

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No 2265501
BY PAUL DARLINGTON
TO REGISTER THE TRADE MARK:**



IN CLASSES 16, 25, 36, 42

AND

**THE OPPOSITION THERETO
UNDER No 90365
BY V&S VIN & SPRIT AKTIEBOLAG
BASED UPON THE EARLIER TRADE MARK:**

ABSOLUT

AND OTHERS

TRADE MARKS ACT 1994

**In the matter of application no 2265501
by Paul Darlington
to register a trade mark in classes 16, 25, 36 and 42
and the opposition thereto under no 90365
by V&S Vin & Sprit Aktiebolag**

BACKGROUND

1) On 28 March 2001 Paul Darlington applied to register the trade mark:



Mr Darlington claims the colours red, yellow and blue as an element of the trade mark. The application was published in the "Trade Marks Journal" for opposition purposes on 23 May 2001 with the following specification:

printed publications; books, brochures, journals, periodicals, magazines, flyers; stationery; writing and drawing implements

articles of clothing, footwear and headgear

financial services provided by solicitors; insurance, claims quantification and loss adjustment services; consultancy, advisory, administration and information services relating to all the aforesaid services

legal services; arbitration, mediation, conciliation and other dispute resolution services; enquiry and investigation services; legal research services; advocacy services; consultancy, advisory and information services relating to all the aforesaid services

The above goods and services are in classes 16, 25, 36 and 42 respectively of the International Classification of Goods and Services.

2) On 22 August 2001 V&S Vin & Sprit Aktiebolag (referred to afterwards as V&S) filed a notice of opposition to this application.

3) V&S states that it is the owner of the following United Kingdom trade mark registrations:

- no 1448440 for the trade mark **ABSOLUT REFLEXIONS** which is registered for the following goods:

magazines included in Class 16

- no 1540883 for the trade mark **ABSOLUT** which is registered for the following goods:

shirts, T-shirts, scarves, ties, dresses and tights

The above goods are in class 25 of the International Classification of Goods and Services.

- no 2245198 for the trade mark **ABSOLUT** which is registered for the following goods:

beers; mineral and aerated waters and other non-alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages

alcoholic beverages

The above goods are in classes 32 and 33 respectively of the International Classification of Goods and Services.

- no 1391988 for the trade mark:

ABSOLUT
Country of Sweden
CITRON

It is registered for *vodka included in Class 33*. The registration includes the following condition and disclaimer:

“It is a condition of registration that the mark shall be used in relation only to lemon flavoured vodka the produce of Sweden. The Swedish word "Citron" appearing in the mark means lemon.”

“Registration of this mark shall give no right to the exclusive use of the words "Country of Sweden" and "Citron".”

The trade mark was advertised before acceptance as per section 18(1) of the Trade Marks Act 1938.

- no 1397261 for the trade mark:

ABSOLUT
Country of Sweden
PEPPAR

It is registered for *vodka flavoured with pepper; all included in Class 33*. The registration includes the following disclaimer:

“Registration of this mark shall give no right to the exclusive use of the words "Country of Sweden" and "Peppar”.”

The trade mark was advertised before acceptance as per section 18(1) of the Trade Marks Act 1938.

- no 1450466 for the trade mark **ABSOLUT** which is registered for the following goods:

vodka, included in Class 33

The trade mark was advertised before acceptance as per section 18(1) of the Trade Marks Act 1938.

- no 1494772 for the trade mark:



It is registered for *vodkas; all included in Class 33*. The registration includes the following condition and disclaimer:

“It is a condition of registration that the mark shall be used in relation only to vodkas the produce of Sweden.”

“Registration of this mark shall give no right to the exclusive use of the words "Country of Sweden”.”

- no 1503360 for the trade mark:



It is registered for *vodka; all included in Class 33*. The registration includes the following clause, condition and disclaimer:

“The Swedish word "Kurant" appearing in the mark means "current”.”

“It is a condition of registration that the mark shall be used in relation only to goods the produce of Sweden.”

“Registration of this mark shall give no right to the exclusive use of the words "Country of Sweden" and "Kurant”.”

- no 1504038 for the trade mark:



It is registered for *vodka; all included in Class 33*. The registration includes the following condition and disclaimer:

“It is a condition of registration that the mark shall be used in relation only to vodka the produce of Sweden.”

“Registration of this mark shall give no right to the exclusive use of the words "Country of Sweden".”

- no 2194548 for the trade mark:



It is registered for *alcoholic beverages; vodka*. These goods are in class 33 of the International Classification of Goods and Services.

V&S states that it is the owner of the following Community trade mark registrations:

- no 1521681 for the trade mark **ABSOLUT** which is registered for the following goods and services:

key chains, key rings

jewellery, horological and chronometric instruments, cuff links, tie pins, pins

printed matter; pamphlets, writing paper, envelopes (stationery), correspondence cards, visiting cards, pens, paper bags, folders, cardboard boxes for gifts, car stickers, plastic bags, posters, postcards, playing cards

bags, umbrellas

household or kitchen utensils and containers; glass (for household purposes), bottles, corkscrews, cocktail sticks, salt and pepper shakers, pitchers, mixers for drinks (utensils), menu card holders, trays

textiles and textile goods; towels (of textile), flags (not of paper), household sweepers (of textile)

games

cocktail snacks, crisps

confectionery, pastries, spices

beers; mineral and aerated waters and other non-alcoholic drinks

vodka

education; training; cultural activities included in this class; arranging of exhibitions and spirit tastings; arranging of seminars and courses related to food and drink; information related to the aforesaid services

providing of food and drink (restaurants, bars, catering and banqueting services); information related to the aforesaid services, provided on-line from a data base or from the Internet

The above goods and services are in classes 6, 14, 16, 18, 21, 24, 28, 29, 30, 32, 33, 41 and 42 respectively of the International Classification of Goods and Services.

- no 483230 for the trade mark:



It is registered for the following goods and services:

table ware including, eating utensils

jewellery

banners, table cards, case cards, napkins

umbrellas, travel bags, knap sacks

floor bins, serving trays, tableware including glasses

banners, napkins

mixers, non-alcoholic beverages

spirits

advertising and marketing

bar and restaurant services

The above goods and services are in classes 8, 14, 16, 18, 21, 24, 32, 33, 35 and 42 respectively of the International Classification of Goods and Services.

- no 740043 for the trade mark:



It is registered for the following goods and services:

cutlery

jewellery

printed matter and periodicals

food, namely different types of snacks; snacks

alcoholic beverages, namely vodka

providing of food and drink

The above goods and services are in classes 8, 14, 16, 30, 33 and 42 respectively of the International Classification of Goods and Services.

- no 739987 for the trade mark:



It is registered for the following goods and services:

cutlery

jewellery

printed matter and periodicals

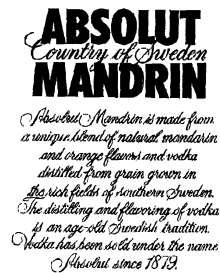
food, namely different types of snacks; snacks

alcoholic beverages, namely vodka

providing of food and drink

The above goods and services are in classes 8, 14, 16, 30, 33 and 42 respectively of the International Classification of Goods and Services.

- no 1023613 for the trade mark:



It is registered for *vodka*. Vodka is in class 33 of the International Classification of Goods and Services.

- no 1023654 for the trade mark:



It is registered for *vodka*. Vodka is in class 33 of the International Classification of Goods and Services.

- no 1009505 for the trade mark **ABSOLUT MANDRIN** which is registered for *vodka*. Vodka is in class 33 of the International Classification of Goods and Services.

V&S also refers to Community trade mark application no 1300995. However, that application has now been withdrawn.

4) V&S states that it has used the above trade marks throughout the United Kingdom for the goods and services for which they are registered. It states that it has traded in the United Kingdom since 1985 under the trade mark ABSOLUT and the ABSOLUT family of trade marks. V&S states that the trade marks have become well-known to the trade and public in the United Kingdom as being associated with it and its goods and services.

5) V&S states that Mr Darlington's trade mark (the trade mark) is similar to its earlier trade marks and is for goods which are identical or similar to those of its earlier trade marks. Consequently, there is a likelihood of confusion and so registration of the trade mark would be contrary to section 5(2)(b) of the Trade Marks Act 1994 (the Act). At the hearing it was accepted that the class 36 and 42 services of Mr Darlington are not similar to any of the goods or services encompassed by the registrations of V&S. Consequently, this ground of objection now only goes to the goods in classes 16 and 25.

6) In the alternative V&S states that the application is similar to its earlier trade marks and is for goods which are not similar to those of its earlier trade marks; the earlier trade marks having a reputation in the United Kingdom. V&S states that use of the trade mark without due cause would take unfair advantage of, or be detrimental to the distinctive character and repute of its earlier trade marks. Consequently, registration of the trade mark would be contrary to section 5(3) of the Act.

7) V&S states that use of the trade mark is liable to be prevented by the law of passing-off. It states that the goods to which the Mr Darlington's trade mark would be applied would be referred to as ABSOLUTE RIGHT goods and would be confused with the consumer image surrounding the ABSOLUT brand. V&S states that Mr Darlington's trade mark mirrors the usage of ABSOLUT in advertising and in respect of identical or similar goods and services, some of which include the word ABSOLUT in conjunction with another word. Consequently, registration of the trade mark would be contrary to section 5(4)(a) of the Act.

8) V&S requests that the application should be refused and seeks an award of costs.

9) Mr Darlington filed a counterstatement in which he, in essence, denies the claims of V&S and/or puts it to strict proof of its claims. However, Mr Darlington admits that the class 16 goods of his application are similar to the class 16 goods of V&S's United Kingdom registration no 1448440 and Community trade mark registration nos 1521681, 483230, 740043 and 739987. He also admits *articles of clothing* in the specification of his application are similar to the goods of V&S's United Kingdom registration no 1540883.

10) Mr Darlington requests that his trade mark is registered in its entirety and seeks an award of costs.

11) Both sides filed evidence.

12) A hearing was held on the case on 14 May 2003. Mr Darlington was represented by Mr Edenborough of counsel, instructed by Marks & Clerk. V&S was represented by Mr Engelman of counsel, instructed by Field Fisher Waterhouse.

EVIDENCE

Evidence of V&S

Witness statement of Eva Kempe-Forsberg

13) Ms Kempe-Forsberg is vice-president of marketing at The Absolut Company, which is a business area of V&S. She states that ABSOLUT is the best selling premium vodka in the United Kingdom. In 2001 1.2 million units were sold, which Ms Kempe-Forsberg states represents 49% of the premium vodka market. She does not give an explanation as to what she means by "premium" vodka. She exhibits at EFK1 and 2 documents relating to market share and brand awareness. No background or explanation is given to the documents which just show conclusions. I can see the result of the sum but none of the working-out. One of the three documents is headed "spontaneous advertising awareness". No explanation or indication is given to what this means. Ms Kempe-Forsberg states that ABSOLUT is the third most recognised vodka brand in the United Kingdom. She states that sales of ABSOLUT vodka has been rising by thirty per cent a year.

14) Ms Kempe-Forsberg states that one of the reasons for the “phenomenal success” of ABSOLUT is the image of the bottle and its packaging. She states that in order to emphasise the purity of the vodka it was decided not to use a paper label but to print the text directly onto the bottle. Ms Kempe-Forsberg refers to an article exhibited from “Drinks International Bulletin” dated 22 December 2000. She specifically relies upon the following part of the article:

“The three companies which formed Maxxium would like to attract Absolut. This alliance is one of the lowest cost distribution operations in the world, and V&S is said to be considering an agreement with Maxxium for the distribution of its famous brand. Much of Absolut’s success has been due to its excellent marketing.”

She states that this publication is circulated in the United Kingdom, although she does not state if it originates here.

15) Ms Kempe-Forsberg states the ABSOLUT vodka is distributed by its United Kingdom distributor, Maxxium (UK) Limited, throughout all the major conurbations of the United Kingdom. These include Brighton, Edinburgh, Glasgow, Leeds, Liverpool, London and Manchester. She states that it is sold both in bars, restaurants and pubs (“on-trade”) and in retailers (“off-trade”). Ms Kempe-Forsberg exhibits a list of the “on-trade” customers in the United Kingdom, there are approximately 650 names. She also exhibits a lists of the top thirty “off-trade” retailers to which Maxxium distributes and the volume of ABSOLUT vodka sold to each retailer during 1999 and 2000. The retailers shown include Oddbins, Sainsbury, Tesco, Safeway, Waitrose, Asda, Morrisons and Majestic. The exhibit gives a breakdown by volume but does not indicate what the units of the volume are; I don’t know if they represent bottles, litres, cases or some other measurement. Ms Kempe-Forsberg states that a typical visitor to the “on-trade” outlets would fall in the ABC category. She gives no evidence to substantiate this claim.

16) Ms Kempe-Forsberg gives the following figures for volumes of ABSOLUT shipments in the United Kingdom:

United Kingdom Shipments Duty Paid In Litres

Year	Total (litres)
1996	284,161
1997	501,110
1998	726,610
1999	751,861
2000	1,041,116
2001	1,070,447

Ms Kempe-Forsberg gives the following figures for the United Kingdom general ledger of ABSOLUT between 1 January 1996 and 31 December 2001, in Swedish Krona with approximate United Kingdom sterling equivalent:

Year	Total SEK/UK £
1996	8,113,000/793,000
1997	18,111,000/1,480,000
1998	25,735,000/1,960,000
1999	37,318,000/2,835,000
2000	53,064,000/3,777,000
2001	49,411,000/3,333,000

17) Ms Kempe-Forsberg states that “the communication target group” for ABSOLUT are young professionals and opinion leaders from the legal drinking age to thirty five who are brand conscious. She does not advise what is meant by “communication target group” and I have no idea what the phrase is supposed to signify. Ms Kempe-Forsberg states that consequently the marketing campaigns for ABSOLUT have concentrated on areas of interest in which this group would be interested, particularly fashion and art. She comments on the advertising campaigns which V&S have run for ABSOLUT. Ms Kempe-Forsberg states that a book, “ABSOLUT BOOK – The Absolut Vodka Advertising Story”, was published in 1996 to cover the marketing story of ABSOLUT. She states that 150,000 copies of the book have been sold. She does not indicate how many copies have been sold in the United Kingdom. She exhibits a page from “Business Life” for December 1999, she states that this publication is circulated in the United Kingdom. However, she does not state if it is actually published here. From viewing the extract as a whole it would appear that it is a United States publication:

“Witness the phenomenal success of Absolut vodka, which brand has emerged from nowhere as the vodka brand of the day. It is now the number one imported vodka in the United States with 60 per cent of the market. Absolut’s success has been built on brilliant brand development. A clever ad campaign has established Absolut as a brand for its times. Ironic and sophisticated, the ads, with their variations on the Absolut bottle, have become classics – so much so that a book of the ads sold a staggering 150,000 copies.”

This is a clear reference to the brand in the United States, there is no connection formed with the United Kingdom. Ms Kempe-Forsberg exhibits various copies of advertisements. The print advertisements use ABSOLUT followed by another word eg ABSOLUT Seville, ABSOLUT Amsterdam, ABSOLUT Rosebud, ABSOLUT Speer, ABSOLUT Space and ABSOLUT Accessory. Ms Kempe-Forsberg points out that these print advertisements form series around a theme so you have ABSOLUT Cities, ABSOLUT Art and ABSOLUT Film & Literature. It is not possible to identify how many of the advertisements were used in the United Kingdom. Ms Kempe-Forsberg states that since its launch in the United Kingdom in 1985 there have been hundreds of different advertisements. She states that thousands of articles and countless sound bites on television provide free exposure for ABSOLUT each year. Ms Kempe-Forsberg states that the official ABSOLUT website has approximately 30,000 user sessions per week. No indication is given as to the geographical origin of the users.

18) Ms Kempe-Forsberg states that since 1989 full page colour advertisements for ABSOLUT have been run in United Kingdom magazines. She states that advertisements have appeared in one or more issues of each of the following magazines: “Arena”, “Arena Manifesto”, “Arena Homme Plus”, “Attitude”, “Creative Review”, “Dazed and Confused”, “Elle”, “Elle Deco”, “Empire”, “Esquire”, “Exit”, “Eye”, “Face”, “Flux”, “Marie Claire”, “Nova”, “Pop”, “Pure”, “Q” and “Vanity Fair”. Ms Kempe-Forsberg exhibits at EFK22 details of the publications in which ABSOLUT has been advertised in 1999, 2000 and 2001. The details indicate whereabouts in the publication the advertisement appeared or the number of column inches it took up. The details show advertising in newspapers and newspaper supplements. In 1999 advertisements appeared in the following newspapers or their supplements – the number in brackets indicates the number of appearances: “Guardian” (6), “Independent” (6), “Independent on Sunday” (3), “Times” (2), “Mail on Sunday” (4). In 2000 advertisements appeared in the following national newspaper supplements – the number in brackets indicates the number of appearances: “Guardian Weekend” (3), “Observer Live” (3), “Independent Magazine” (3), “Independent on Sunday” (3), “Daily Mail Weekend” (4), “Spectrum Magazine” (6), “Times Magazine” (4), “Sunday Times Culture” (2) and “ES Magazine” (1). I have not commented on the details for 2001 as there is no way of ascertaining which advertisements were placed before the date of the filing of the application (the relevant date) – 28 March 2001 – and which after. Ms Kempe-Forsberg states that advertisements have also appeared in publications such as “City Life”, “List” and “Time Out”.

19) Ms Kempe-Forsberg comments on the fame of the advertising in the United States. I do not consider that this has a bearing upon this case. She states that the ABSOLUTE DIRECTOR.COM campaign won the London International Advertising Award for 2001 as the best interactive media website.

20) Ms Kempe-Forsberg states that V&S, since June 1989, has distributed in between 60 and 70 countries a publication entitled “ABSOLUT REFLEXIONS”. She states that the magazine is distributed two or three times a year to people involved in the production, marketing, international distribution and sale of ABSOLUT. She states that over the years between 30,000 and 40,000 copies of each issue have been distributed. She states that the periodical serves as a means of disseminating information about sales and promotion of ABSOLUT worldwide. Ms Kempe-Forsberg exhibits various editions of the publication.

21) Ms Kempe-Forsberg states that one of the main promotional activities undertaken by ABSOLUT is the Absolut Arts and Fashion programme. She states that the arts programmes began in 1985 when Andy Warhol was commissioned to do a painting of the ABSOLUT bottle. She states that since 1985 over 400 artists have been commissioned. She states that the brand ABSOLUT is involved in a number of art exhibitions and collections in the United Kingdom. Ms Kempe-Forsberg exhibits various matter in relation to this. A lot of the matter deals with the annual Absolut Secret Sale which takes place in the Royal College of Art. The works of art displayed are all on postcards and are for sale at £35. The name of the artist is on the back of the postcard and so the purchaser only knows the creator at the end of the exhibition, when the cards are taken down. The work could have been created by an unknown or someone of the ilk of Auerbach or Paolozzi. The exhibit shows that the sixth annual exhibition was held in the winter of 1999.

22) Ms Kempe-Forsberg states that ABSOLUT has been consistently involved in the fashion scene. She states that ABSOLUT has collaborated with and commissioned designers to create items of clothing using either the word ABSOLUT, or the device mark or the bottle device.

She states that ABSOLUT has also collaborated with fashion photographers such as Herb Ritts and Helmut Newton to take photo shoots of some of these fashion collections, which are then turned into posters, promotional booklets or calendars. She exhibits various material in relation to this, this includes matter about ABSOLUT VERSACE, ABSOLUT TOM FORD and ABSOLUT GUCCI; there is nothing in this material that makes a clear connection with the United Kingdom. Ms Kempe-Forsberg exhibits at EFK31 articles from the United Kingdom which she states recognise the involvement and connection of ABSOLUT with fashion. The first article is in “DNR” of 9 February 2000. This publication has a circulation of 24,000. The article reproduced is actually about the fashion scene in New York. Ms Kempe-Forsberg draws attention to the following part of the article:

“- but about how designers Gary Robinson and David Johnson consistently find new ways to interpret the erotic, military inspired drawings of the late artist with the same name. This season, the designers partnered with Absolut vodka, working the familiar bottle shape into jeans and jackets.”

The second article is from the 2000 “Catering and Licensing Review” yearbook. This has a circulation of 4,100. The article is about ABSOLUT. It reproduces material for ABSOLUT CAMERON, ABSOLUT GUCCI and ABSOLUT NEWTON. Ms Kempe-Forsberg draws attention to the following part of the article:

“The charismatic world of art and fashion has always been closely linked to Absolut and the brand’s worldwide collection of art and fashion designs form part of their famous advertising campaign.”

The third and final piece is from “Theme Magazine” of February 2000, this has a monthly circulation of 14,400. The copy is of a very poor quality. However, in the bottom left hand corner there is a very blurred image which appears to show a bottle with ABSOLUT written upon it and to its side the following wording: “Who? Absolut. What? Tom Ford does Absolut Gucci”.

23) Ms Kempe-Forsberg states that ABSOLUT has “developed” a large collection of art and fashion works which are exhibited worldwide. She does not give any specific details as to the United Kingdom. She states that the ABSOLUT Art and Fashion Collection is based in New York and Paris. She states that it includes over 400 artworks and over 200 fashion pieces. She exhibits a catalogue with a selection of these artworks and fashion collection. It would appear that all these objects are designed to promote ABSOLUT, so for instance items of furniture feature the shape of a bottle/bottles.

24) Ms Kempe-Forsberg states that ABSOLUT carries out promotional events within the United Kingdom. She gives examples of a couple of these, one in Harvey Nichols, London and one in Brighton.

25) Ms Kempe-Forsberg states that the ABSOLUT trade mark has been used over the past ten years on a variety of other goods; including pens, coasters, cocktail stirrers, freezers, glasses, aprons, ties, t-shirts, polo shirts, shirts, waistcoats, dresses, blankets, parasols, rings, tie-clips, cufflinks, hair clips, watches, necklaces and earrings. She states that most of the items of clothing have a label sewn into them which displays the ABSOLUT trade mark, the ABSOLUT trade mark also appears on the front of the garment. Ms Kempe-Forsberg states that all these items are purchased at cost by Maxxium from V&S and sent to customers in the

“on-trade” and “off-trade” circles to be used for promotional purposes where the vodka is sold or in any other special promotions such as V&S’s art and fashion exhibitions. Ms Kempe-Forsberg exhibits a catalogue of the various items available for promotional purposes and also pictures of some shirts bearing the trade mark ABSOLUT.

26) Ms Kempe-Forsberg exhibits at EKF38 pages downloaded from brandchannel.com on 5 March 2002. The pages relate to votes by readers of the brand of the year, which is an annual tracking survey to rate the effectiveness of brand strategies. ABSOLUT tied for fourth place with three other brands with 10% of the vote. For Europe and Africa ABSOLUT was third with 14% of the vote.

27) The rest of Ms Kempe-Forsberg’s statement represents submissions rather than evidence of fact and so I will say no more about it. However, she does refer to the services of the application, which are not specifically mentioned in the grounds of opposition.

Witness statement of Eileen Frances Coyle

28) Ms Coyle is senior marketing manager of Maxxium (UK) Limited (see paragraph 15 re Maxxium). Ms Coyle states that ABSOLUT is a well-known brand in the United Kingdom. She states that in the United Kingdom it has approximately between a 4% or 5% share of the vodka market and 49% share of the premium vodka market. She states that ABSOLUT is recognised as a premium vodka. She does not explain what it meant by a “premium” vodka. Ms Coyle states that the target group for ABSOLUT is people who are over twenty-five years of age and upwards and who are discerning consumers, knowledgeable of the market place and very trendy, brand and label aware.

29) Ms Coyle states that ABSOLUT is known throughout the world, including the United Kingdom, for its advertisements, marketing and promotions. She refers to various of the promotional schemes and items which have already been referred to by Ms Kempe-Forsberg, such as the link to art and fashion. Ms Coyle states that ABSOLUT promotions are carried out through corporate events in the way of providing cocktails and a bar service but with a particular ABSOLUT theme. She states that large multinationals, such as Sony, media houses and marketing agencies have hired ABSOLUT for such events.

30) She states that she has not come across the word ABSOLUT being used as a brand name on any other type of goods or services in the United Kingdom. The rest of her statement is submission rather than evidence of fact and I will say no more about it.

Witness statement of Clare Trusler

31) Ms Trusler is a public relations account director with Henry’s House. She carries out promotional work for the ABSOLUT brand. The first line of the second paragraph of her witness statement says the following:

“I first became aware of the ABSOLUT trade mark in relation to vodka in [*insert year*].”

Ms Trusler states that since that time (sic) ABSOLUT has developed a substantial reputation and has become well-known not only in the United Kingdom but all over the world. She states that ABSOLUT vodka is the third largest international premium spirit in the world and

“number two brand of vodka worldwide”. Ms Trusler does not explain what an “international premium spirit” is, nor does she substantiate her claims with supporting evidence, nor does she explain how she has come to these conclusions.

32) The rest of her statement rehearses certain of the comments of Ms Kempe-Forsberg and Ms Coyle. Other than this her statement represents submission rather than evidence of fact and so I will say no more about it.

Witness statement of Edwin Cedric Atkinson

33) Mr Atkinson is employed by The Gin & Vodka Association of Great Britain. He states that ABSOLUT vodka is sold throughout the United Kingdom both in the retail trade and in the “on-trade” in well known “top end” bars, nightclubs and restaurants. Mr Atkinson states that he first became aware of ABSOLUT in 1996 and that he is very familiar with the brand. He states that ABSOLUT is a well recognised brand and has an established reputation in the United Kingdom. He states that ABSOLUT vodka is a premium vodka brand and is sold in the “top end” bars and nightclubs. Mr Atkinson does not state what he means by premium vodka brand nor what he means by “top end”. He states that ABSOLUT is the number one premium brand selling vodka in the United Kingdom.

34) Mr Atkinson states that he is aware of seeing advertisements and promotions for ABSOLUT vodka in various places, including posters at railway stations and the London underground, as well as commercials in the cinema. He states that Absolut has marketed its vodka vigorously and extensively throughout the United Kingdom. He states that he recalls one particular set of advertisements which had the word ABSOLUT followed by a different word each time, such as ABSOLUT NONSENSE.

35) Mr Atkinson states that he is not aware of the word ABSOLUT, with or without an e, being used as a trade mark for any other goods or services.

Evidence of Paul Darlington

Witness statement of Paul Darlington

36) Mr Darlington is the applicant. He is solicitor specialising in compensation claims by victims of accidents. He decided to market the services which his firm supplies in relation to the victims of serious road traffic accidents under the brand name ABSOLUTE RIGHT. He states that the likely clientele will be young people, mainly male, between sixteen and thirty years of age, possibly with an enthusiasm or participatory experience of motor sport. Mr Darlington states that many of those with an interest in motor sport will recognise the phrase ABSOLUTE RIGHT. He goes on to give details of how the term is used in motor rallies by co-drivers to their drivers as an indication of what is to be expected on the road. Mr Darlington states that the position of the letters o and r in his trade mark are of fundamental importance. He states that the yellow triangle represents a directional arrow. He states that this will be familiar to anyone who has watched or participated in motor sport as a warning of a junction in the course.

37) Mr Darlington states that he has formed the view after some basic market research that the device combining the words, their arrangement and the arrow are recognisable by a significant

proportion of the section of the population to which his services are targeted. Mr Darlington does not give any details of this market research and exhibits no material in relation to it.

38) A large amount of the rest of the statement is a critique of the evidence of V&S. This is not evidence of fact and so I will say nothing about it here.

39) Mr Darlington states that he has not found in any research that the ABSOLUT brand has been attached to any motor sport promotion. He does not explain or indicate what the nature of this research is. Mr Darlington states that if the words absolute or right are keyed into any Internet search engine, either individually or together, hundreds of thousand of websites will be found. He states that he found the following: Absolute Internet Limited, Absolute Magicians, Absolute Battery UK Limited, Absolute Press, Absolute Britney Spears, Absolute Design. Mr Darlington exhibits no supporting evidence in relation to these statements.

Witness statement of Robert David Arthur

40) Mr Arthur states that he has been involved in motor rallying for over twenty-five years and is the Principal of Racing Promotions Limited. He states that he provides a consultancy service to young and up-and-coming drivers. Mr Arthur states that he has competed as a co-driver on a professional basis at World Championship level.

41) Mr Arthur comments on the trade mark as follows:

“As I see it there are three elements to this mark:-

a) A directional arrow.

b) The positioning of the respective letters of “R” of Right directly underneath the “O” of Absolute. There is a significance in the arrangement of the letter. In motor sport, co-driver’s prepare notes to describe the road ahead which they can read back to their drivers. When a small circle is positioned above another symbol such as “r” (right), “l” (left) or “c” (crest) it means that the bend or crest can be approached with unrestricted or unqualified commitment.

c) The words Absolute Right are one form in which the co-driver may read the notes. Another may be “flat”.

V&S’s evidence in reply

Witness statement of Clare Trusler

42) Ms Trusler’s statement furnishes the date omitted from her original statement. Consequently, she states that she first became aware of the ABSOLUT trade mark in relation to vodka in 1993.

Witness statement of Mike Warburton

43) Mr Warburton is employed by the AA as the manager of client relations services. Prior to this he had worked for the AA’s legal department on a variety of personal injury cases relating to road traffic accidents and insurance claims for nineteen years.

44) Mr Warburton states that he has not come across the term ABSOLUTE RIGHT being used in relation to motoring. Neither has he come across the term being used as brand name for services relating to personal injury claims and compensation recovery services relating to road traffic accidents. Mr Warburton states that in his experience claimants wishing to use telephone helpline services or making personal injury claims in relation to road traffic accidents come from all social backgrounds. He does not believe that any particular social group can be identified as using accident claim services more than any other group.

Witness statement of Lynne Muscroft

45) Ms Muscroft is a solicitor specialising in personal injury claims, sixty to seventy percent of which relate to road traffic accidents. Ms Muscroft states that she joined her firm as a trainee solicitor in 1998 and since qualification in 1990 has worked exclusively on personal injury matters. I assume that as she qualified in 1990 that 1998 is a typographical error and should read 1988.

46) Ms Muscroft states that she has come across the term ABSOLUTE RIGHT ie it is a person's absolute right. However, she states that the term does not have any particular meaning. She has not come across the term in relation to motoring and cannot imagine in what context it would be used. Ms Muscroft states that she has not come across the term being used as brand name for services relating to personal injury claims and compensation recovery services relating to road traffic accidents. Ms Muscroft states that she believes that those using legal assistance for personal injury claims in relation to road traffic accidents fall into all social groups.

DECISION

47) According to section 5(2)(b) of the Act a trade mark shall not be registered if because

“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.”

Section 6(1)(a) of the Act defines an earlier trade mark as:

“a registered trade mark, international trade mark (UK) or Community trade mark which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks”

The trade marks upon which V&S rely are all earlier trade marks for the purposes of the Act.

In determining the question under section 5(2)(b), I take into account the guidance 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] RPC 117, *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV* [2000] FSR 77 and *Marca Mode CV v Adidas AG* [2000] ETMR 723.

48) Mr Engelman focused upon the earlier United Kingdom trade mark registration no 1540883 and Community trade mark registration no 1521681. These are for the trade mark ABSOLUT on its own and encompass the widest range of goods in the relevant classes, 16 and 25. This, therefore, seems to be the sensible approach; if V&S cannot succeed on the basis of these two registrations it will not be able to succeed upon the basis of its other registrations which comprise trade marks with additional material and/or with a more limited specification in the relevant classes.

Comparison of goods

49) The application in classes 16 and 25 is for the following goods respectively:

printed publications; books, brochures, journals, periodicals, magazines, flyers; stationery; writing and drawing implements

articles of clothing, footwear and headgear

Registration no 1540883 is registered for the following goods:

shirts, T-shirts, scarves, ties, dresses and tights

Registration no1521681 is registered for the following goods in class 16:

printed matter; pamphlets, writing paper, envelopes (stationery), correspondence cards, visiting cards, pens, paper bags, folders, cardboard boxes for gifts, car stickers, plastic bags, posters, postcards, playing cards

Mr Darlington has accepted that his goods are similar to those of V&S. However, I need to consider the degree of similarity; as this can affect whether there is a likelihood of confusion. *Printed matter* in the specification of V&S will encompass all the goods of the application up to and including *flyers* and so the respective goods are identical. *Stationery* of the application will encompass most of the goods of V&S's registration. I cannot decide what goods included in the term are of interest to Mr Darlington. Consequently, I must treat *stationery* as representing identical goods. V&S's registration includes *pens*, which are *writing and drawing implements*. Again I cannot decide which specific goods are of interest to Mr Darlington. Consequently, I must treat *writing and drawing implements* as representing identical goods. In effect, I am dealing with identical goods in class 16.

50) *Articles of clothing* will encompass all of the goods of the earlier registration. Again, identical goods are involved and again I cannot decide which specific goods are of interest to Mr Darlington and so I must treat *articles of clothing* as being identical goods. The same argument applies to *tights* in the earlier registration and *footwear* in the application. So *footwear* must be treated as representing identical goods. "Collins English Dictionary" (5th Ed 2000) defines a scarf as "a rectangular, triangular, or long narrow piece of cloth worn around the head, neck, or shoulders for warmth or decoration". Consequently, it is, amongst other things, an item of *headgear*. So again I cannot decide which goods included in the general term, in this case *headgear*, are of interest to Mr Darlington and so I must treat this term as representing identical goods to those of the earlier registration.

Comparison of trade marks

51) The trade marks to be compared are:

V&S's registrations

ABSOLUT

Mr Darlington's application:



52) The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details (*Sabel BV v Puma AG* page 224). The visual, aural and conceptual similarities of the marks must, therefore, be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components (*Sabel BV v Puma AG* page 224). I take into account the matter must be judged through the eyes of the average consumer of the goods/services in question (*Sabel BV v Puma AG* page 224) who is deemed to be reasonably well informed and reasonably circumspect and observant - but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind (*Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV* page 84, paragraph 27).

53) ABSOLUT is very close to the word ABSOLUTE. I am of the view that because of this proximity the average consumer would be likely to pronounce it in the same way. It is certainly the way that I automatically pronounced the word. So ABSOLUT and ABSOLUTE will, in my view, be pronounced in the same fashion. The word RIGHT, although only one syllable, has a strong sound; beginning with a strong consonant and ending with the "ite" sound. Aural similarity will depend on losing the second word of the application; I cannot see why this should be lost. I do not consider that the two trade marks are phonetically similar.

54) Mr Darlington's evidence goes to ABSOLUTE RIGHT having a meaning amongst those directly involved in motor rallying. It may do so. However, there is nothing to suggest that the average consumer would be aware of this. Owing to ABSOLUT's proximity to the word absolute I am of the view that the public is likely to imbue it with the meaning of the latter word. So it will be seen as an adjective meaning pure, perfect, complete etc. ABSOLUTE RIGHT might not be a standard phrase but it represents the normal use of the language, with an adjective describing a noun. Consequently, it will have the meaning of a legal or moral claim or title which is incontestable. The two trade marks, consequently, have different conceptual associations. They are, therefore, not just conceptually not similar but conceptually different.

55) Nothing hangs on the colour claim of Mr Darlington's application, V&S's trade marks are not limited by colour, except that the colour claim emphasises further the letters O and R which are in red, whilst the other letters are in blue. There is also the triangle background and the word RIGHT. ABSOLUTE being such a common word, the apparent misspelling in ABSOLUT stands out. The absence of the letter e is, paradoxically, itself a dominant and distinctive component. The correct spelling of ABSOLUTE in the application is very different because it is spelt with the letter e and so satisfies the expectations of the viewer.

Taking these factors into account I do not consider that the respective trade marks are visually similar.

56) I have to compare the respective trade marks in their entireties. I have to consider the respective consumers. In my view, the consumer of clothing is quite circumspect and brand conscious. The value of clothing to the consumer is often closely related to the brand whether as indicator of quality or as an indicator of image. For clothing the visual impact of the trade mark is also of especial importance. In *React Trade Mark* [2000] RPC 285 Mr Simon Thorley QC, sitting as the appointed person, stated:

“The Hearing Officer was prepared of his own experience to hold that the initial selection of goods would be made by eye, and I believe this is correct. I must therefore, in taking into account the likelihood of aural confusion, bear in mind the fact that the primary use of the trade marks in the purchasing of clothes is a visual act.”

I am of the view that the class 16 goods are for the most part less likely to involve a good deal of brand consciousness and many of the goods could be of a low price and not involve a particularly careful and educated purchasing decision. **Taking into account all the above factors I am of the view that the respective trade marks are not similar.**

57) For V&S to succeed the respective trade marks must be similar. This is what the Directive states and it is what is pointed out in *Sabel*:

“it is to be remembered that Article 4(1)(b) of the Directive is designed to apply only if by reason of the identity or similarity both of the marks and of the goods or services which they designate, “there exists a likelihood of confusion on the part of the public”.”

It is stating the obvious to some extent. For if the trade marks are not similar then confusion is not going to arise; reputation, identity of goods, distinctiveness of the earlier trade mark cannot make the dissimilar similar. Consequently, the case under section 5(2)(b) of the Act founders and fails.

58) The objection under section 5(2)(b) of the Act is dismissed.

Section 5(3) objection

59) Section 5(3) of the Act states:

“A trade mark which -

- (a) is identical with or similar to an earlier trade mark, and
- (b) is to be registered for goods or services which are not similar to those for which the earlier trade mark is protected,

shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a Community trade mark, in the European Community) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or

the repute of the earlier trade mark.”

60) I have already decided in relation to the objection under section 5(2)(b) of the Act that the trade mark ABSOLUT is not similar to Mr Darlington’s trade mark. In the absence of the similarity of the trade marks the grounds of opposition under section 5(3) of the Act must fail. However, in the event that I am wrong about the similarity of the trade marks, I have considered further aspects of the objection.

61) V&S claims a reputation for vodka. The issue of the nature of the reputation that is required to support a claim under section 5(3) of the Act was dealt with by the European Court of Justice in *General Motors Corporation v Yplon SA Case C-375/97* [2000] RPC 572 (*Chevy*). The court stated the following:

“Article 5(2) of the First Council Directive (89/104/EEC) of 21 December 1988 to approximate the laws of the Member States relating to trade marks is to be interpreted as meaning that, in order to enjoy protection extending to non-similar products or services, a registered trade mark must be known by a significant part of the public concerned by the products or services which it covers. In the Benelux territory, it is sufficient for the registered trade mark to be known by a significant part of the public concerned in a substantial part of that territory, which part may consist of a part of one of the countries composing that territory.”

“The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant factors of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use and the size of the investment made by the undertaking in promoting it.”

“The public amongst which the earlier trade mark must have acquired a reputation is that concerned by that trade mark, that is to say, depending on the product or service marketed, either the public at large or a more specialised public, for example traders in a specific sector.”

62) The first question I have to consider is exactly who the public concerned is. It is in the interests of opponents to try and put the relevant public into the smallest possible category. The smaller the category the greater will their reputation appear. V&S have referred to its vodka being a “premium” vodka. I do not know what premium means in this context, and there is no evidence to tell me what it means. According to V&S’s evidence ABSOLUT is a very big fish in the premium vodka pool, with 49% of the United Kingdom market. However, the statement of Ms Coyle tells me that at the very best, in the best year – which spans the relevant date and so cannot be fully taken into account – ABSOLUT had four or five per cent of the United Kingdom vodka market. The pond has got larger and the fish appears smaller. If one were to put this into the context of the alcoholic beverage market as a whole it strikes me that ABSOLUT is no more than a sprat in the ocean in terms of sales. The final quotation from the ECJ above makes a differentiation between the public at large or a more specialised public such as traders. To me this indicates that there are two main groups, the public at large and traders; the traders coming into play, I would hazard, when the goods or services are not

the sort of the thing that would normally be before the general public eg a chemical used in industry. Vodka is a product that is before the public at large. There is nothing in the evidence that suggests that there is a specific vodka drinking public which is different from the alcohol drinking public at large. There are licensing laws, and there are people who break these laws. However, bearing in mind the licensing laws of the United Kingdom I am of the view that the public concerned must be all those over the age of eighteen. I do not think that in the context of this case splitting hairs over religious and ethnic groups that eschew alcohol will have any bearing. So V&S need to establish that ABSOLUT vodka is known to a significant part of those who are over eighteen in the United Kingdom. (V&S also has Community trade marks but it certainly would have a far worse case if it needed to show, on the basis of the evidence filed, that its trade mark had a *Chevy* reputation in the European Union.)

63) The evidence of V&S has not struck me as being particularly focused upon the United Kingdom. Much of it relates to use in the United States or not clearly in the United Kingdom. Material shows United States telephone numbers and dollar prices. ABSOLUT REFLEXIONS magazine is distributed throughout the world. No figures are given for the United Kingdom, anyway it would appear to be for the trade rather than the public. In 2001 Ms Kempe-Forsberg states that 1.2 million units of ABSOLUT vodka were sold in the United Kingdom. She does not explain what she means by units. However, taking into account the figures for duty paid in litres I have inferred that it means bottles; which could contain various volumes of alcohol. 2001 is the high water mark, however most of it is also after the relevant date. I know from the declaration of Ms Coyle that this represents 4 or 5% of the vodka market. However, I have nothing to compare it with in relation to other brands and their market penetration; for instance I do not know if there is one particularly high selling brand and a plethora of brands which sell at a low level. Without this context it is difficult to understand ABSOLUT's position in the market. There is nothing to which I can compare this turnover with either other spirits or the alcohol market as a whole.

64) Mr Engelman sought to make much of the article exhibited from "Drinks International Bulletin" dated 22 December 2000 and in particular the comment that "and V&S is said to be considering an agreement with Maxxium for the distribution of its famous brand." A journalist writing for the trade and describing a brand as famous tells me little. To him it might be but he is not the relevant public. More importantly this is not the result of a studied piece of analysis but more of a throw away line.

65) V&S takes much pride in the cleverness of its advertisements and that these advertisements have been praised. The advertisements might be clever, might be praised by members of the advertising profession but this says little about the public's perception and knowledge of the ABSOLUT trade mark. Such evidence would be far more relevant if V&S was an advertising agency and claiming a reputation in advertising. In paragraph 18 I give a breakdown of the print advertising of V&S. The national press advertising is quite limited in the scope of the newspapers, for instance there are no "red tops". It is also to be noted that the number of advertisements in the various publications is limited. There would not appear to have been concentrated repetition of the advertisements. I would suspect that sporadic and intermittent advertising is less likely to be consciously noticed than regularly and frequent advertising. (Of course frequency is limited by the number of times a publication is published, however, the list includes daily newspapers and weekly magazines as well as monthly magazines.) There does not appear to have been television or radio advertising. Mr Atkinson states that he is aware of advertising at tube and railway stations and in the cinema.

However, this is not tied to exhibits nor more importantly does it identify when the advertising took place. It could have been after the relevant date.

66) V&S seems to confuse the fame of its advertising strategy amongst advertising professionals and the fame of the product it is advertising amongst the public. It comments upon the book that has sold 150,000 copies relating to its advertising. However, all the internal evidence suggests that this is a United States publication. I note that the magazine with promotional items inside also seems to be aimed at the United States market, as a pair of braces are described as suspenders which would certainly cause confusion in the United Kingdom.

67) I do not ignore the material exhibited at EKF1 and 2 to the witness statement of Ms Kempe-Forsberg. However, as I have indicated in my summary of the evidence it is lacking in detail. The share of premium vodka in 2001 states that ACNielsen is the source. However, there is nothing actually from ACNielsen to indicate the basis of the survey that gave rise to the result. To simply reproduce a finding is a neat way of trying to side step the requirements of *Imperial Group plc & Another v. Philip Morris Limited & Another* [1984] RPC 293. This is the result of a survey and it is necessary to know how it was arrived at. The figures also relate to 2001 which encompasses a period after the relevant date. The two graphs relating to “awareness” also lack supporting detail and again, I assume, must have been the result of surveys. I do not even know what precisely is meant by the terms of “aided brand awareness”, “unaided brand awareness” and “top of mind”. As to “advertising awareness” what does this mean? Does it mean awareness of the advertising or the product or both and what is the population? I presume the second line in the graph represents ABSOLUT, although I cannot be sure as it would appear that the differentiation of brands was represented by colour and only a black and white copy has been supplied. If one knew what the graph was about it would still seem unlikely to help as in this undefined population in the year 2000 the advertising awareness was below ten per cent. There is nothing to show that any of the results relate to the drinking public at large either. Everything links them to the vodka or the so called premium vodka market alone. If V&S wishes to produce the results of surveys it needs to explain them with supporting documentation and it should comply with the requirements of *Imperial Group plc & Another v. Philip Morris Limited & Another*. I do not find the material exhibited at EKF1 and 2 of any assistance to me in my deliberations.

68) V&S lists approximately 650 premises selling its vodka, EKF5. These include all sorts of licensed premises. Taking into account the huge number of licensed premises, restaurants, pubs, clubs, cafés, in the United Kingdom this seems rather a small number to me. However, the list of customers at EKF6 includes various concerns such as Whitbread On Trade which could be supplying licensed premises also. Unfortunately, I cannot tell definitely if this is the case and I certainly do not know if such premises are already included in the list exhibited at EKF5. As far as the large retailers go, such as Sainsbury and Tesco, there is nothing that indicates the number of shops in which ABSOLUT vodka is found. That V&S sells to such undertakings does not mean that the goods appear in all their shops. V&S also comments how it aims its marketing to a limited market; Ms Kempe-Forsberg describes the group as being from 18 to 35 and fashion and brand conscious; so the advertising and marketing is not aimed at a significant part of the persons concerned. Ms Coyle advises that it is aimed at a different group; “people who are over twenty-five years of age and upwards and who are discerning consumers, knowledgeable of the market place and very trendy, brand and label aware”. So according to the evidence of V&S the brand is being kept away from the consciousness of a large part of the relevant population. The links between fashion and art

also seem to be aimed at a limited group of persons. A lot of the evidence in relation to this anyway relates to events outside the United Kingdom. The highest profile United Kingdom event would appear to be is the ABSOLUT Secret Sale which takes place in the Royal College of Art, this clearly gets press coverage.

69) The evidence does not convince me that V&S can claim a *Chevy* reputation for ABSOLUT for vodka. V&S sells its vodka under the trade mark ABSOLUT, it advertises it. That is what is assumed that proprietors do with their trade marks, they use them. Using a trade mark as would be expected is not the same as establishing a reputation which allows somehow to establish a reputation that will bring section 5(3) of the Act into play. **In the absence of this reputation the objection under section 5(3) of the Act must fail.**

70) In the event that I am wrong in relation to the reputation I have gone on to consider whether, with a *Chevy* reputation V&S could succeed under section 5(3) of the Act.

71) In *Daimler Chrysler AG v Javid Alavi trading as MERC* [2001] RPC 42 Pumfrey J stated

“...but Jacobs AG emphasises that the provision is not to be used to give marks ‘an unduly extensive protection’, emphasising that there is a question of a risk of unfair advantage or detriment: there must be actual unfair advantage or detriment. But, for this to happen, there must be some sort of connection formed (I avoid the word association) between the sign used by the defendant and the mark and its associated reputation”

Without a connection being formed the consumer is not going to link one trade mark with another. In the absence of such a link there, obviously, can be neither damage to the owner of the earlier right nor advantage to the owner of the later trade mark.

72) To make a connection it seems to me various factors have to be taken into account. There is the relationship, or absence thereof, between the goods and/or services. There could, for instance, be a pattern in the market of brand diversification which the public has got used to. An opponent can put in evidence to this effect. (Immediately, the brand diversification of clothing companies into perfumes comes to mind.) The greater the distance between the goods and or services, the smaller the possible connection, the greater will need to be the reputation of the earlier trade mark. The trade mark will have to “jump out” at the public owing to its fame, it could well need to be a household name. Linked to this will be the distinctiveness of the earlier trade mark. In *Premier Brands UK Ltd v Typhoon Europe Ltd* [2000] FSR 767 the following is said:

“Mr Arnold contended that the effect of section 10(3) was that the stronger the distinctive character and reputation of a particular trade mark, the easier it would be to establish detriment to it. In my judgement, that is a good point.”

The nature of the trade mark is also of relevance. Is it a normal English word? Is it an invented word? Is it a strange/foreign word? It strikes me in the latter two cases the public is far more likely to assume there is a connection. They are likely to be led to wonder if there is a connection owing to the uniqueness or strangeness of the word. The degree of similarity of the trade marks is also going to be of importance. The interdependence principle of *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117 deals with likelihood of confusion. However, it strikes me that it holds good to some extent in relation to section 5(3), the closer the trade marks the more likely that a connection will be formed.

73) Where does this leave V&S in relation to establishing a connection? If I am wrong and they have a *Chevy* reputation, and the respective trade marks are similar, it has certainly not established that ABSOLUT is a household name. No evidence has been put in to show that there is a pattern of brand diversification between vodka and financial or legal services; this is hardly surprising. I cannot think of any connection in trade between the respective goods and services. I have already found that the respective trade marks are not similar. If I am wrong in this the respective trade marks are certainly not very similar. Of importance Mr Darlington's trade mark does not reproduce the spelling of ABSOLUT, which is something that would be noticed. Finally, there is the issue of the distinctiveness of ABSOLUT for vodka.

74) The distinctive character of a trade mark can be appraised only, first, by reference to the goods or services in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public (European Court of First Instance Case T-79/00 *Rewe Zentral v OHIM (LITE)*). In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgement of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

75) Mr Edenborough submitted that the word absolute for the goods was not particularly distinctive, it is a word that relates to pure alcohol. Reputation is a requisite for section 5(3) of the Act, therefore, I cannot see that the distinctive character referred to in *Premier Brands UK Ltd v Typhoon Europe Ltd* can be anything other than the inherent distinctiveness, it would make no sense in the context of section 5(3) to consider additional distinctiveness acquired through use as per *Sabel*. ABSOLUT is not absolute, the visual difference, is to me quite noticeable. It strikes me first and foremost as a misspelling of the word absolute and so stands out for this reason. In oral use I cannot see the pronunciation will be effected to any extent owing to the absence of the e. Absolute also strikes me as giving the general impression of something pure and unadulterated. If the trade mark was absolute I consider that for vodka it would have these various allusions. However, in my view it could still fulfil its purpose to identify the goods of an undertaking. The dropping of the e makes a difference. It strikes the eye. I consider that ABSOLUT has a reasonable inherent distinctiveness for vodka; it is a run of the mill in its distinctiveness, neither particularly weak nor particularly strong.

76) In *Premier Brands UK Ltd v Typhoon Europe Ltd* Neuberger J stated:

“As I have mentioned, the mere fact that the way in which the sign is used by TEL may give rise to an association between the sign and the mark in the minds of some members of the public is, in my judgement, simply not enough on its own to enable the proprietor of the mark, however well known and valuable it may be, to invoke section 10(3).”

In this case there is nothing I can find that suggests to me that the public would make even an association between Mr Darlington's trade mark and that of V&S, and association would not be enough. There is nothing to suggest that a connection would be made between the services sold under Mr Darlington's trade mark and vodka sold under the ABSOLUT trade mark. To a large extent the position reflects that in relation to the claim for passing-off against the

services and the comments of Millet LJ and Slade LJ referred to in that part of this decision also apply to much of the issue under this ground of opposition.

77) The absence of any connection means that there is no possibility of damage to V&S or advantage to Mr Darlington and so, again, the objection under section 5(3) of the Act must fail.

78) Mr Edenborough submitted that even if V&S had succeeded in establishing reputation and detriment Mr Darlington could look to a defence owing to his having “due cause” to use the trade mark. This was based on the bona fides of Mr Darlington. Mr Edenborough accepted that it was for Mr Darlington to establish that he had “due cause”. There is nothing to suggest that Mr Darlington has acted in anything other than a proper manner in his choice of trade mark. However, innocence or ignorance cannot be used as a defence in this context. In *Premier Brands UK Ltd v Typhoon Europe Ltd* Neuberger J stated:

“Thirdly, it appears to me that this conclusion is consistent with the view of the Benelux Court in *Lucas Bols* [1976] I.I.C. 420 at 425, where, when discussing the meaning of “without justifiable reason” which appeared in a similar context in the Uniform Benelux Trade Mark Act as “without due cause” in section 10(3), the Court said this:

What this requires, as a rule, is that the user (of the mark) is under such a compulsion to use this very mark that he cannot honestly be asked to refrain from doing so regardless of the damage the owner of the mark would suffer from such use, or that the user is entitled to the use of the mark in his own right and does not have to yield this right to that of the owner of the mark

On the same page, the court went on to suggest that a “justifiable reason” may be “if the user can assert an older right than that of the [registered proprietor]” but went on to emphasise that whether the alleged infringer can establish a “justifiable reason” must be “resolved by the trial judge according to the particular facts of each case”.

In my judgment, those observations represent the approach which should be adopted to the words “being without due cause” in section 10(3),”

79) Taking into account the above comments of Neuberger J, I must find that if V&S had succeeded in making out its case Mr Darlington could not rely on the claim that he acted with “due cause”.

80) The effect of all the above is that the ground of objection under section 5(3) of the Act would fail for three reasons: an absence of the similarity of the trade marks, an absence of a *Chevy* reputation and an absence of any connection.

Section 5(4)(a)

81) Section 5(4)(a) of the Act states that a trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented 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. In this case the rule of law relied upon by V&S is the law of passing-off.

82) I intend to adopt the guidance given by the Appointed Person, Mr Geoffrey Hobbs QC in the *Wild Child case* [1998] 14 RPC 455. In that decision Mr Hobbs stated that:

"A helpful summary of the elements of an action for passing off can be found in Halsbury's Laws of England 4th Edition Vol 48 (1995 reissue) at paragraph 165. The guidance given with reference to the speeches in the House of Lords in *Reckitt & Colman Products Ltd v Borden Inc* [1990] RPC 341 and *Erven Warnink BV v J Townend & Sons (Hull) Ltd* [1979] ACT 731 is (with footnotes omitted) as follows:

"The necessary elements of the action for passing off have been restated by the House of Lords as being three in number:

- (1) that the plaintiff's goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;
- (2) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by the defendant are goods or services of the plaintiff; and
- (3) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant's misrepresentation."

.....Further guidance is given in paragraphs 184 to 188 of the same volume with regard to establishing the likelihood of deception or confusion. In paragraph 184 it is noted (with footnotes omitted) that; "To establish a likelihood of deception or confusion in an action for passing-off where there has been no direct misrepresentation generally requires the presence of two factual elements:

- (1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and
- (2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other feature which is the same or sufficiently similar that the defendant's goods or business are from the same source or are connected.

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

- (a) the nature and extent of the reputation relied upon;
- (b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;
- (c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;
- (d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and
- (e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.

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

83) The first issue that I need to decide is what is the relevant date in the proceedings. “Kerly’s Law of Trade Marks and Trade Names Thirteenth Edition” states at 8-106:

“It is suggested that the issue must be determined as at the date of the application for the mark in issue. The question is whether or not use of the mark applied for is liable to be prevented as at that date. If, however, the mark the subject of the application is already in use then this may require consideration of the position at an earlier time too. The relevant date for proving reputation and goodwill in claiming for passing off is the date of the commencement of the activities complained of.”

84) This position is in accordance with the findings in *Cadbury Schweppes Pty Ltd v Pub Squash Co Pty Ltd* [1981] RPC 429. This is the case of an unused trade mark and so the relevant date is the date of filing, 28 March 2001.

85) Pumfrey J in *South Cone Inc. v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership)* [2002] RPC 19 stated:

"There is one major problem in assessing a passing off claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case in which this ground of opposition is raised the Registrar is entitled to be presented with evidence which at least raises a prima facie case that the opponent's reputation extends to the goods comprised in the applicant's specification of goods. The requirements of the objection itself are considerably more stringent than the enquiry under s 11 of the 1938 Act (see *Smith Hayden (OVAX)* (1946) 63 RPC 97 As qualified by *BALI* [1969] RPC 472). Thus the evidence will include evidence from the trade as to reputation; evidence as to the manner in which the goods are traded or the services supplied; and so on. Evidence of reputation comes primarily from the trade and the public, and will be supported by evidence of the extent of use. To be useful, the evidence must be directed to the relevant date."

Professor Annand, sitting as the appointed person, in *Loaded* BL0/191/02, accepted that proof of goodwill could be accomplished by other means.

86) In this case I do not think that there is any dispute that V&S has a goodwill for vodka identified by the sign ABSOLUT. A catalogue has been produced which shows other goods identified by ABSOLUT. However, this is a catalogue for worldwide use. The goods are dispatched from Sweden and paid for in Swedish kroner. As I have mentioned above it would also seem, from the use of American English, to be aimed primarily at the United States market. No figures are given for sales in the United Kingdom of any goods, other than vodka, in terms of money or quantity. Ms Kempe-Forsberg states:

“All the above items are purchased at a cost by Maxxium from V&S and sent to customers in the on and off trade circles to be used for promotional purposes where the vodka is sold or any other special promotions such as our art and fashion exhibitions.”

Ms Kempe-Forsberg states that certain of the clothing goods bear ABSOLUT as an inner label and the exhibits support this. However, her own words indicate that primarily the use of ABSOLUT is “t-shirt” use (see *Daimler Chrysler AG v Javid Alavi trading as MERC*). Ms Trusler and Ms Coyle also refer to goods used for promotional purposes. There is, however, a lack of precision as to the exact nature and extent of this use, there is certainly nothing to

indicate the public's perception of the use. Owing to the lack of clear and precise evidence I cannot find that V&S has a goodwill in any products other than vodka.

87) I have already decided that the trade mark of Mr Darlington and that of V&S are not similar. In the absence of similarity the public is not going to confuse the trade marks and so there will be no deception and so the objection on the basis of passing-off fails.

88) As well as this distance in the respective signs there is also the distance between the goods of V&S, vodka, and the goods and services of Mr Darlington. I can find nothing in the evidence which suggests any link between them; Mr Engelman was unable to advise me what the link was. To succeed in passing-off V&S must show that a customer purchasing, for example, legal services will believe that a vodka company is responsible for those services. It seems a somewhat unlikely eventuality to me.

89) Mr Engelman submitted that to succeed in a passing-off case it was not necessary for the goods or services to be in a similar field. He referred to *Lego Systems A/S v Lego M Lemelstricht Ltd* [1983] FSR 155 and *Blazer Plc v Yardley & Co Ltd* [1992] FSR 501 in support of this. Mr Engelman is clearly correct. However, the absence of a common field of activity is not irrelevant. In *Harrods v Harrodian School* [1996] RPC 697 Millett LJ states:

“It is not in my opinion sufficient to demonstrate that there must be a connection of some kind between the defendant and the plaintiff, if it is not a connection which would lead the public to suppose that the plaintiff has made himself responsible for the quality of the defendant's goods or services”

In the same case he goes on to state:

“The absence of a common field of activity, therefore, is not fatal; but it is not irrelevant either. In deciding whether there is a likelihood of confusion, it is an important and highly relevant consideration.”

and

“The name "Harrods" may be universally recognised, but the business with which it is associated in the minds of the public is not all embracing. To be known to everyone is not to be known for everything.”

In *Stringfellow v McCain Foods (G.B.) Ltd.* [1984] RPC 501 Slade L.J. said:

“even if it considers that there is a limited risk of confusion of this nature, the court should not, in my opinion, readily infer the likelihood of resulting damage to the plaintiffs as against an innocent defendant in a completely different line of business. In such a case the onus falling on plaintiffs to show that damage to their business reputation is in truth likely to ensue and to cause them more than minimal loss is in my opinion a heavy one.”

90) Lord Fraser in *Erven Warnink BV v J Townend & Sons (Hull) Ltd* [1980] RPC 31 said that the claimant must prove:

“That he has suffered, or is really likely to suffer, substantial damage to his property in the goodwill by reason of the defendants selling goods which are falsely described by the trade name to which the goodwill attaches.”

91) There is also the nature of the advertising used by V&S, ABSOLUT followed by another word, to be considered. However, owing to the distance between the respective goods and services and the respective signs I do not consider that there is any likelihood of damage, substantial or otherwise, to the property in the goodwill of V&S.

92) Mr Engelman relied upon Ms Trusler and Ms Coyle stating that there would be association and/or confusion between the goods of V&S and the goods and services of Mr Darlington. Experts are experts in the market not on confusion – see *The European Limited v The Economist Newspaper Ltd* [1998] FSR 283. It is for me to decide if there would be confusion. It is also to be noted that both these witnesses are intimately linked with V&S, they are not representative of the public.

93) The objection under section 5(4)(a) of the Act is dismissed.

COSTS

94) Mr Darlington having been successful he is entitled towards a contribution towards his costs. I order V&S Vin & Sprit Aktiebolag to pay Paul Darlington the sum of £1,900. 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 29 day of May 2003

**David Landau
For the Registrar
the Comptroller-General**