

TRADE MARKS ACT 1994

IN THE MATTER OF Application N^o: 2129800

in the name of Castelli Del Grevepesa Cantina Sociale Soc. Coop a.r.l

and

**Opposition thereto under N^o: 50698 by
Gruppo Italiano Vini SC a.r.l**

1. Castelli Del Grevepesa Cantina Sociale Soc. Coop arl applied for the trade mark OTTO SANTI (the Italian words mean 'eight saints' in English) on 16th April 1997. The specification of goods is:

 'Chianti classico and vinsanto wines in class 33'.
2. Gruppo Italiano Vini S.C arl have one ground of opposition to registration of the above mark, based on s. 5(2) of the Act, and their earlier registration (N^o: 1304857) of the mark SANTI for

 'Wines, spirits and liqueurs in class 33'.
3. A counterstatement was provided by the applicants, in which the ground is denied. Both parties ask for costs to be awarded in their favour.
4. No hearing was desired by the parties, and my decision here is based on the evidence submitted. I summarise this as follows.
5. Emilio Pedron, the opponents' Managing Director, is their sole declarant. He says that their mark SANTI has been used continuously in the UK since 1987. Mr. Pedron states the mark is applied to bottle labels and on boxes, price lists, brochures, literature and promotional items, and gives 'ex-works' turnover figures for bottles sold (before the relevant date) as:

1995	272,088
1996	122,448
1997	97,740

Advertising revenue is provided, but only from 1997 onwards (£5,9540), and much of the material evidence submitted is after the relevant date of 16th April 1997. That before consists of an advertisement dated April 1997 from 'Decanter' magazine (Exhibit EP-5), a mention in an article about an (unrelated) Italian wine merchant in the January 1997 edition of 'Caterer & Hotel Keeper' and some nine, differently dated and addressed, invoices. The first of the latter dates from the beginning of 1995, the last is dated 13th March 1997, just before the applicants applied for their mark. Two invoices are addressed to the supermarkets Safeways and Waitrose, the rest to 'Enotria Wines Limited'. From these I calculate over 84000 bottles of wine are recorded as sold over this period, but it is unclear how many these were sold under the mark. I note that Mr. Pedron describes the invoice evidence as a 'selection'.

7. He also states that wines have won awards (Exhibit EP6), two of which are before the relevant date. However, I have no way of knowing whether these from events that took place in the UK.

8. Mr. Pedron also states that his company has exhibited goods at various wine tastings (paragraph 8) and has been sold, since 1998, through Victoria Wine, Thresher, Whitbread and Wine Rack. Again, this is after 16th April 1997. As are the price lists apparently distributed to over 1,000 restaurants, and exhibited at Exhibit EP-7. Finally, the he states that his company has advertised in the Decanter magazine and taken part in special promotions by that publication, as well as exhibiting in trade and tasting fairs. He states:

‘By virtue of the above use, I believe my Company’s Trade Mark has become extremely well known in the United Kingdom and is associated with the range of wines sold by my Company..’

Unfortunately, on this evidence I do not believe that I can agree, as least before 16th April 1997. I return to this issue below.

9. The applicants’ first (of two) Statutory Declarations is by Ms. Nicola Braiser, a trade mark attorney employed by their agents. Her evidence largely consists of comment on deficiencies in the opponents’ evidence; in particular she draws attention to that which relates to events and material after the relevant date, as I have, above.

10. Luigi D’Agnolo, who provides the applicants’ second Declaration, is their General Manager. He says that the applicants are a wine co-operative established in 1965 whose members are viticulturalists in the Florentine zone of the Chianti Classico area of Italy. He says that the mark in suite has been continuously used in the UK since 1987 without, to the best of his knowledge, any reported instances of confusion. He does not believe that the opponents’ use of their mark has extended to Chianti Classico or Vinsanto wines and has exhibited a copy of a declaration he made during prosecution of the application showing use of the mark in suit. He provides sales figures as follows:

Year	Amount (£)
1993	17,947
1994	14,761
1995	21,172
1996	31,609
1997	28,775

Which, apparently, represents nearly 50,000 bottles of wine. Material evidence shows awards won by the applicants’ wine ‘..which take place in the United Kingdom’ (paragraph 9 of Mr. D’Agnolo’s Declaration; Exhibit LD1: I note that these are before the relevant date). Sample invoices also show a trade in the UK before the relevant date (Exhibit LD2): 11 dating from 1994 to 1996 all addressed to one wine merchant in Manchester, and five addressed to the Co-operative Wholesale Society, also in Manchester, in 1994 and 1993. Finally, LD3 contains sample labeling demonstrating use of the applicants’ mark.

Decision

11. The sole ground of opposition is section 5(2)(b); this reads:

‘A trade mark shall not be registered if because –

.... ,

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

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

12. The relevant guidance on this section is provided by the European Court of Justice (ECJ), in *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc* [1999] ETMR 1, *Lloyd Schufabrik Meyer & Co GmbH v Klijsen Handel BV* [2000] FSR 77 and *Marca Mode CV v Adidas AG* [2000] ETMR 723. I refer to these cases as they are relevant to my decision.
13. The opponents trade mark No. 1304857, having been filed on 23rd March 1987 is clearly an earlier trade for the purposes of the Act (s. 6(1)). Both sides have provided evidence of the use of their name, which I have summarised above. It is clear from the case law that there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either *per se*, or because of the use that has been made of it: *Sabel* page 224. How ‘distinctiveness’ is to be determined, is further explained in *Lloyd* (pages 83 and 84):

‘..the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings

24. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations..’
14. The case law here conflates an assessment of the inherent distinctiveness of a mark with that attained via trade; all are ‘grist to the mill’ of the global’ appreciation of the likelihood of confusion counselled in *Sabel*, page 224. I discuss the inherent distinctiveness of the earlier mark below; however, I cannot conclude on the evidence I have before me that this mark has gained any further protection through distinctiveness gained by the use that has been made of it. The use claimed under the mark before the relevant date (see paragraph 5) is very modest when set against the likely, total sales of wine in this country over the same period.
15. The applicants’ use also has relevance to my assessment a the likelihood of confusion. Indeed, the application was accepted for publication by the registrar on the basis of honest concurrent use. Of course, in opposition proceedings honest concurrent use is not in itself a defence which will save an application, but it is a factor in determining whether there is a likelihood of confusion (see s. 7((2),

and, for example, *CDS Computer Design Systems Ltd v Coda Ltd* (BL 0-372-00)). Again, the applicants' use is fairly small in this country, on the evidence less than that of the opponents, but does appear to have proceeded some years before the application in suit, and thereafter, without any evidence of confusion.

16. However, I do not believe I can set much store by this. As I have found, use by both parties is modest, there is nothing to suggest they have been sold side by side and, finally, even if confusion had occurred, there is no reason to suppose such would have easily come to the attention of either of them. - A confused consumer, if he found the applicants' wine to his taste, would not complain (both sides appear to produce a quality product, as evidenced by the awards they have won). Alternatively, a consumer so confused, but dissatisfied, might not buy that wine again or, in the limit, complain to the retailer he purchased it from, who might not re-stock it from his wholesaler. In these instances, there is no reason to believe either Italian viticulturalist would ever get to hear about the confusion as such. I feel this is a case where absence of evidence of confusion is no evidence of absence of confusion.
17. I must therefore conclude that the use by either side has no effect on the comparison I must make for the purposes of s. 5(2)(b); in effect, I have only the *prima facie* case to consider. This, nevertheless, involves a number of considerations.
18. First, the goods are identical. In his Declaration, Mr. D'Agnolo states that the opponents' SANTI mark has not been used in relation the wines for which he seeks protection 'Chianti classico and vinsanto wines.' However, the opponents' specification is for 'Wines, spirits and liqueurs' which clearly absorbs the applicants' specification. I note that the case law states:

'A global assessment of the likelihood of confusion implies some interdependence between the relevant factors, and in particular a similarity between the trade marks and between these goods or services. *Accordingly, a lesser degree of similarity between these goods or services may be offset by a greater degree of similarity between the marks, and vice versa.* The interdependence of these factors is expressly mentioned in the tenth recital of the preamble to the Directive, which states that it is indispensable to give an interpretation of the concept of similarity in relation to the likelihood of confusion, the appreciation of which depends, in particular, on the recognition of the trade mark on the market and the degree of similarity between the mark and the sign and between the goods or services identified.' (*Canon*, paragraph 17; emphasis mine).

19. Next, the importance of the role of the average consumer is emphasised:

'The wording of Article 4(1)(b) of the Directive - "...there exists a likelihood of confusion on the part of the public .." - shows that the perception of marks in the mind of the average consumer of the type of goods or services in question plays a decisive role in the global appreciation of the likelihood of confusion'. (*Sabel*, page 224).

Some clue to the characteristics of the 'average consumer' is also provided; he/she

- '...only rarely has the chance to make direct comparisons between the different marks but must place his trust in the imperfect picture of them he has kept in his mind.' (*Lloyd*, page 84, paragraph 27);

- is deemed to be ‘..reasonably well informed and reasonably observant and circumspect;
- ‘..normally perceives a mark as a whole and does not proceed to analyse its various details...’ (Sabel, page 224).

However, on the last point, the ‘..global appreciation of the visual, aural or conceptual similarity of the marks in question, must be based on the overall impression given by the marks, bearing in mind, in particular, their distinctive and dominant components’ (*Lloyd*, page 84, paragraph 26).

20. I take the average consumer in this matter to be an ordinary member of the public, buying wine in supermarkets and restaurants. I do not consider that such an individual will be a wine expert, or even someone with more than average knowledge of wines. Vast numbers of consumers buy wine these days without any particular interest or expertise. I have not been given any retail prices of the wines at issue, but I do not take them to be particularly expensive or cheap; they would merit some inspection, but hardly detailed examination.
21. I need to consider the visual, aural and conceptual differences between the marks. Visually, the opponents’ mark is one word, the applicants’ two; however, the latter subsumes the former. Aurally, the much the same comment can be made. Do the marks engender any conceptual significance? Taking the opponents’ SANTI mark, I believe this will have little meaning to the vast majority of consumers – the translation ‘saints’ will be lost on them. Following from this, I regard it as an inherently distinctive mark for the products at issue. The first part of the applicants’ mark (again I do not consider that this will be interpreted as the number ‘8’) might be taken as a Christian name – this was my own first impression. In view of this, I consider that it will be regarded as the less distinctive component of the applicants’ mark. As a result, in the context of imperfect recollection, and the weight I must give to the dominant components within a mark, I consider that consumers are likely to ‘home in’ on the SANTI element of the applicants’ mark and, in practice, this will carry the memorial significance when ordering the wine or when choosing it from supermarket shelves. In my view confusion is likely. It seems to me that any one already familiar with the opponents’ mark might well consider that OTTO SANTI wine is wine from the same undertaking as SANTI wine.
22. I might have come to a different view if the applicants had been able to show that SANTI was used on Italian wines from other businesses, or gave some other ground for considering it to be less distinctive than I have found. However, on the facts before me, I find for the opponents, and the application fails.
23. The opponents success attracts a contribution to their costs, and accordingly I award them the sum of £635. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 5th Day of February 2002.

**Dr W J Trott
Principal Hearing Officer**

For the Registrar, the Comptroller General