includes wholesale and advisory services, financial and investment services, education and training services and tourism services. All the services are related to alcoholic beverages, mainly wine.

26. The business started off primarily as a fine wine merchant. Index sold over £100m of wine in 2010 and 2011. 86% of the wines sold in 2010 were Bordeaux wines. The corresponding figure for 2011 was 83%. In 2008 and 2010, Index won the title 'Bordeaux Specialist – Merchant of the Year' at the International Wine Challenge.

27. From the outset, Index provided advice to its customers on wine as an investment. However, Index only officially established an investment department in 2007. It provides a quarterly market report to help its customers make informed investment decisions⁶. From 12 January 2011 to 10 August 2011, Index provided formal written advice on wine investment to private clients that resulted in the purchase of £4.3m of wines. Mr West says that the vast majority of these wines were from Bordeaux. Further, Index manages £23m of institutional investments in wine via subcontracts placed by third party fund managers.

28. Mr West draws attention to an article in the Independent newspaper dated 29 May 2011⁷ which describes Index as *"a wine merchant and investment specialist"*. Another article in the Evening Standard of 12 March 2008 describes Index as one of *"three established and reputable UK companies offering a managed portfolio service for wine investors"*. Index is also mentioned in an article in the Herald Scotland dated 5 September 2011 (6 months after the filing of the opposed trade mark application) as being *"one of the UK's biggest traders in investment wines"*.

29. Index also appears in articles about wine investments in City A.M.⁸ (a free newspaper in London, July 2010), The World of Fine Wine⁹ (a specialist magazine, September 2010), The Daily Telegraph¹⁰ (end of 2010) and The Drinks Business¹¹ (a trade paper, October 2010). Index was also identified as the provider of ten monthly articles about wine investments that appeared in the last named publication during the course of 2009.

⁶ See exhibit 14, page 3

⁷ See exhibit 29, page 1

⁸ See exhibits 23 and 24

⁹ See exhibit 22

¹⁰ See exhibit 31

¹¹ See exhibit 20

30. Index spends variable amounts promoting its services through advertisements¹². In 2008 it spent over £56k. In the first 6 months of 2011, it spent only £800. Total marketing spend also varies considerably, between £24k and £154k in the years 2007 to 2010. In 2007, Index advertised in the Financial Times¹³. In 2010, it advertised in the paper City A.M.¹⁴ and the magazine Market Update¹⁵, which is distributed on British Airways, Ambeo Executive and Virgin Airlines flights and Eurostar trains. The mark is also promoted at trade shows, such as at the Grosvenor Fair in 2008¹⁶.

31. In 2009, Index launched an on-line two way trading system called 'LiveTrade', which allowed traders and private individuals to see real time prices for top Bordeaux wines that could be bought and sold immediately¹⁷. Index described the new service like this:

"We have recently launched 'The Bordeaux Index' which is a real time index that tracks live changes in the prices of the most liquidly traded wines in the LiveTrade market making screen".

32. A web based article in growingbusiness.co.uk from March 2011¹⁸ notes that Mr Gary Boom *"..has built Bordeaux Index, the wine trading business he founded in 1997, into a £150m-turnover company with customers in over 120 countries.... and has used financial instruments such as a two way price index to bring order to the often chaotic wine market"*.

33. Similarly, an article in the Financial Times from 2008¹⁹ refers to a business called 'Liv-ex 100' as another *"on-line index of top wines traded out of London"*.

34. However, all of these articles and others in the exhibits to Mr West's statement²⁰ show that Index and the media generally refer to the applicant's services using the name Bordeaux Index as a trade mark.

35. Neither side requested a hearing. I have therefore made this decision from the papers filed. This includes written submissions filed on behalf of Index. I did not receive written submissions from the opponents, but the opponents' evidence includes submissions and I have taken these into account.

¹² See exhibit 35

¹³ See exhibits 1-3

¹⁴ See exhibits 23 and 24

¹⁵ See exhibit 36

¹⁶ See exhibit 4

¹⁷ See exhibit 8

¹⁸ See exhibit 21

¹⁹ See exhibit 33

²⁰ See exhibits 22, 23, 24, 25, 26, 27, 28, 29, 31, 32, 33 and 34

USE CONTRARY TO LAW?

36. It is convenient to first consider the opponents' opposition under s.3(4) of the Act which states that:

(4) A trade mark shall not be registered if or to the extent that its use is prohibited in the United Kingdom by any enactment or rule of law or by any provision of Community law.

37. The opponents rely on articles 118l and 118m of EU Regulation 1234/2007 (as amended), which govern the use of protected designations of origin for wine and the relationship between protected designations for wine and trade marks. The articles are as follows.

118l - Relationship with trademarks

1. Where a designation of origin or a geographical indication is protected under this Regulation, the registration of a trademark corresponding to one of the situations referred to in Article 118m(2) and relating to a product falling under one of the categories listed in Annex XIb shall be refused if the application for registration of the trademark is submitted after the date of submission of the application for protection of the designation of origin or geographical indication to the Commission and the designation of origin or geographical indication is subsequently protected.

Trademarks registered in breach of the first subparagraph shall be invalidated.

2. Without prejudice to Article 118k(2), a trademark the use of which corresponds to one of the situations referred to in Article 118m(2), which has been applied for, registered or established by use, if that possibility is provided for by the legislation concerned, in the territory of the Community before the date on which the application for protection of the designation of origin or geographical indication is submitted to the Commission, may continue to be used and renewed notwithstanding the protection of a designation of origin or geographical indication, provided that no grounds for the trademark's invalidity or revocation exist as specified by the First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks or by Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade.

In such cases the use of the designation of origin or geographical indication shall be permitted alongside the relevant trademarks.

118m - Protection

1. Protected designations of origins and protected geographical indications may be used by any operator marketing a wine which has been produced in conformity with the corresponding product specification.
2. Protected designations of origins and protected geographical indications and the wines using those protected names in conformity with the product specification shall be protected against:
 - (a) any direct or indirect commercial use of a protected name:
 - (i) by comparable products not complying with the product specification of the protected name; or
 - (ii) in so far as such use exploits the reputation of a designation of origin or a geographical indication;
 - (b) any misuse, imitation or evocation, even if the true origin of the product or service is indicated or if the protected name is translated or accompanied by an expression such as 'style', 'type', 'method', 'as produced in', 'imitation', 'flavour', 'like' or similar;
 - (c) any other false or misleading indication as to the provenance, origin, nature or essential qualities of the product, on the inner or outer packaging, advertising material or documents relating to the wine product concerned, and the packing of the product in a container liable to convey a false impression as to its origin;
 - (d) any other practice liable to mislead the consumer as to the true origin of the product.
3. Protected designations of origin or protected geographical indications shall not become generic in the Community within the meaning of Article 118k(1).
4. Member States shall take the steps necessary to stop unlawful use of protected designations of origin and protected geographical indications as referred to in paragraph 2.

38. Regulation 118l prohibits the registration of trade marks for products falling within the categories listed in Annex X1b to that regulation. This covers wine, grape must, and wine vinegar.

39. It is common ground that 'Bordeaux' is a protected designation of origin and there does not appear to be any dispute that it was protected at the date that the opposed trade mark application was filed. In my view, there is therefore no doubt that the use of the opposed mark in relation to wines, other than those conforming with the product specification for Bordeaux wines, would be contrary to article 118m(2) of Regulation 1234/2007. That conclusion is not affected by Index's argument that it does not affix the mark to the wines it sells. This is because the prohibition covers "*any direct or indirect commercial use of a protected name*".

Therefore any commercial use of a protected name in relation to non-Bordeaux wines, including use in advertising materials, is caught by article 118m(2), and registration of a trade mark for such products is prohibited by article 118l.

40. The applicant has indicated from the start of the opposition proceedings that it is prepared to amend its application in class 33 so that it covers only:

Alcoholic beverages, but not including wine other than wines which comply with the conditions of the protected designation of origin 'Bordeaux'; and not including spirit drinks other than spirit drinks which comply with protected designation of origin 'Fine Bordeaux'; wines which comply with the protected designation of origin 'Bordeaux'.

41. That amendment appears to be sufficient to overcome this ground of opposition in relation to the goods falling within class 33 of the application. The opponents do not really argue to the contrary. As I understand their position, it is that the amendment is insufficient to overcome the objection to the registration of the mark in the other classes for which registration is sought.

42. So far as I can see, the application does not cover any other product which falls within the annex XIb of Regulation 1234/2007. Therefore article 118l cannot provide a ground for refusal for the goods or services in any of the other classes. However, article 118m appears to be wider in scope than article 118l because it is not limited to products falling within annex XIb. This is confirmed by the wording of article 118m(2)(b) itself, which prohibits "*any misuse, imitation or evocation [of the protected name], even if the true origin of the product or service is indicated*" (emphasis added). Articles 118l and 118m were added to Regulation 1234/2007 by Regulation 491/2009, but a provision identical to article 118m had previously been introduced into Community law as article 45 of Regulation 479/2008, which replaced Regulation 1493/2009 governing, inter alia, the use of geographical indications for wines in the EU. I note that recital 32 to Regulation 479/2008 stated that:

"Registered designations of origin and geographical indications should enjoy protection against uses which unduly take advantage of the reputation that complying products command. So as to promote fair competition and not to mislead consumers, this protection should also affect products and services not covered by this Regulation, including those not found in Annex I to the Treaty."

Annex 1 to the Treaty covers wines, grape juice and similar products.

43. I conclude that article 118m of Regulation 1234/2007 is capable of applying to non-wine products, and in relation to services. And as s.3(4) prohibits registration of a trade mark in the UK if, or the extent that, its use would be contrary to any provision of Community law, I find that trade marks whose use would be prohibited by article 118m are excluded from registration by s.3(4), even if they not caught by article 118l.

44. Article 118m(2)(a)(ii) prohibits the use of *'any direct or indirect commercial use of a protected name in so far as such use exploits the reputation of a designation of origin or a geographical indication'*. In order to ascertain what is meant by *'exploits the reputation'* I note that the recital reproduced above identifies the object of the provision as promoting fair competition and avoiding misleading consumers. Article 118m(2)(c) and (d) contain provisions which are plainly intended to avoid consumers being misled as to whether a product complies with the specification of the protected name. The prohibitions in article 118m(2)(a)(ii) and the further prohibition against *'any misuse, imitation or evocation, even if the true origin of the product or service is indicated or if the protected name is translated etc.'* in article 118m(2)(b) therefore appear to be directed against uses which unfairly trade on the reputation of a protected name.

45. The opponents' evidence from Mr Cheesman and Mr Morton appears to be partly intended to show that the use of 'Bordeaux' as part of the mark BORDEAUX INDEX would mislead consumers if the mark was used in relation to any product or service, save for Bordeaux wines. I do not accept this evidence. I have already noted that Mr Morton and Mr Cheesman are in no position to give evidence about the public's expectations outside their field of expertise in the wine trade. Even within the wine trade, I find it impossible to see how the use of BORDEAUX INDEX could mislead the public in any material respect about the characteristics of services, such as investment services relating to wine in class 36, the storage and distribution of wine or travel related services in class 39, education services relating to wine in class 41, or about the characteristics of products such as wine glasses, decanters and wine coolers etc. in class 21, or printed matter relating to wine and the publishing of such materials in classes 16 and 41. It is possible that the public may see some connection between the mark and the name Bordeaux as the possible destination for travel services, or that the financial investment services are related to Bordeaux wines, or that Bordeaux is the subject of printed matter or of wine education services, or that glasses are of the type optimal for drinking wines from Bordeaux, but none of these connections appear to be sufficiently direct or unequivocal as to enable consumers to rely on the mark Bordeaux Index in order to select goods or services with specific characteristics relating to the wines of Bordeaux.

46. So far as retailing of wine and promotional services including organising wine tastings, both in class 35, there is clearly no prospect of anyone mistaking these services for products of any kind. It is likely that relevant consumers will see the mark as indicating that the user of the mark is a retailer or promoter of Bordeaux wines. The evidence indicates that this is true. However, I do not think that the mark is likely to be taken as indicating that the user only retails or promotes Bordeaux wines. In any event, consumers are unlikely to rely on the mark of the retailer or promoter in order to identify the geographical origin of individual products. Rather, those sorts of decisions are likely to be taken on the basis of the signs and

indications used in relation to the wines themselves²¹. Therefore, there is no apparent scope for the mark used in relation to these services to mislead the relevant public in any material way about the characteristics of any particular wine product.

47. So far as advertising and marketing services are concerned, it should be noted that these cover services provided to third parties, not Index's own advertising or marketing of the wines it retails. Consequently, it is not obvious, and it has not been explained, how the use of Bordeaux Index for these services could mislead the public.

48. The next question is whether the use of the mark in relation to the goods and services in the application (post amendment in class 33) will '*exploit the reputation of a designation of origin or a geographical indication*'. I remind myself that this appears to mean asking whether the use of the mark will '*unduly take advantage of the reputation that complying products command*.' I accept that it is possible for such an advantage to be taken of a reputed name in relation to non-wine products, including services, without actually misleading consumers. For example, if the protected name was used to draw customers to products they would not otherwise select, such an advantage may arise, even if consumers are not ultimately misled as to the origin of the goods. Given that the purpose of article 118m of Regulation 1234/2007 is to protect the integrity of the geographical designation Bordeaux for wines it is, in my view, necessary to pay particular attention to uses which could undermine that integrity by exploiting the protected name to encourage the sale of comparable products that are not entitled to the designation 'Bordeaux'. Such an objection could therefore arise if the opposed mark were used in relation to services that are means of drawing and selling to customers wines and similar products that are not entitled to the designation 'Bordeaux'.

49. The evidence indicates that Index has not so far used the mark Bordeaux Index in this way. On the contrary, the name has been used in relation to services through which complying products are placed before the UK market. Index was publicly recognised in 2010 as specialist retailer of Bordeaux wines and over 80% of the wines it sells are entitled to the designation Bordeaux²². The relevant wine buying public are likely to understand that when used in relation to retail services for wines in class 35, and associated wine promotion services, Index's mark indicates only that it is Bordeaux specialist. In these circumstances I do not consider that the use of the opposed mark in relation to, for example, retail services through which some non-

²¹ I have not overlooked the practice of some merchants to market 'own label' wines. However, in that case the mark is being in relation to the wine itself and not just in relation to the retail service. Such use would therefore be caught by the applicant's proposed limitation in class 33.

²² Although most of the wines in evidence appear to claim more geographically specific designations at the top end of the hierarchy of Bordeaux designations, such as Saint Julien, Pauillac, Margaux, and Pomerol.

Bordeaux wines also reach the market can properly be regarded as exploitative of the protected product name Bordeaux.

50. However, this assessment is based on Index's current use of the mark, which could change in the future. When assessing the likelihood of confusion under s.5(2) of the Act it is necessary to consider all the circumstances in which the mark applied for might be used if it were to be registered²³. I think that the same must also be true when assessing an objection under s.3(4). The fact that s.3(4) includes the words "...if or to the extent that [the mark's] *use is prohibited.*" tends to confirm this. I have carefully considered whether some of the services could be limited in some way so as to reflect the fact that the services are provided by a specialist in Bordeaux wines. However, although I am satisfied that this is an accurate description of Index's current services, I have come to the view that the boundaries which define a Bordeaux specialist are too much a matter of judgment to be defined in a list of services. And the only place to stop after that is to limit the potentially offending descriptions of services so that they relate to goods entitled to the designation 'Bordeaux'.

51. I have therefore grouped the services in class 35 so as to distinguish between services connected with selling alcoholic beverages (the first two groups) and those concerned with simply providing information about wines etc. or which are irrelevant for the reasons explained at paragraph 47 above.

Class 35:

Provision of retail and advisory services in relation to the buying and selling of alcoholic beverages including wine; the bringing together, for the benefit of others, of alcoholic beverages, including wine, enabling customers to conveniently view and purchase those goods from an Internet website marketing alcoholic beverages, including wine; retail services connected with the sale of wines; auctioneering of wine goods; business intermediary services in the field of buying and selling wine and related products; all relating to wines which comply with the conditions of the protected designation of origin 'Bordeaux'; or spirit drinks which comply with protected designation of origin 'Fine Bordeaux'; information, advisory and consultancy services relating to all of the foregoing.

Wine tastings (promotional services); promotional services in the field of alcoholic beverages in particular in the field of wine; wine sampling; all relating to wines which comply with the conditions of the protected designation of origin 'Bordeaux'; or spirit drinks which comply with protected designation of origin 'Fine Bordeaux'.

Advertising and marketing services in the field of alcoholic beverages in particular in the field of wine; import and export agencies; business advisory services in the field of buying and selling wine and related products; business advisory services in

²³ See *O2 Holdings Ltd v Hutchison 3G Ltd* Case, C-533/06, ECJ, at paragraph 66 (in relation to the corresponding provision of the underlying Trade Mark Directive

relation to wines; market analysis, namely wine markets and related markets analysis studies; economic forecasting in relation to wine goods; provision of commercial information in relation to wines; dissemination of advertising, marketing and publicity materials relating to wine.

52. I have excluded the term *“and related accessories”* from the term *“the bringing together, for the benefit of others, of alcoholic beverages, including wine, and related accessories”* because *“related accessories”* [to wine] are not alcoholic beverages and so do not fall within the primary description of services. I have also omitted the term *“and rendering related services”* from the term *“business intermediary and advisory services in the field of buying and selling wine and related products”* because the first term is so vague that I cannot understand what it covers.

53. I find that the services highlighted below in classes 36 and 41 are also susceptible to the s.3(4) objection because they also concerned, either directly or indirectly (in the case of wine samplings and wine dinners), with selling alcoholic beverages to the public and/or UK businesses and therefore could also be exploitative if these products were not entitled to the designation ‘Bordeaux’.

Class 36:

Brokerage services; wine brokerage services; all relating to wines which comply with the conditions of the protected designation of origin ‘Bordeaux’; or spirit drinks which comply with protected designation of origin ‘Fine Bordeaux’.

Financial affairs; financial services and financial services provided via the internet (other than brokerage services for alcoholic beverages); acquisition services for financial investment, namely acquisition services for financial investment in wine goods; provision of financial analysis and financial information, including via the internet; financial management and financial consultancy; investment analysis, in particular for wine goods, wine markets and related markets; preparation and provision of financial information relating to wine goods, wine markets and related markets.

Investment consultancy services relating to wine; consultancy services relating to the purchase and sale of wine; investment advisory services, in particular for the purchase and sale of wine; investment management services in relation to wine; capital and fund investment services in relation to wine; financial analysis in relation to wine goods, wine markets and related markets; provision of information on value and auction prices of wines; services in relation to valuation of wines and wine cellars.

Class 41:

Organisation of wine tasting and wine tasting events; organisation of wine dinners; all relating to wines which comply with the conditions of the protected designation of origin ‘Bordeaux’; or spirit drinks which comply with protected designation of origin ‘Fine Bordeaux’.

Entertainment services and organisation of corporate events (other than wine tastings and wine dinners); education and providing of training in the field of providing food and drink, gastronomy, oenology, and cooking; arranging and conducting of training workshops, colloquiums, conferences, congresses, seminars and

symposiums on providing food and drink, gastronomy, oenology and cooking; services for teaching wine appreciation and knowledge of wine.

Organisation of wine tours; club services offering information to members about wine appreciation, wine tasting, wine production, wine vintages and the purchase of wine; publication of printed matter (other than publicity texts) in electronic format including on the internet or print, in the field of providing food and drink, gastronomy, oenology and cooking; publishing of printed matter relating to wine.

54. The application will be refused for the goods in class 33 and the services identified above unless it is limited as indicated (or in some other way that has the effect of excluding services through which alcoholic beverages are sold, unless these are limited to products entitled to the designation 'Bordeaux').

55. The objection fails in classes 16, 21 and 39.

56. I find that the use of the opposed mark for the goods and services in these classes is not contrary to the prohibition in article 118m(2)(b) of Regulation 1234/2007 against '*any misuse, imitation or evocation, even if the true origin of the product or service is indicated or if the protected name is translated etc.*' This is because Index's use of the mark (including possible future uses) for these goods/services could not be regarded as a misuse of the protected name, and the prohibitions about 'imitation' and 'evocation' are not relevant because they are directed at the use of names which call the protected name to mind rather than use of the protected name as such²⁴.

57. The same will apply in classes 33, 35, 36 and 41 if the list of goods/services is limited as indicated above.

OPPOSITION UNDER s.3(3)(b)

58. Section 3(3)(b) is as follows:

A trade mark shall not be registered if it is-

(a) -

(b) of such a nature as to deceive the public (for instance as to the nature, quality or geographical origin of the goods or service).

59. I have already found that (subject to the proposed amendment in class 33) the trade mark is not liable to mislead the public. The opposition under this heading therefore adds nothing to the s.3(4) ground.

²⁴ See paragraph 56 of the judgment of the CJEU in Cases C-4/10 and C-27/10, *Bureau national interprofessionnel du Cognac v Gust.Ranin Oy*

OPPOSITION BASED ON PASSING OFF RIGHT CLAIM

60. Section 5(4)(a) is as follows:

(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented-
(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade

61. It is well established that passing off depends upon the existence of a) goodwill, b) misrepresentation, and c) damage. Ordinarily the goodwill is that of a particular business, but the courts have long been prepared to recognise and prevent deceptive use of names that are distinctive of a discernable class of products²⁵. There is not much doubt that Bordeaux has a qualifying reputation for wines which could be protected under what has become known as the 'extended form' of passing off. However, it is clear that misrepresentation remains an essential component of any passing off action and that depends on whether the offending sign will cause confusion or deception, or the likelihood of this²⁶.

62. The English case law is concerned with the misuse of product names for comparable products. Subject to the proposed amendment of the application, that is not the case here. Rather, the passing off claim has to be assessed against goods and services which, although mostly related to wines, are not wines. I considered the likelihood of consumers being misled by the use of the opposed mark in relation to such goods and services above and decided that there was no such likelihood. It follows that use of the opposed mark in relation to those goods/services would not amount to a misrepresentation. Subject to the amendment in class 33, the s.5(4)(a) ground of opposition therefore also fails.

63. The authorities indicate that trade associations who do not themselves trade in the relevant goods have no right to bring a passing off action in their own names²⁷. Article 2 of the Trade Marks (Relative Grounds) Order 2007²⁸, states that only the owner of an earlier right is entitled to bring opposition proceedings under s.5(4) of the Act. That section defines the owner of an earlier right as being "a *person...entitled to prevent the use of a trade mark...*". The net effect of these provisions is that the right to bring an action under s.5(4)(a) is limited to those entitled to bring a passing off action in the courts. That would not appear to include either of the opponents. Consequently, if the passing off case had merit, I would have considered whether the opponents should be given the opportunity to add

²⁵ See *Bollinger v Costa Brava* [1960] RPC 16 and *Erven Warnink B.V. and Another v J. Townend & Sons (Hull) Ltd and Another (Advocaat)* [1980] RPC 31, HL.

²⁶ See the speech of Lord Diplock in *Advocaat* at page 93, lines 26-30, in *Advocaat*.

²⁷ See *Chocosuisse v Cadbury* [1999] RPC 826, CA.

²⁸ S.I. 2007/1976

further parties to the opposition who are entitled to bring an action for passing off. However, as I have found that the passing off case must be rejected in any event, it is not necessary to do more than note the point in case the matter goes further.

OPPOSITION BASED ON BORDEAUX BEING A WELL KNOWN MARK

64. Section 6(1)(c) of the Act is as follows:

- 6 - (1) In this Act an “earlier trade mark” means -
- (a) -
 - (b) -
 - (c) a trade mark which, at the date of application for registration of the trade mark in question or (where appropriate) of the priority claimed in respect of the application, was entitled to protection under the Paris Convention or the WTO agreement as a well known trade mark.

65. Section 56(1) of the Act is as follows:

- 56 - (1) References in this Act to a trade mark which is entitled to protection under the Paris Convention or the WTO agreement as a well known trade mark are to a mark which is well-known in the United Kingdom as being the mark of a person who-
- (a) is a national of a Convention country, or
 - (b) is domiciled in, or has a real and effective industrial or commercial establishment in, a Convention country, whether or not that person carries on business, or has any goodwill, in the United Kingdom.
- References to the proprietor of such a mark shall be construed accordingly.

66. Article 6bis of the Paris Convention (on which s.56 of the national law is based) only applies to trade marks²⁹. Index submits that Bordeaux is not a well known trade mark because it is not the “*mark of a person*”. i.e. it is not a trade mark. I agree. In my view it is clear that article 6bis of the Paris Convention does not apply to geographical indications, even if they could be registered as collective marks. This is borne out by the fact that article 7bis (which covers collective marks) was added later to the Convention. Further, article 7bis only requires the protection of collective marks following their registration (which in turn depends on whether such marks satisfy the conditions laid down for their protection under national law).

67. As Bordeaux is not the “*mark of a person*” and therefore does not qualify for protection as a well known mark, the grounds of opposition based on s.5(2) and s.5(3) of the Act must also be rejected.

OPPOSITION BASED ON THE DESCRIPTIVE/NON-DISTINCTIVE NATURE OF THE MARK

68. The relevant parts of s.3(1) of the Act is as follows:

3. - (1) The following shall not be registered -
- (a) -

²⁹ See the judgment of the General Court in Case T-255/08, *Eugenia Montero Padillo v OHIM*

(b) trade marks which are devoid of any distinctive character,
(c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services,

(d) -

Provided that, a trade mark shall not be refused registration by virtue of paragraph (b), (c) or (d) above if, before the date of application for registration, it has in fact acquired a distinctive character as a result of the use made of it

69. I remind myself that it is not necessary for a sign to be already in descriptive use in order to fall foul of the prohibition in s.3(1)(c): it is sufficient that the mark is capable of being used as a descriptive designation³⁰. Further, it is irrelevant that a mark has non-descriptive meanings if one of its meanings describes a characteristic of the goods and services covered by the application: *Koninklijke KPN Nederland NV and Benelux-Merkenbureau*³¹. The relevant test is set out in paragraphs 54-56 of the judgment of the Court of Justice of the European Union's ("CJEU") in that case and is as follows.

"54. As the Court has already held (*Windsurfing Chiemsee*, paragraph 25, *Linde*, paragraph 73, and *Libertel*, paragraph 52), Article 3(1)(c) of the Directive pursues an aim which is in the public interest, namely that such signs or indications may be freely used by all. Article 3(1)(c) therefore prevents such signs and indications from being reserved to one undertaking alone because they have been registered as trade marks.

55. That public interest requires that all signs or indications which may serve to designate characteristics of the goods or services in respect of which registration is sought remain freely available to all undertakings in order that they may use them when describing the same characteristics of their own goods. Therefore, marks consisting exclusively of such signs or indications are not eligible for registration unless Article 3(3) of the Directive applies.

56. In those circumstances, the competent authority must, under Article 3(1)(c) of the Directive, determine whether a trade mark for which registration is sought currently represents, in the mind of the relevant class of persons, a description of the characteristics of the goods or services concerned or whether it is reasonable to assume that that might be the case in the future (see to that effect *Windsurfing Chiemsee*, paragraph 31). If, at the end of that assessment, the competent authority reaches the conclusion that that is the case, it must refuse, on the basis of that provision, to register the mark."

70. The opponents' case focuses on the descriptive meaning of Bordeaux as the name of a wine and wine producing region. However, the opposed mark is not Bordeaux alone, but BORDEAUX INDEX. It is beyond argument that the mark does not consist exclusively of the word Bordeaux, and so any arguments that depend solely on that word being excluded from registration by s.3(1)(c) are bound to fail. In the light of that finding it is not necessary to examine the opposition under this section any further except, and to the extent that, the opponents have identified a meaning for 'Bordeaux Index' that is at least possibly descriptive of the

³⁰ See The CJEU's judgment in Case C-191/01P (*Doublemint*)

³¹ See Case C-363/99 (*POSTKANTOOR*).

goods/services in the application. In my view, the opponents have only identified one such possibility. Both Mr Cheesman and Mr Morton identify Index as a promoter of “an Index of prices of wines, which is designed one imagines to encourage potential and actual investors to pay regard to the historic and ongoing prices of wines potentially as an investment”.

71. Mr West’s evidence on behalf of Index confirms that the on-line list of wines introduced by Index in 2009 is only used for Bordeaux wines and is described by Index and by a third party as an “index”³². Further, Mr West’s evidence also includes an example of a competitor’s list of investment wines being described by a journalist as an “index”³³. If the word ‘index’ is apt to describe an on-line list of wines and their moving prices and the word Bordeaux is apt to describe a class of wines commonly associated with investment in wines, then the combination Bordeaux Index appears to be apt to describe a method of providing information in the form of an index about the prices of Bordeaux wines. This appears to be a characteristic of Index’s financial, business and investment information services in classes 35 and 36. Consequently, I find that the mark is *prima facie* excluded from registration for such services by s.3(1)(c).

72. No other basis has been identified for finding that Bordeaux Index is incapable of distinguishing the goods and services covered by the application. In particular, no other basis has been identified on which the word Index (in combination with Bordeaux) can be said to be incapable of identifying the commercial source of the goods or services in question. The opposition under s.3(1)(b) cannot therefore succeed to any greater extent than the opposition under s.3(1)(c).

73. Section 3(1)(b) and (c) are subject to the proviso shown at paragraph 68 above. Index has provided evidence of its use of the opposed mark since 1997, some 14 years prior to the date of the application in March 2011 (“the relevant date”). As the application of section 3(1)(b) and (c) is subject to the proviso, it is necessary to examine whether the evidence shows that the mark had acquired a distinctive character by the relevant date.

74. In this connection, I take account of the guidance of the CJEU in *Windsurfing Chiemsee*³⁴, according to which:

“51. In assessing the distinctive character of a mark in respect of which registration has been applied for, the following may also be taken into account: 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 class of persons who, because of the mark, identify goods as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations.

52. If, on the basis of those factors, the competent authority finds that the relevant class of persons, or at least a significant proportion thereof, identify goods as originating from a particular undertaking because of the trade mark, it must hold that

³² See paragraphs 31 and 32 above.

³³ See paragraph 33 above.

³⁴ Joined cases C-108 & 109/07

the requirement for registering the mark laid down in Article 3(3) of the Directive is satisfied. However, the circumstances in which that requirement may be regarded as satisfied cannot be shown to exist solely by reference to general, abstract data such as predetermined percentages.”

75. In my view, the evidence described at paragraphs 25-34 above shows that the opposed mark had acquired a distinctive character prior to the relevant date for the services for which I have found that there is a *prima facie* objection to registration. It is true that Index’s only formally started to provide financial investment and information services relating to wines in 2007. However, Mr West’s evidence indicates that less formal advice services have always been a feature of Index’s business and Index appears to have acquired a particular reputation as a wine investment advisor. I note that both of the opponents’ UK based witnesses give evidence that Bordeaux Index and its services are known to them.

76. Further, with the possible exception of the quotation shown in paragraph 31 above, all the use of Bordeaux Index appears to be as a trade mark. Although not decisive, I find it significant that there is no evidence of any other trader using Bordeaux Index as a descriptive sign in relation to wine investment information services or otherwise. Further, Index’s own use of the mark long precedes any possibly descriptive use of the name. This makes it easier to accept that the mark would have been recognised by the relevant public at the relevant date as a trade mark, even for financial information services about wines.

77. Because distinctiveness had been acquired for the only services caught by the s.3(1)(c) ground of opposition, the s.3(1) grounds must be rejected for all the goods and services covered by the application.

FORMAL AMENDMENT OF THE APPLICATION

78. The amendments required are more than straightforward deletions. Index therefore has 21 days from the date of this decision to file a TM21 amending its list of goods and services in class 33, 35, 36, and 41 to that shown at paragraphs 40, 51 and 53 above or making other amendments that have the same effect. Otherwise the application will be rejected in class 33 and rejected for the services preceding the required limitations in classes 35, 36 and 41 (identified at paragraphs 51 and 53 above). If the applicant puts forward an amendment other than as indicated in paragraphs 40, 51 and 53 above, I will permit the opponents a further 14 days to comment on the proposed amendment before I decide whether it is acceptable. I will then issue a final decision.

COSTS

79. The opposition has partly succeeded and partly failed. In these circumstances I am strongly minded to direct that each side should bear its own costs. However, I will afford the parties 21 days from the date shown below to comment, if they so wish, before I make a final decision on that matter.

APPEAL

80. As this is a preliminary decision, the period for appeal will run from the date of my final decision.

Dated this 16th day of October 2012

**Allan James
For the Registrar**