

**O-090-18**

**TRADE MARKS ACT 1994  
IN THE MATTER OF  
TRADE MARK APPLICATION NO 3227006  
BY BACARDI & COMPANY LIMITED  
TO REGISTER**

**ANGEL'S ENVY**

**AS A TRADE MARK  
IN CLASS 33  
AND OPPOSITION THERETO (UNDER NO.600000686)  
BY  
LA FÉE LLP**

## Background & Pleadings

1. Bacardi & Company Limited ('the applicant') applied to register the trade mark **ANGEL'S ENVY** on 31 March 2015 at the European Union Intellectual Property Office. The trade mark was subsequently converted to a UK national mark on 5 April 2017 and published in the UK Trade Marks Journal on 26 May 2017 for the following goods in class 33: **North American whiskey; alcoholic beverages based on, or flavoured with; North American Whiskey.**

2. La Fée LLP ('the opponent') opposed the trade mark under Section 5(2)(b) of the Trade Marks Act 1994 (the Act) and under the fast track opposition procedure. The opposition is on the basis of its earlier European Union Trade Mark set out below.

| Mark relied on   | Goods relied on   |
|--|---|
| EU TM 013711321<br><br><b>ENVY</b><br><br>Filing date: 4 February 2015<br>Date of entry in register: 25 May 2015 | Class 33: Spirits; absinthe; alcoholic beverages containing spirits; alcoholic beverages containing absinthe. |

3. The applicant filed a counterstatement in which it denied any similarity between 'absinthe' or 'alcoholic beverages containing absinthe' in the opponent's goods and its own goods but made no other comment on the remaining goods in the opponent's specification. It further denied any similarity between the marks 'such as to lead to a likelihood of confusion'.

4. The opponent's above mentioned trade mark is an earlier mark, in accordance with Section 6 of the Act, but is not subject to proof of use requirements as it had not been registered for five years or more at the publication date of the applicant's mark, as per section 6A of the Act.

5. Rules 20(1)-(3) of the Trade marks Rules (“TMR”) (the provisions of which provide for the filing of evidence) do not apply to fast track oppositions but Rule 20(4) does. It reads:

“(4) The registrar may, at any time, give leave to either party to file evidence upon such terms as the registrar thinks fit”.

6. The effect of the above is to require parties to seek leave in order to file evidence (other than the proof of use evidence which is filed with the notice of opposition) in fast track oppositions. Leave was sought in respect of these proceedings in an email from the applicant dated 3 November 2017 but the reasons were considered insufficient and the request to file evidence was denied by the Tribunal.

7. Rules 62(5) (as amended) states that arguments in fast track proceedings shall be heard orally only if (i) the Office requests it or (ii) either party to the proceedings requests it and the Registrar considers that oral proceedings are necessary to deal with the case justly and at proportionate cost. Otherwise, written arguments will be taken. A hearing was not requested nor considered necessary in this case. Both parties supplied written submissions in lieu. This decision is taken following a careful reading of all the papers.

8. The applicant is represented in these proceedings by Cam Trade Marks & IP Services and the opponent by Chapman IP.

### **Section 5(2)(b)**

9. Section 5(2)(b) of the Act is as follows:

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

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.

10. The leading authorities which guide me are from the Court of Justice of the European Union ('CJEU'): *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P.

### **The principles**

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, 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, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

(j) 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;

(k) if the association between the marks creates a risk that the public will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

### **Comparison of the goods**

11. The goods to be compared in this case are:

| Opponent's goods  | Applicant's goods   |
|---|---|
| Spirits; absinthe; alcoholic beverages containing spirits; alcoholic beverages containing absinthe. | North American whiskey; alcoholic beverages based on, or flavoured with; North American Whiskey |

12. With regard to the comparison of goods, in *Canon*, the CJEU stated at paragraph 23 of its judgment that:

“In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary”.

13. The relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, for assessing similarity were:

- a) The respective users of the respective goods or services;
- b) The physical nature of the goods or acts of services
- c) The respective trade channels through which the goods or services reach the market
- d) In the case of self serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- e) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

14. I note that the opponent has **spirits** and **alcoholic beverages containing spirits** at large in its specification of goods. In *Gérard Meric v Office for Harmonization in the Internal Market (Trade Marks and Designs)* (OHIM Case T-133/05) (*Merica*), the General Court ('GC') held:

“29 In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by the trade mark application (Case T-388/00 Institut für Lernsysteme v OHIM – Educational Services (ELS) [2002] ECR II-4301, paragraph 53) or when the goods designated by the trade mark application

are included in a more general category designated by the earlier mark (Case T-104/01 Oberhauser v OHIM – Petit Liberto (Fifties) [2002] ECR II-4359, paragraphs 32 and 33; Case T-110/01 Vedial v OHIM – France Distribution (HUBERT) [2002] ECR II-5275, paragraphs 43 and 44; and Case T-10/03 Koubi v OHIM – Flabesa (CONFORFLEX) [2004] ECR II-719, paragraphs 41 and 42).”

15. Given that the terms **spirits** and **alcoholic beverages containing spirits** include all types of spirits and alcoholic beverages containing spirits, I find that these terms encompass the applicant’s goods as applied for. They are therefore considered identical under the *Meric* principle.

#### **Average consumer and the purchasing act**

16. I must consider who the average consumer is for the contested goods and the way in which those goods are purchased. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer’s level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer, Case C-342/97*.

17. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

“60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

18. In this case the average consumer of the contested goods is a member of the general public who is at least 18 years old. The goods will be available through a number of trade channels. These include pubs, bars, clubs and restaurants as well as retail outlets such as supermarkets or off-licences. In *Simonds Farsons Cisk plc v OHIM* Case T-3/04 the GC said:

“58 In that respect, as OHIM quite rightly observes, it must be noted that, even if bars and restaurants are not negligible distribution channels for the applicant’s goods, the bottles are generally displayed on shelves behind the counter in such a way that consumers are also able to inspect them visually. That is why, even if it is possible that the goods in question may also be sold by ordering them orally, that method cannot be regarded as their usual marketing channel. In addition, even though consumers can order a beverage without having examined those shelves in advance they are, in any event, in a position to make a visual inspection of the bottle which is served to them.

59 Moreover, and above all, it is not disputed that bars and restaurants are not the only sales channels for the goods concerned. They are also sold in supermarkets or other retail outlets (see paragraph 14 of the contested decision), and clearly when purchases are made there consumers can perceive the marks visually since the drinks are presented on shelves, although they may not find those marks side by side.”

19. The purchase is therefore likely to be mainly visual but I still bear in mind the aural component outlined above. The contested goods, being spirits, are generally priced at the more expensive end of the alcoholic beverage range but nonetheless are purchased reasonably frequently. A consumer may take into account factors such as the type, flavour and alcoholic strength of the drink when making their selection. I find that a normal level of attention is likely to be paid to that purchase.

## Comparison of the marks

20. The marks to be compared are:

| Opponent's mark | Applicant's mark    |
|-----------------|---------------------|
| <b>ENVY</b>     | <b>ANGEL'S ENVY</b> |

21. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

“.....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

22. It would be wrong, therefore, artificially to dissect the trade marks, although it is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

23. The opponent's mark consists of a single word, ENVY, presented in plain block capitals. The overall impression of the mark rests solely on this word.

24. The applicant's mark consists of two words, ANGEL'S ENVY, presented in plain block capitals. The overall impression is based solely on these words. There is nothing about the presentation which suggests that one word would have more

weight than the other. The two elements make an equal contribution to the overall impression of the applicant's mark.

25. In a visual comparison, the point of similarity is the word ENVY. It is the whole of the opponent's mark and the second of the applicant's two words. The opponent's mark has no other elements whereas the applicant's mark contains the additional word ANGEL'S. Taking this into account I find there to be a medium degree of visual similarity.

26. In an aural comparison, the opponent's mark ENVY is a well-known English word and will be given its usual pronunciation. The ENVY element of the applicant's mark will be pronounced identically. The opponent's submits that,

“...because brand names for spirits are commonly used in the context of a noisy bar, it is highly likely that the element that may be most clearly heard and remembered within the applicant's sign is, in fact, the word ENVY precisely because it is at the end.”

I find this submission somewhat speculative. In my experience, ordering drinks in a noisy environment usually leads to a more careful and probably louder articulation of brand names. I find nothing to suggest that an average consumer would not vocalise both parts of the applicant's mark or for this vocalisation to be misremembered. Overall I find there to be a medium degree of aural similarity.

27. In a conceptual comparison, the opponent's mark will bring to mind the concept of envy or being envious. The same concept will apply to the identical element in the applicant's mark. Furthermore the opponent submits that,

“...the word ENVY as qualified by the possessive form of the word ANGEL with the inclusion of the apostrophe and the letter S”.

The opponent is correct to identify that the grammatical construction of an apostrophe and the letter S is used to denote possession. So the applicant's mark is

likely to bring to mind an angel possessing envy. Taking all these factors into account, I find there to be a medium degree of conceptual similarity.

### **Distinctive character of the earlier mark**

28. In *Lloyd Schuhfabrik Meyer* the CJEU stated that:

“22. 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, judgment 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).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

29. These being fast track proceedings where no evidence was filed, I only have the inherent position to consider. The opponent's mark consists of an ordinary dictionary word which is not descriptive of the goods it is registered for. On that basis, I find that it has an average level of inherent distinctiveness.

## Likelihood of confusion

30. I must now draw together my earlier findings into the global assessment of the likelihood of confusion, keeping in mind the following factors and those outlined in paragraph 10:

- a) The interdependency principle, whereby a lesser degree of similarity between the goods may be offset by a greater similarity between the marks, and vice versa (*Canon*).
- b) The principle that the more distinctive the earlier mark is, the greater the likelihood of confusion (*Sabel BV v Puma AG*).
- c) The factor of imperfect recollection i.e. that consumers rarely have the opportunity to compare marks side by side but must rather rely on the imperfect picture that they have kept in their mind (*Lloyd Schuhfabrik Meyer*).

31. Confusion can be direct (when the average consumer mistakes one mark for the other) or indirect (where the average consumer realises the marks are not the same but puts the similarity that exists between the marks/goods down to the responsible undertakings being the same or related). In terms of indirect confusion, this was dealt with by Mr Iain Purvis QC, sitting as the Appointed Person, in *L.A. Sugar Limited v By Back Beat Inc*, Case BL-O/375/10 where he noted that:

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: “The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark”.

32. Further I note that in *Whyte and Mackay Ltd v Origin Wine UK Ltd and Another* [2015] EWHC 1271 (Ch), Arnold J. considered the impact of the CJEU's judgment in *Bimbo*, Case C-591/12P, on the court's earlier judgment in *Medion v Thomson*. The judge said:

“18 The judgment in *Bimbo* confirms that the principle established in *Medion v Thomson* is not confined to the situation where the composite trade mark for which registration is sought contains an element which is identical to an earlier trade mark, but extends to the situation where the composite mark contains an element which is similar to the earlier mark. More importantly for present purposes, it also confirms three other points.

19 The first is that the assessment of likelihood of confusion must be made by considering and comparing the respective marks — visually, aurally and conceptually — as a whole. In *Medion v Thomson* and subsequent case law, the Court of Justice has recognised that there are situations in which the average consumer, while perceiving a composite mark as a whole, will also perceive that it consists of two (or more) signs one (or more) of which has a distinctive significance which is independent of the significance of the whole, and thus may be confused as a result of the identity or similarity of that sign to the earlier mark.

20 The second point is that this principle can only apply in circumstances where the average consumer would perceive the relevant part of the composite mark to have distinctive significance independently of the whole. It does not apply where the average consumer would perceive the composite mark as a unit having a different meaning to the meanings of the separate components. That includes the situation where the meaning of one of the components is qualified by another component, as with a surname and a first name (e.g. BECKER and BARBARA BECKER).

21 The third point is that, even where an element of the composite mark which is identical or similar to the earlier trade mark has an independent

distinctive role, it does not automatically follow that there is a likelihood of confusion. It remains necessary for the competent authority to carry out a global assessment taking into account all relevant factors.”

33. So far I have found that the contested goods are identical and that the goods are primarily purchased visually by a member of the general public over the age of 18 who will be paying a normal level of attention during the purchasing process. In addition I have found that the earlier mark has an average level of inherent distinctiveness and that the contested marks are visually, aurally and conceptually similar to a medium degree.

34. Based on the marks and the goods before me and taking into account the assessments I have made, I conclude that there is a no likelihood of direct confusion, i.e. one mark being mistaken for another because the difference between the two marks by the inclusion of the additional word ANGEL'S in the applicant's mark would not go unnoticed. But I do find, however, that there is likelihood of indirect confusion as if the consumer does not mistake one mark for the other, they are likely to believe that the respective goods come from the same or economically linked undertakings as the applicant's mark could be considered as a sub brand, e.g. a variant flavour of the goods.

## **Conclusion**

35. The opposition succeeds in full under section 5(2)(b) of the Act and, subject to any successful appeal against my decision, the application is refused.

## **Costs**

36. As the opponent has been successful, it is entitled to a contribution towards the costs incurred in these proceedings. Awards of costs in Fast Track opposition proceedings are governed by Tribunal Practice Notice (TPN) 2/2015. I award costs to the opponent on the following basis:

£100 official fee for Notice of Opposition  
£200 filing a Notice of Opposition  
£300 filing and considering written submissions

**£600 Total**

37. I order Bacardi & Company Limited to pay La Fée LLP the sum of £600. This sum is to be paid within 14 days of the expiry of the appeal period or within 14 days of the final determination of this case if any appeal against this decision is unsuccessful.

**Dated this 6<sup>th</sup> day of February 2018**

**June Ralph  
For the Registrar,  
The Comptroller General**