

O-348-07

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION No. 2388686
BY AIR PARTS EUROPE LIMITED
TO REGISTER A TRADE MARK
IN CLASS 33


AND IN THE MATTER OF OPPOSITION
THERE TO UNDER NO 93708
BY INBEV SA

BACKGROUND

1) On 6 April 2005 Air Parts Europe Ltd of 85 Main Road, Hundleby, Spilsby, Lincolnshire, PE23 5ND applied under the Trade Marks Act 1994 for registration of the trade mark SOUTH BECK in respect of “Wines, spirits, liqueurs, alcopops” in Class 33.

2) The opponent, InBev SA of Brouwerijplein, 3000 Leuven, Belgium filed notice of opposition on 2 September 2005. The grounds of opposition are in summary:

a) The opponent is the proprietor of the following marks:

Mark	Number	Date of Registration	Effective date	Class	Specification
BECK'S BECK's Series of two	1555450	17.05.96	02.12.93	32	Beer and non-alcoholic beer; all included in Class 32.
	1230149	20.08.86	13.11.84	32	Beer
BECK's	CTM 135285	04.09.98	02.12.93	32	Beer, non-alcoholic beer, low-alcoholic beer.
BECK'S	1543244	12.12.97	31.10.94	25	Articles of outer clothing; articles of sports clothing; articles of leisure clothing; shirts and t-shirts; all included in Class 25.

b) The mark in suit is similar to the opponent's trade marks, and the goods applied for are identical or similar. The opponent has made substantial use of the above marks in the UK on the goods for which it is registered and also a variety of other goods, and has created a considerable reputation in the said trade marks.

c) They contend that the dominant and distinctive element of the mark is the word BECK. They also contend, in the alternative, “that phonetically the second word in the mark applied for starts and ends with the plosive consonants “B” and “K” which, together with the short open “E”, result in a short, easily discernable sound. By contrast when the mark as a whole is pronounced the first word SOUTH, with its phonetic composition of unvoiced fricative consonants and a diphthong, is longer and less prominent. The opponent submits that phonetically the overall impression of the mark applied for is derived from the second word, BECK.” The mark offends against Sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994.

3) The applicant subsequently filed a counterstatement denying the opponent's claims. They state that the mark applied for relates to a geographical location south of the beck or stream.

4) Both sides filed evidence in these proceedings. Both sides ask for an award of costs. The matter came to be heard on 14 November 2007 when the opponent was represented by Mr Jarriwalla of Messrs Humphries & Co. The applicant was represented by Mr Holmes the Managing Director of the applicant company.

OPPONENT'S EVIDENCE

5) The opponent filed eight statutory declarations. The first, dated 3 April 2006, is by Philip James Rumbol the Marketing Director of InBev UK Ltd (a wholly owned subsidiary of the opponent) a position he has held for three years. He states that the mark BECK'S has been used worldwide. In the UK the use began in 1989 and the first television advertisement was in 1990. The mark in the UK has been used on sponsorship and advertising materials since 1989 and has built up a considerable reputation in the UK. He states that the exhibits he provides are examples not exhaustive listings. He states that the Beck's mark is displayed prominently on the packaging of the opponent's goods as well as advertising materials and promotional items. He states that the name "Brauerei Beck is displayed prominently on labels applied to the opponent's products, and these labels displaying the name Brauerei Beck are illustrated on a variety of marketing and Point of Connection materials (ie materials displayed where the Beck's products are sold, advertised or promoted) as well as on a range of promotional goods."

6) Mr Rumbol states that, since 1987, the opponent has promoted contemporary arts in the UK under the name "BECK'S Futures". Special edition labels designed by contemporary artists in the UK have been applied to the opponent's products. He also states that from 2000-2004 his company sponsored the Jaguar Formula One team and the cars bore the name BECK'S. One Grand Prix race was in the UK with other F1 races being televised in this country. The opponent also sponsors various other events, all of which display the BECK'S mark prominently.

7) Mr Rumbol provides the following exhibits:

- PJR-1& 2: samples of packaging which display the names "Beck's" and "Brauerei Beck" (dated 2002). Also photographs of a bottle, a can and a crate of beer all featuring the mark "Beck's" prominently displayed (undated).
- PJR-3: Point of Connection materials which show use of the name "Beck's" (dated 2004 & 2005).
- PJR 4: Photographs of bottle labels featuring the mark "Beck's" and also the name of various modern artists such as Damien Hirst, Tim head and Rebecca Horn. The label features a piece of art by the artist and details of exhibitions etc. dated 1989-2004. These show use of the key device within its shield, the device and the word "BECK'S below it, the device with the word "BECK's" below it and also the words "BECK'S" and "BECK's" alone without the device element.

- PJR 5: Copies of pages from the opponent's website relating to its sponsorship of the arts, dated July 2005 but referring to the previous twenty years. These refer to "BECK'S".
- PJR 6: Various publications called "BECK'S Future" which shows the patronage of modern art.
- PJR 7: Copies of pages from the opponent's website which shows the opponent sponsoring Jaguar in Formula 1 motor racing in 2001 & 2002. The opponent's mark is presented as "BECK's".
- PJR 8: A "menu" providing details of the Empire Film Awards 2005 which features the opponent's mark as one of the sponsors. This shows the key device in its shield, but with the word "BECK'S" written beneath it.
- PJR 9: figures for 1989-2000 referring to categories such as "7-day off trade penetration of packaged Beck's among 7-day off trade Lager drinkers".
- PJR 10: A copy of the "Take Home Market Report 1998". This shows the market penetration of various beers in Scotland, but also has UK figures. These show the opponent's brand to have £63 million of sales and be ranked 8th in take home beers and 4th in premium lagers. It also shows on-trade sales of £204 million and a ranking of 4th in on-trade premium lagers. It also shows that Beck's beer has been in the top ten premium lagers in the UK from 1998 to 2003. During this time premium lager had a 24.5% market share of total UK beer sales and 42.5% in terms of volume share.
- PJR 11: Tables of brand awareness of consumers. However, there are no details of who carried out the survey, where it was conducted, what questions were asked, how people were chosen or whether they were shown any paperwork or items. It shows high awareness of the brand.

8) None of the exhibits filed shows use of the opponent's trade mark 1230149. The key within a shield device is used but not with the word "BECK's" written across the shield, only with the word element below the whole of the device. The opponent has shown use of the marks "BECK'S" and "BECK's" on beer and items of promotional clothing such as caps.

9) The second statutory declaration, dated 4 May 2006, is by Ben Jan Lukawski, an employee of Starcom, a media services agency. He states that his company has been purchasing media space in order to advertise the opponent's Beck's brand in the UK since August 2005. At exhibit BJL-1 he provides advertising figures for the period 1992-2005 which shows that the opponent has expended significant sums averaging almost £2 million per annum in the UK. He provides lists of press titles which have carried the advertisements. These cover newspapers, magazines and various other publications. He estimates that at least 50% of the adult population of the UK have been exposed to the opponent's advertising in the last five years. They have also used billboards and other mediums such as the London Underground to advertise the brand. He states that as a result of this the name BECK'S will be recognised by a large number of people in the UK and will be associated with the opponent.

10) The third statutory declaration, dated 18 May 2006, is by Edward Robert William Palmer, a Board Account Director of Leo Burnett, an advertising company. He provides a history of the opponent's advertising in the UK beginning with a TV commercial in 1990 he provides extensive details of the marketing and advertising activity in the UK. All of the advertising is based upon the mark "Beck's". He states that the sustained campaign has led to a high public recognition of the opponent's mark. He states that a consistent theme of these advertisements is that the product is "Only ever brewed in Bremen, Germany" and that it is a quality product.

11) The fourth statutory declaration, dated 2 June 2006, is by Robert Geoffrey Brown the Director of Marketing of Punch Taverns. He states that he has been involved in the UK drinks industry for eighteen years. He states that his company has 9,600 pubs throughout the UK. He has also acted as a judge at various UK beer awards. He states that in his view the opponent's BECK'S mark is "extremely well-known in the drinks, pubs and leisure industry as belonging to the opponent in relation to a premium lager. He provides his opinion regarding the view of the average consumer, stating that they would believe any mark with BECK'S in it, or similar, to be connected with the opponent.

12) The fifth statutory declaration, dated 5 April 2006, is by William Simon Townsend the Customer Services Director of Enterprise Inns plc. He states that he has been in the UK drinks industry for twenty years. His company has more than 8,600 pubs in the UK. Since 2003 he has been a member of the British Beer and Pubs Association's (BBPA) Beer Image Panel, and also the BBPA Pub & Leisure Group Panel. He states that the BBPA is the UK's leading organisation representing the brewing and pub sector. He also lists other groups and committees which he is a member of, all connected with the brewing industry. He also provides details of speaking engagements on beer related issues. He states that in his view the opponent's BECK'S mark is extremely well known in the drinks, pubs and leisure industry. He states that:

"11. ...There are two particular critical points of difference that have for a long time served to distinguish the BECK'S brand.

12. The lager sold in the UK under the BECK'S name is and always has been a genuine imported lager, brewed in Bremen and shipped over to the UK. Although there are other well-known lagers of foreign origin, BECK'S is the only such beer that is sold in significant volume in the UK and that has at all times been brewed in its country of origin. This gives the BECK'S brand credibility in the UK and certain heritage characteristics, with the result that BECK'S is a beer of high value that commands a price premium."

13) He also provides his views on what the average consumer would think and the confusability of the marks. However, his views on such issues are not of assistance to me.

14) The sixth statutory declaration, dated 24 March 2006, is by Brendon Chandler an employee of Averys Wine Cellars a position he has held for 18 months prior to which he lived in Australia. He states his belief that the mark BECK'S is extremely well

known in the drinks and alcoholic beverages retail industry. He states that he would connect the word Beck's or any similar word being used on an alcoholic beverage with the opponent.

15) The seventh statutory declaration, dated 23 March 2006, is provided by Trevor Lee Landolt a Manager of a Threshers Wine Shop in Bristol. He provides a statement very similar to that of Mr Chandler.

16) The eighth statutory declaration, dated 11 May 2006, is by Anthony Paul Fawcett an independent consultant employed by the opponent in connection with its sponsorship of the arts in the UK. He states that he has worked in the Arts industry since graduating. Since 1984 he has worked for his own firm specialising in sponsorship and media consultancy. One of his first client's was the BECK'S brand. In 1985 the brand was used as a sponsor of a number of small art exhibitions in independent galleries and warehouses. Two years later it had graduated to larger galleries with a national reputation. In the twenty years since approximately £15 million has been spent on sponsorship of the arts. He provides details of works of art commissioned by the opponent. Mr Fawcett states that the audience for contemporary art is very large and has grown substantially in the last twenty years. The opponent's sponsorship of the arts has given the opponent's brand greater exposure and has also led to increased sales as museum cafes and restaurants and student unions stock the opponent's product due to its arts support. The patronage also ensures significant coverage in the media.

APPLICANT'S EVIDENCE

17) The applicant filed a single statutory declaration, dated 11 April 2007, by Paul Leonard Holmes the Managing Director of the applicant company. He provides photographs of a bottle of wine labelled GRAHAM BECK, and also a bottle of water labelled ASHBECK both sold by Tesco. He states that both these marks contain the word "BECK" and sound slightly similar to the mark in suit.

OPPONENT'S EVIDENCE IN REPLY

18) The opponent filed a statutory declaration, dated 4 July 2007, by Jorn Socquet the marketing manager for the "Beck's" brand. He states that the two marks referred to by the applicant are not similar to the opponent's mark for the following reasons:

a) GRAHAM BECK: This is the name of a person and has been used only on wine. It has co-existed in the UK with the opponent's marks for a number of years.

b) ASHBECK: This is a single word so although it incorporates the opponent's mark it is not as a separate and distinctive element. He also states that as the mark is used on mineral water the name "Ashbeck" would be seen as referring "to the name of a stream or "beck" constituting the source of the water in question". He also points out that "Ashbeck" has not been registered or applied for as a trade mark with the UK Registry.

19) That concludes my review of the evidence. I now turn to the decision.

DECISION

20) I first consider the position under section 5(2)(b) which reads:

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

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

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

21) An “earlier trade mark” is defined in section 6, the relevant parts of which state:

“6.-(1) In this Act an "earlier trade mark" means -

- (a) a registered trade mark, international trade mark (UK) or Community trade mark 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,”

22) The opponent is relying upon its four registered trade marks. Both the three UK trade marks and CTM have dates of registration ranging from August 1986 to September 1998, and are clearly earlier trade marks.

23) The application was published on 3 June 2005. I must therefore consider the position under The Trade Marks (Proof of Use, etc.) Regulations 2004, paragraph six of which states:

“6A Raising of relative grounds in opposition proceedings in cases of non-use.

(1) This section applies where-

- (a) an application for registration of a trade mark has been published,
- (b) there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and
- (c) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication.

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

(3) The use conditions are met if-

- (a) within the period of five years ending with the date of publication of the application the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or
 - (b) the earlier trade mark has not been so used, but there are proper reasons for non-use.
- (4) For these purposes-
- (a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and
 - (b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.
- (5) In relation to a Community trade mark, any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Community.
- (6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.
- (7) Nothing in this section affects –
- (a) the refusal of registration on the grounds mentioned in section 3 (absolute grounds for refusal) or section 5(4) (relative grounds of refusal on the basis of an earlier right), or
 - (b) the making of an application for a declaration of invalidity under section 47(2) (application on relative grounds where no consent to registration).”

24) In the instant case the publication date of the application was 3 June 2005. Therefore, the relevant period for proof of use is 3 June 2000 – 2 June 2005. I must first consider whether the opponent has fulfilled the requirement to show that genuine use of its marks has been made in the relevant period.

25) At the hearing it was accepted by the opponent that no use of registration 1230149 had been shown. The opponent has filed exhibits which clearly show use of its BECK’S/BECK’s mark on beer within the relevant period and use on items of promotional clothing. I shall therefore proceed on this basis.

26) 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] E.T.M.R. 1, *Lloyd Schuhfabrik Mayer & Co. GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77 and *Marca*

Mode CV v Adidas AG & Adidas Benelux BV [2000] E.T.M.R 723. It is clear from these cases that:

- (a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v Puma AG*;
- (b) the matter must be judged through the eyes of the average consumer, of the goods / services in question; *Sabel BV v Puma AG*, 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 B.V.*;
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v Puma AG*;
- (d) 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*;
- (e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.*;
- (f) 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 BV v Puma AG*;
- (g) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v Puma AG*;
- (h) further, the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense; *Marca Mode CV v Adidas AG & Addidas Benelux BV*,
- (i) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.*

27) In essence the test under section 5(2)(b) is whether there are similarities in marks and goods which would combine to create a likelihood of confusion. In my consideration of whether there are similarities sufficient to show a likelihood of confusion I am guided by the judgements of the European Court of Justice mentioned above. The likelihood of confusion must be appreciated globally and I need to address the degree of visual, aural and conceptual similarity between the marks, evaluating the importance to be attached to those different elements taking into account the degree of similarity in the goods, the category of goods in question and how they are marketed. Furthermore, I must compare the applicant's mark and the marks relied upon by the

opponent on the basis of their inherent characteristics assuming normal and fair use of the marks on a full range of the goods covered within the respective specifications.

28) The effect of reputation on the global consideration of a likelihood of confusion under Section 5(2)(b) of the Act was considered by David Kitchen Q.C. sitting as the Appointed Person in *Steelco Trade Mark* (BL O/268/04). Mr Kitchen concluded at paragraph 17 of his decision:

“The global assessment of the likelihood of confusion must therefore be based on all the circumstances. These include an assessment of the distinctive character of the earlier mark. When the mark has been used on a significant scale that distinctiveness will depend upon a combination of its inherent nature and its factual distinctiveness. I do not detect in the principles established by the European Court of Justice any intention to limit the assessment of distinctiveness acquired through use to those marks which have become household names. Accordingly, I believe the observations of Mr. Thorley Q.C in *DUONEBS* should not be seen as of general application irrespective of the circumstances of the case. The recognition of the earlier trade mark in the market is one of the factors which must be taken into account in making the overall global assessment of the likelihood of confusion. As observed recently by Jacob L.J. in *Reed Executive & Ors v Reed Business Information Ltd & Ors*, EWCA Civ 159, this may be particularly important in the case of marks which contain an element descriptive of the goods or services for which they have been registered. In the case of marks which are descriptive, the average consumer will expect others to use similar descriptive marks and thus be alert for details which would differentiate one mark from another. Where a mark has become distinctive through use then this may cease to be such an important consideration. But all must depend upon the circumstances of each individual case.”

29) I also have to consider whether the marks that the opponent is relying upon have a particularly distinctive character either arising from the inherent characteristics of the marks or because of the use made of them. The opposition is now reduced to three marks UK 1555450 & 1543244 and CTM 135285 all of which are for what is effectively the same mark. I do not believe that the last letter being a capital letter “S” or a lower case letter “s” is of any significance. In my opinion, the opponent’s marks BECK’S / BECK’s are inherently distinctive for beer and clothing. At the hearing the applicant accepted that the opponent had a world wide reputation for beer and that it should benefit from an enhanced reputation.

30) I have to determine who is the average consumer of the goods in question. It was accepted by both parties that the average consumer is the general public who are over eighteen years old, who are not teetotal.

31) I shall first consider the specifications of both parties. The opponent’s strongest case is under its Class 32 specifications and so I shall compare only these to the applicant’s specification. The specifications of the two parties are as follows:

Applicant’s specification	Opponent’s specifications
Wines, spirits, liqueurs,	1555450: “Beer and non-alcoholic beer; all

alcopops” in Class 33	included in Class 32.” CTM 135285: “Beer, non-alcoholic beer, low alcoholic beer.”
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32) Clearly, the specifications are not identical. However, the goods will be sold alongside each other in the same outlets. They are therefore very similar.

33) I therefore turn to the marks of the two parties. For ease of reference I reproduce them below:

Applicant’s mark	Opponent’s marks
SOUTH BECK	BECK’S BECK’s

34) The opponent contended that:

“Essentially, the dominant and distinctive element of the applicant’s trade mark is the second word BECK,....” And

“When the marks are compared side by side, when reproduced, you are looking at them both in comparison. This is the dominant and distinctive element which is submitted on behalf of the opponent.”

35) It is trite law that the beginning of a trade mark is usually the most important element. In this case, the opponent contends that the average consumer would ignore the initial word of the applicant’s mark and instead focus on the second word in the mark. No reason was advanced as to why the first word would be so discarded by the average consumer. I do not accept the opponent’s contention as, to my mind the two words would be seen as connected. The opponent’s evidence shows that the word “beck” is recognised as another term for a stream, a brook or a small river. The term “South Beck” would be understood to be a geographical location. Both words are going to be taken into account by the average consumer.

36) Clearly, the fact that the word BECK appears in the applicant’s mark provides a degree of visual and aural similarity to the opponent’s marks. Equally clearly, the fact that the shared word is the second part of the mark and that the mark as a whole may be seen as a geographical reference means that there are differences between the marks. Conceptually the opponent’s marks would be seen as a name of a person or family and that the beer is provided by them hence the apostrophe “s” showing that the goods belong to BECK. As already stated the mark in suit is likely to be seen as a geographical reference, a frequent occurrence in the drinks industry and wine in particular. I am fortified by the view expressed by Geoffrey Hobbs Q.C. acting as the Appointed Person in the *Cardinal Place* case [O-339-04] where at paragraph 15 he stated:

“15. The perceptions and recollections triggered by the earlier mark are likely to have been ecclesiastical whereas the perceptions and recollections triggered by the Applicant’s mark are likely to have been locational as a result of the qualifying effect of the word PLACE upon the word CARDINAL. A qualifying effect of that kind can be quite powerful as indicated by the examples cited in

argument on behalf of the Applicant: SOMERSET as compared with SOMERSET HOUSE; COUNTY as compared with COUNTY HALL; CANARY as compared with CANARY WHARF.”

37) Taking account of all of the above when considering the marks globally, I believe that there is not a likelihood of consumers being confused into believing that the goods provided by the applicant are those of the opponent or provided by some undertaking linked to them. The opposition under Section 5(2)(b) therefore fails.

38) At the hearing it was accepted that the outcome of the opposition based on Section 5(4) (a) would follow the outcome of the 5(2)(b) claim. The finding that use of the mark in suit, actual or on a fair and notional basis would not result in confusion with the opponent’s marks means that the necessary misrepresentation required by the tort of passing off would not occur. Therefore, the opposition under 5(4)(a) also fails.

39) Lastly, I turn to consider the ground of opposition under Section 5(3) which, in its original form, reads:

"5-(3) 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 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."

40) By virtue of regulation 7 of the Trade Mark (Proof of Use, etc) Regulations 2004, Section 5(3)(b) has now been repealed. The equivalent provision in Section 10 of the Act dealing with infringement has also been amended. As the explanatory note indicates:

"These amendments implement the decision of the European Court of Justice in *Davidoff & Cie SA and Zino Davidoff SA v Gofkid Ltd* of 9th January 2003 (C-292/00) which was confirmed by its decision in *Adidas-Salomon AG and Adidas Benelux BV v Fitnessworld Trading Ltd* of 23rd October 2003 (C-408/01). Those decisions determined that Article 5(2) of the Directive, which on the face of it, grants a right to the proprietor of a trade mark to prevent third parties from using an identical or similar trade mark in relation to goods or services which are *not similar* where the earlier trade mark has a reputation and use of that sign takes unfair advantage or is detrimental to the distinctive character of that earlier trade mark, also applies to goods or services which are similar or identical to those for which the earlier trade mark is registered."

41) It is on the basis that the goods are similar that the opponent relies upon under this ground of opposition.

42) The scope of Section 5(3) has been considered in a number of cases notably *General Motors Corp v Yplon SA (Chevy)* [1999] ETMR 122 and [2000] RPC 572, *Premier Brands UK Limited v Typhoon Europe Limited (Typhoon)* [2000] RPC 767, *Daimler Chrysler v Alavi (Merc)* [2001] RPC 42, *C.A. Sheimer (M) Sdn Bhd's TM Application (Visa)* [2000] RPC 484, *Valucci Designs Ltd v IPC Magazines (Loaded) O/455/00, Mastercard International Inc and Hitachi Credit (UK) Plc* [2004] EWHC 1623 (Ch), *Electrocoin Automatics Limited and Coinworld Limited and others* [2005] FSR 7 and *Davidoff & Cie SA v Gofkid Ltd (Davidoff)* [2003] ETMR 42.

43). The points that come out of these cases are as follows:

a) “Reputation” for the purposes of Section 5(3) means that the earlier trade mark is known by a significant part of the public concerned by the products and services covered by that trade mark (paragraph 26 of the ECJ’s judgment in *Chevy*);

b) Protection is available where the respective goods or services are similar or not similar (paragraph 29 of the Advocate General’s opinion in *Chevy* and *Davidoff*);

c) The provision is not intended to give marks “an unduly extensive protection” – there must be actual detriment or unfair advantage (not merely risks) which must be substantiated to the satisfaction of the national court or tribunal (paragraph 43 of the Advocate General’s opinion in *Chevy* and paragraph 88 of Pumfrey J’s judgment in the *Merc* case);

d) The provision is not aimed at every sign whose use may stimulate the relevant public to recall a trade mark which enjoys a reputation with them (per Neuberger J in the *Typhoon* case);

e) The stronger the earlier mark’s distinctive character and reputation the easier it will be to accept that detriment has been caused to it (paragraph 30 of the ECJ’s judgment in the *Chevy* case);

f) Confusion as to the trade source of the goods or services offered for sale under the later mark is not a necessary condition before there can be detriment; but is one form of detriment (paragraph 88 of Pumfrey J’s judgment in the *Merc* Case);

g) Detriment can take the form of either making the earlier mark less attractive (tarnishing) or less distinctive (blurring) (paragraph 88 of Pumfrey J’s judgment in the *Merc* Case);

h) Unfair advantage can take the form of feeding on the fame of the earlier mark in order to substantially increase the marketability of the goods or services offered under the later trade mark (per G Hobbs QC in *Visa* at page 505. lines 10-17).

44) I also note the following comment from Mr Geoffrey Hobbs Q.C. (sitting as a Deputy Judge) in *Electrocoin Automatics Limited and Coinworld Limited and Others* [2005] FSR 7:

“ 102. I think it is clear that in order to be productive of advantage or detriment of the kind prescribed, ‘the link’ established in the minds of people in the market place needs to have an effect on their economic behaviour. The presence in the market place of marks and signs which call each other to mind is not, of itself, sufficient for that purpose.”

45) It was accepted by the applicant that the opponent has a very significant reputation in beer in the UK. The opponent contends that the applicant’s mark would be detrimental to their marks by diluting their “uniqueness, selling power and commercial magnetism”. Whilst there are undoubtedly similarities in the respective marks, there are differences which far outweigh the similarities. It is possible that a consumer familiar with the opponent’s marks, on seeing the applicant’s mark may call to mind the mark they already know, but I do not consider the similarities to be such that they will believe that they are seeing the same marks or goods from that source. In *Inlima S.L*’s application [2000] RPC 61 Mr Simon Thorley QC, sitting as the Appointed Person, said:

“The word ‘similar’ is a relative term. One has to ask the question ‘similar for what purpose’. The question of similarity accordingly can only be answered within the context of a particular set of facts, once one has identified both the facts and the purpose for which similarity is required. In the case of section 5(3), the purpose of requiring similarity is so that the possibility of detriment or unfair advantage might arise. In any particular case, a conclusion as to whether it does arise must depend not only upon the degree of similarity but on all the other factors of the case, not least, the extent of the reputation.

I therefore conclude that the same global appreciation as is required for confusion under section 5(2) is likewise to be applied to the changed circumstances of section 5(3).”

46) Adopting this composite approach advocated, the conclusions that I have set out above naturally lead me to the view that there is no advantage for the applicants to derive. As far as detriment is concerned, Mr Jariwalla suggested that this would result in a reduction in the distinctiveness of the opponent’s marks. I do not consider that registration of the applicant’s mark could have an impact in this respect, be it to the distinctiveness of the marks or the reputation they enjoy. The ground under Section 5(3) fails accordingly.

47) As the opponent was unsuccessful the applicant is entitled to a contribution towards its costs. The applicant has represented itself during the course of this action. In *Adrenalin Trade Mark*, BL O/040/02, Simon Thorley Q.C. sitting as the Appointed Person on appeal, observed that:

“It is correct to point out that the Registrar’s practice on costs does not specifically relate to litigants in person but in my judgement it could not be that a litigant in person before the Trade Mark Registry could be placed in any more

favourable position than a litigant in person before the High Court as governed by the CPR [Civil Procedure Rules]. The correct approach to making an award of costs in the case of a litigant in person is considered in CPR Part 48.6.”

48) Part 48.6 of the Civil Procedure Rules referred to in the above passage provides as follows:

“48.6 – (1) This rule applies where the court orders (whether by summary assessment or detailed assessment) that costs of a litigant in person are to be paid by any other person.

(2) The costs allowed under this Rule must not exceed, except in the case of a disbursement, two-thirds of the amount which would have been allowed if the litigant in person had been represented by a legal representative.”

49) With this consideration in mind I order the opponent to pay the applicant the sum of £1,600. This sum 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 27th day of November 2007

**George W Salthouse
For the Registrar,
the Comptroller-General**