

O-048-19

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. 3297517
BY BFS GROUP LTD TO REGISTER:**

MORELLO'S

AS A TRADE MARK IN CLASSES 29, 30 AND 31

AND

**IN THE MATTER OF OPPOSITION THERETO UNDER NO. 600000904 BY:
CONSTANTINO MICHELE MORRILLO A PARTNER IN MORRILLO'S COFFEE SPECIALISTS,
DOMENICO GIANNI MORRILLO A PARTNER IN MORRILLO'S COFFEE SPECIALISTS,
VITTORIO MORRILLO A PARTNER IN MORRILLO'S COFFEE SPECIALISTS AND
MARIA MORRILLO A PARTNER IN MORRILLO'S COFFEE SPECIALISTS**

Background & Pleadings

1. On 16 March 2018, BFS Group Ltd (“the applicant”) applied to register the above trade mark for the following goods:

Class 29: *Olives; olive oils, Mediterranean char grilled and conserved vegetables being peppers, aubergines, courgettes, artichokes, mushrooms and sun dried and semi dried tomatoes; cheeses including feta cheese and Italian cheeses; cooking oils; foods made from fish, meat, shellfish, poultry, fruits and vegetable, dairy products and pulses; meat spreads, vegetable spreads, cheese spreads, fish and seafood spreads, hazelnut spreads; frozen, chilled food products and foodstuffs containing meat, fish, shellfish, poultry, fruits and vegetables; fish; poultry; meat, fish and poultry food products; canned, preserved, dried and cooked fruits, vegetables and pulses; prepared meals; Jellies; Jams; dairy products; eggs; butter and dairy spreads; cheese and cheese products; yoghurt; yoghurt based beverages; cream; nuts and potato crisps; soups; spreads and pate; salads; edible oils, oils for use as salad dressings; pickles and preserves; frozen prepared meals; desserts and mousses; dairy desserts; crisps; preserved, canned, dried and processed fruits; pickles, relish; soups; meat extracts; pickled, preserved, dried and cooked vegetables; compotes; edible oils and fats; processed nuts; jacket potatoes; lemon Juice; food pastes.*

Class 30: *Pasta; capers; sauces; pasta sauces; pesto sauce; food products made from pasta and cereals; cereal food products; sugar; rice; flour and preparations made of flour; bread; cakes; biscuits; chocolate and confectionery; Ice creams and sorbets; spices; salad dressings and mayonnaise; vinegar; balsamic vinegar; condiments; frozen foodstuffs made predominantly of confectionery, chocolate and Ice cream; prepared meals; pastries and pastry products; food pastes.*

Class 31: *Fresh fruits, vegetables, nuts and herbs.*

The application was published for opposition purposes on 4 May 2018.

2. On 9 July 2018, the application was opposed in full¹, under the fast track opposition procedure, by Constantino Michele Morrillo, Domenico Gianni Morrillo, Vittorio Morrillo and Maria Morrillo, all being partners in Morrillo's Coffee Specialists, (collectively referred to as "the opponent"). The opposition is based upon section 5(2)(b) of the Trade Marks Act 1994 ("the Act"), in relation to which the opponent relies upon the following trade mark:

United Kingdom Trade Mark ("UKTM") 3252774:



Filing date: 25 August 2017

Registration date: 24 November 2017

The opponent indicates that it intends to rely upon all goods and services for which its mark is registered, namely:

Class 7: *Coffee extracting machines; coffee extracting machines.*

Class 30: *Coffee; beverages (Coffee-based -).*

Class 40: *Grinding of coffee.*

3. In its Notice of Opposition, the opponent argues that:

"...there is a real threat to present market place confusion between the two names of "Morello's" and "Morrillo's"².

4. In its counterstatement, the applicant denies the basis of the opposition, stating that the respective marks are visually, phonetically and conceptually different and that the respective goods and services are dissimilar.

¹ When asked which of the goods or services in the application it claims are identical or similar to those covered by the earlier mark, the opponent responded "Some goods and services", rather than "All goods and services" (Question 12 of the form TM7F). However, it also specifies "Class 29, 30, 31". As these are the only classes for which registration is sought, the proceedings continue on the basis that all goods applied for are under opposition.

² See opponent's response to Question 13

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 as follows:

“(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 in fast track oppositions. No such leave was sought in respect of these proceedings.

7. Rule 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. Neither party filed written submissions in lieu. This decision is taken following a careful reading of all the papers which I will refer to, as necessary.

8. The applicant in these proceedings is represented by HGF Limited. The opponent is not legally represented.

Decision

9. The opposition is based upon section 5(2)(b) of the Act which reads 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. An earlier trade mark is defined in section 6 of the Act, which states:

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

(a) a registered trade mark, international trade mark (UK), Community trade mark or international trade mark (EC) 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,

(2) References in this Act to an earlier trade mark include a trade mark in respect of which an application for registration has been made and which, if registered, would be an earlier trade mark by virtue of subsection (1)(a) or (b), subject to its being so registered.”

11. Given its filing date, the opponent’s trade mark qualifies as an earlier mark under the provisions outlined above. In accordance with section 6A of the Act, it is not subject to the proof of use requirements as it had not been registered for five years or more at the publication date of the applicant’s mark. Consequently, the opponent is entitled to rely upon all goods and services it has identified (in this case, all those for which its mark is registered).

Section 5(2)(b) - Case law

12. The following principles are gleaned from the decisions of the courts of the European Union in *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 Office for Harmonization in the Internal Market (Trade Marks and Designs) (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 greater 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 goods

13. The competing goods are as follows:

Opponent's goods	Applicant's goods
<p><u>Class 7</u>: Coffee extracting machines; coffee extracting machines.</p> <p><u>Class 30</u>: Coffee; beverages (Coffee-based -).</p> <p><u>Class 40</u>: Grinding of coffee.</p>	<p><u>Class 29</u>: Olives; olive oils, Mediterranean char grilled and conserved vegetables being peppers, aubergines, courgettes, artichokes, mushrooms and sun dried and semi dried tomatoes; cheeses including feta cheese and Italian cheeses; cooking oils; foods made from fish, meat, shellfish, poultry, fruits and vegetable, dairy products and pulses; meat spreads, vegetable spreads, cheese spreads, fish and seafood spreads, hazelnut spreads; frozen, chilled food products and foodstuffs containing meat, fish, shellfish, poultry, fruits and vegetables; fish; poultry; meat, fish and poultry food products; canned, preserved, dried and cooked fruits, vegetables and pulses; prepared meals; Jellies; Jams; dairy products; eggs; butter and dairy spreads; cheese and cheese products; yoghurt;</p>

	<p>yoghurt based beverages; cream; nuts and potato crisps; soups; spreads and pate; salads; edible oils, oils for use as salad dressings; pickles and preserves; frozen prepared meals; desserts and mousses; dairy desserts; crisps; preserved, canned, dried and processed fruits; pickles, relish; soups; meat extracts; pickled, preserved, dried and cooked vegetables; compotes; edible oils and fats; processed nuts; jacket potatoes; lemon Juice; food pastes.</p> <p><u>Class 30:</u> Pasta; capers; sauces; pasta sauces; pesto sauce; food products made from pasta and cereals; cereal food products; sugar; rice; flour and preparations made of flour; bread; cakes; biscuits; chocolate and confectionery; Ice creams and sorbets; spices; salad dressings and mayonnaise; vinegar; balsamic vinegar; condiments; frozen foodstuffs made predominantly of confectionery, chocolate and Ice cream; prepared meals; pastries and pastry products; food pastes.</p> <p><u>Class 31:</u> Fresh fruits, vegetables, nuts and herbs.</p>
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14. The opponent has not commented specifically on the similarity between the goods and services.

15. The applicant submits that all goods for which it seeks registration are “foodstuffs”. On that basis, it eliminates any similarity with the opponent’s goods in class 7 and its services in class 40, claiming that the respective goods and services serve entirely different purposes, are dissimilar in nature and are not complementary. Of the opponent’s remaining goods in class 30, the applicant dismisses any similarity based

on factors such as varying purpose and trade channels and what it considers to be a non-complementary and non-competitive relationship. It also refers me to, and provides an extract from, UKIPO decision BL O/367/02, which I have reviewed and will keep in mind but do not feel it necessary to summarise.

16. When assessing similarity, I am guided by the relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, which were as follows:

- (a) The respective uses of the respective goods or services;
- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;
- (d) The respective trade channels through which the goods or services reach the market;
- (e) 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;
- (f) 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.

17. In *Kurt Hesse v OHIM*, Case C-50/15 P, the Court of Justice of the European Union (“CJEU”) stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods. In *Boston Scientific Ltd v OHIM*, Case T-325/06, the General Court (“GC”) stated that “complementary” means:

“...there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking”.

18. In *YouView TV Ltd v Total Ltd*, [2012] EWHC 3158 (Ch), Floyd J. (as he then was) stated that:

"12. ...Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 *The Chartered Institute of Patent Attorneys (Trademarks) (IP TRANSLATOR)* [2012] ETMR 42 at [47]-[49]. Nevertheless the principle should not be taken too far. Treat was decided the way it was because the ordinary and natural, or core, meaning of 'dessert sauce' did not include jam, or because the ordinary and natural description of jam was not 'a dessert sauce'. Each involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question."

19. In *2nine Ltd v OHIM*, Case T-363/08, the GC provided the following guidance:

30. According to settled case-law, in assessing the similarity of the goods, all the relevant factors relating to those goods should be taken into account, including, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary. Other factors may also be taken into account such as the distribution channels of the goods concerned (see Case T-443/05 *El Corte Inglés v OHIM – Bolaños Sabri (PiraÑAM diseño original Juan Bolaños)* [2007] ECR II-2579, paragraph 37 and the case-law cited).

... 40. It must, moreover, be pointed out that the fact that the goods in question may be sold in the same commercial establishments, such as department stores or supermarkets, is not particularly significant, since very different kinds of goods may be found in such shops, without consumers automatically believing that they have the same origin (*PiraÑAM diseño original Juan Bolaños*, paragraph 30

above, paragraph 44; see also, to that effect, Case T-8/03 *El Corte Inglés v OHIM* – Pucci (EMILIO PUCCI) [2004] ECR II-4297, paragraph 43).”

20. For the purposes of a goods comparison, it is permissible to consider groups of terms collectively where they are sufficiently comparable to be assessed in essentially the same way and for the same reasons (see *Separode Trade Mark* BL O/399/10 and *BVBA Management, Training en Consultancy v. Benelux-Merkenbureau* [2007] ETMR 35 at paragraphs [30] to [38]).

The applicant’s goods in class 29

Yoghurt based beverages

21. The opponent’s earlier mark is registered for *beverages (Coffee-based -)*. The above goods are assessed in isolation from the applicant’s remaining goods as they are *explicitly* beverages. Consequently, there is a degree of similarity in the respective goods’ use. Each is likely to be selected either to satiate consumers’ thirst or purely for pleasure, though in my experience, coffee based beverages can also be selected for use as a stimulant. The consumers of the goods, at least at a high level, are likely to be the same. There will be a level of similarity in the goods’ physical nature, given that both are likely to be served in a somewhat liquified state. That being said, the beverages’ consistency and respective flavours will invariably differ. There may be a degree of overlap in the trade channels via which the goods reach the market and both are likely to be sold in retail establishments such as supermarkets. Given their physical properties, yoghurt based beverages, presumably, are often available in the refrigerated area(s) of such an establishment. To my knowledge, coffee based beverages are not necessarily subject to the same storage restrictions, though I accept that there may be occasions where the goods are stored identically and sold directly alongside one another; chilled, ready-to-drink coffee beverages, for example. Whilst this may present the opportunity for competition, given the variation in the goods’ nature, in my view, this is fairly limited. The goods are not complementary in accordance with the relevant case law. All things considered, I find there is a low degree of similarity.

Olives; olive oils, Mediterranean char grilled and conserved vegetables being peppers, aubergines, courgettes, artichokes, mushrooms and sun dried and semi dried tomatoes; cheeses including feta cheese and Italian cheeses; cooking oils; foods made from fish, meat, shellfish, poultry, fruits and vegetable, pulses³; meat spreads, vegetable spreads, cheese spreads, fish and seafood spreads, hazelnut spreads; frozen, chilled food products and foodstuffs containing meat, fish, shellfish, poultry, fruits and vegetables; fish; poultry; meat, fish and poultry food products; canned, preserved, dried and cooked fruits, vegetables and pulses; prepared meals; Jellies; Jams; eggs; butter and dairy spreads; cheese and cheese products; cream; nuts and potato crisps; soups; spreads and pate; salads; edible oils, oils for use as salad dressings; pickles and preserves; frozen prepared meals; crisps; preserved, canned, dried and processed fruits; pickles, relish; soups; meat extracts; pickled, preserved, dried and cooked vegetables; compotes; edible oils and fats; processed nuts; jacket potatoes; lemon Juice; food pastes

22. In contrast to the previous goods, the above selection represents a variety of foodstuffs; some ready for consumption and others used primarily as ingredients. Given that the opponent's specification is absent of any foodstuffs, a comparison will be made with the opponent's *coffee and beverages (coffee-based -)*. Whilst consumed in a similar way and though both can be consumed solely for pleasure, the core use of the goods is, in essence, not similar; one generally satiating hunger and the other thirst. The goods are likely, however, to be selected by the same consumer(s), being a member of the general public. Their physical nature will differ fairly significantly. Though there may be some similarity in the trade channels each of the goods occupy, in my experience, they are unlikely to be sold in any degree of proximity. The goods are not competitive, nor are they complementary. In *Monster Energy Company v OHIM*⁴, the GC upheld that there was no similarity between coffee based beverages and confectionary/sweets, denying that similarity was established on the basis that the goods were sold in the same premises and share the same distribution channels.

³ For the purpose of the goods comparison, I have separated 'foods made from dairy products and pulses' into 'foods made from dairy products' and 'foods made from pulses'.

⁴ Case T-736/14

Having identified the same (limited) scope for similarity, I apply the same reasoning and conclude that the competing goods are not similar.

Dairy products; foods made from dairy products; yoghurt; desserts and mousses; dairy desserts

23. With the exception of dairy products, which I accept can include beverages, the majority of the above goods are fundamentally foodstuffs and, consequently, differ fairly significantly in core purpose and nature to the opponent's goods, the closest of which, in my view, are *coffee* and *beverages (coffee-based -)*. The consumers of the goods are likely to be the same but the physical nature of the goods is likely to differ. The goods are not in direct competition, nor are they complementary to the extent that consumers would expect them to originate from the same undertaking⁵. As far as I can tell, any tangible similarity is limited to the possibility that each of the above could, theoretically, be 'coffee-flavoured' and, as such, may incorporate the opponent's "coffee" as an ingredient. Moreover, dairy products such as milk and cream can serve as ingredients in the makeup of coffee (or, indeed, coffee based beverages). Still, case law directs that one good being a component of another is not adequate for a finding of similarity⁶ and, in any case, the potential for such relationships between the goods is purely speculative. I accept that there may be some overlap in their trade channels but, in my experience, the goods are typically sold in separate areas of the relevant retail establishment. As indicated in *2nine Ltd*, being sold on the same premises is not, in itself, sufficient. Bearing in mind each of these findings, I conclude that there is no similarity between the goods.

The applicant's goods in class 30

Pasta; capers; sauces; pasta sauces; pesto sauce; food products made from pasta and cereals; cereal food products; sugar; rice; flour and preparations made of flour; bread; spices; salad dressings and mayonnaise; vinegar;

⁵ *Boston Scientific Ltd v OHIM, Case T-325/06*

⁶ *Les Éditions Albert René v OHIM, Case T-336/03*

balsamic vinegar; condiments; prepared meals; pastries and pastry products; food pastes

24. Much the same as my findings in respect of the goods beginning *olives; olive oils* in class 29, given that the above selection of goods is also representative of foodstuffs, there are fundamental differences between these and the opponent's *coffee and beverages (coffee-based -)*. The goods are selected for different purposes and there is likely to be a wide discrepancy in their physical nature. Their different uses reduce the likelihood of competition and there is no complementarity between the goods. For the reasons outlined in paragraph 22, I find that there is no similarity.

Cakes; biscuits; chocolate and confectionery; Ice creams and sorbets; frozen foodstuffs made predominantly of confectionery, chocolate and Ice cream

25. I apply much of the same reasoning here as I did in my consideration of the applicant's *dairy products; yoghurt; etc* in class 29. Any scope for similarity between the goods appears, again, to extend to the potential for the listed goods to be 'coffee-flavoured'. The goods' use and physical nature remain wholly dissimilar. The goods are not directly competitive and they are unlikely to be viewed as complementary. Given that I am unable to identify a meaningful relationship between the goods, I conclude that they are not similar.

The applicant's goods in class 31

Fresh fruits, vegetables, nuts and herbs

26. The above goods are, again, foodstuffs, specifically those which are raw and unprocessed. Though generally likely to be selected by the same consumer, they are selected for a different purpose to the opponent's goods. The goods' physical nature will be widely contrasting. There may be a crossover in the trade channels through which the goods reach the market, though to my knowledge, they are rarely located in any degree of proximity at the relevant retail outlet. The goods are not competitive, nor are they complementary. There is no similarity between the goods.

27. In *eSure Insurance v Direct Line Insurance*, [2008] ETMR 77 CA, Lady Justice Arden stated:

“49. ...I do not find any threshold condition in the jurisprudence of the Court of Justice cited to us. Moreover I consider that no useful purpose is served by holding that there is some minimum threshold level of similarity that has to be shown. **If there is no similarity at all, there is no likelihood of confusion to be considered.** If there is some similarity, then the likelihood of confusion has to be considered but it is unnecessary to interpose a need to find a minimum level of similarity.” [my emphasis]

28. It follows that the opposition fails at this juncture in respect of all goods for which registration is sought, with the exception of *yoghurt based beverages*, and is dismissed accordingly.

The average consumer and the nature of the purchasing act

29. As the case law above indicates, it is necessary for me to determine who the average consumer is for the goods at issue. I must then determine the manner in which these goods are likely to be selected by the average consumer in the course of trade. 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.”

30. The average consumer for the remaining goods at issue is likely to be a member of the general public, with the goods often subject to self-selection from the shelves of


traditional bricks-and-mortar retail establishments such as supermarkets. This suggests that the selection process is likely to be dominated by visual factors, though aural considerations cannot be ignored as, in my experience, it is not unusual for consumers to share recommendations orally. Generally, the goods are inexpensive items purchased on a fairly frequent basis. That said, consumers are likely to be alive to factors including ingredients and nutritional value, resulting in what I consider to be an average degree of attention being applied to the purchasing process.

Comparison of trade marks

31. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a trade 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 trade marks must be assessed by reference to the overall impressions created by them, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in *Bimbo SA v OHIM*, Case C-591/12P, 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.”

32. It would be wrong, therefore, to artificially dissect the trade marks, although it is necessary to take into account their distinctive and dominant components and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions they create. The trade marks to be compared are:

Opponent’s trade mark	Applicant’s trade mark
 <p>The logo for Morillo's Coffee Specialists features the brand name 'Morillo's' in a large, stylized, red script font. Below it, the words 'Coffee Specialists' are written in a smaller, black, sans-serif font. At the very bottom, in an even smaller font, it says 'Authorized Importers & Distributors'.</p>	<p>MORELLO'S</p>

33. The opponent's trade mark is a figurative one, comprising the words "Morrillo's Coffee Specialists Authorised Importers & Distributors". The words are divided across three lines of text which become progressively smaller in font size. "Morrillo's" is notably the largest and most stylised of the words. It is presented in an italicised script in title case, its first letter ('M') presented in black and the remaining letters ('orrillo's') in bright red. The word as a whole is larger on the left, with the smaller red letters rising steadily upwards to the right. A small circle sits immediately at the end of the word, within which is a capital R. Given its size in relation to the other elements, consumers are, in my view, unlikely to notice it. Beneath 'Morrillo's', positioned on the right-hand side, are the remaining words presented in black in a standard bold font; 'Coffee Specialists' on the second line and 'Authorised Importers & Distributors' representing the third and final line and presented in a much smaller font than the rest of the mark. The words which follow 'Morrillo's' are likely to be viewed as suggestive of the available goods and services and, consequently, will be granted less weight in the mark's overall impression. Whilst the contrasting colours and stylisation may play a role, the mark's overall impression is likely to lie primarily in the word 'Morrillo's', this being its most distinctive element.

34. The applicant's trade mark comprises only one element; the word 'MORELLO'S', presented in block capital letters. Its overall impression rests in its totality.

Visual comparison

35. The marks' visual similarity extends to the relationship between the words 'Morrillo's' and 'MORELLO'S'. Consisting of nine and eight letters respectively, both begin identically with M-O-R and end identically in L-L-O-'S. That being so, there are additional words and symbols in the opponent's mark, and notable stylistic embellishments, neither of which have a counterpart in the applicant's mark. Still, 'Morrillo's' is proportionately the largest element in the opponent's mark and I have found it to be the most distinctive. On balance, I find there to be a low to medium degree of visual similarity.

Aural comparison

36. In my view, consumers are likely to articulate only the 'Morrillo's' element of the opponent's mark, given the allusive nature of the remaining words and the size of the words in the last line which, in some cases, may be too small for consumers to read. If I am correct in this regard, the articulation is likely to comprise three syllables, specifically 'MOR-ILL-OH'S'. The applicant's mark is also likely to be articulated in three syllables, specifically 'MOR-ELL-OH'S', the first and last of which are identical to the opponent's. This results in what I consider to be a fairly high degree of aural similarity. Of course, if I am incorrect in my assumption and consumers, instead, articulate the opponent's mark in full, it will comprise an additional sixteen syllables and the degree of aural similarity will be significantly reduced. I do not, however, consider this reflective of how the average consumer will aurally approach the mark.

Conceptual comparison

37. For a conceptual message to be relevant it must be capable of immediate grasp by the average consumer. This is highlighted in numerous judgments of the GC and the CJEU including *Ruiz Picasso v OHIM* [2006] e.c.r.-I-643; [2006] E.T.M.R 29. The assessment must, therefore, be made from the point of view of the average consumer.

38. Neither party made submissions on the marks' conceptual significance.

39. The punctuation in 'Morrillo's' and 'MORELLO'S' is indicative of the possessive form, meaning the average consumer is likely to conceptually interpret the marks as an indication of origin from an entity known as Morrillo or MORELLO. Whilst they may remain faceless entities for some, in my view, in light of the possessive connotation, consumers are more likely to assume that both marks represent names (at least surnames) of individuals. The marks' format will, perhaps, be viewed as reminiscent of a family business. The additional words in the opponent's mark provide consumers some insight into the nature of the available goods and/or services but offer little conceptual clarification as to their origin. Though the individual is different, both marks will be viewed as the possessive form of *an* individual (specifically in relation to coffee

in the opponent's mark). On balance, I find there to be a medium degree of conceptual similarity.

40. Though neither party has made such a submission, I accept that some consumers may recognise 'MORELLO', from the applicant's mark, as a variety of cherry. In *Chorkee Ltd v Cherokee Inc.*, Case BL O/048/08, Ms Anna Carboni, as the Appointed Person, described the limits to which judicial notice can be used in order to find that the average consumer is aware of particular facts. She said:

"While the Applicant contended in its Counterstatement that the earlier marks would be recognised to refer to the Cherokee tribe and that the tribe was well known to the general public, no evidence was submitted to support this. By accepting this as fact, without evidence, the Hearing Officer was effectively taking judicial notice of the position. Judicial notice may be taken of facts that are too notorious to be the subject of serious dispute. But care has to be taken not to assume that one's own personal experience, knowledge and assumptions are more widespread than they are."

In that case she found that, although the Hearing Officer was entitled to take judicial knowledge of the fact that CHEROKEE was the name of a tribe of native Americans, he was not entitled to attribute this knowledge to the average UK consumer of clothing. Similarly, in this case, I am aware that Morello is a variety of cherry. However, in the absence of any evidence from the parties to the contrary, I cannot take judicial notice of the fact that the average consumer for the goods at issue would know this. Whilst some consumers may be familiar with the word, I find it more likely that both parties' marks will be viewed as names, particularly as both contain possessive apostrophes of the type used to denote the name of the provider of goods and/or services.

Distinctive character of the earlier trade mark

41. The distinctive character of a trade mark can be appraised only, first, by reference to the goods in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97, 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).”

42. In the absence of evidence to aid my assessment, I have only the mark’s inherent distinctiveness to consider. I have concluded that the average consumer is likely to view “MORRILLO’S” as an individual’s name, most likely a surname, presented in the possessive form. Whilst the use of personal names is fairly common in trade marks, MORRILLO, to my knowledge, is fairly obscure. In *Becker v Harman International Industries*, Case C-51/09 P, the distinctive character of a surname was considered and the CJEU stated as follows:

“Although it is possible that, in part of the European Union, surnames have, as a general rule, a more distinctive character than forenames, it is appropriate to take account of factors specific to the case and, in particular, to the fact that the surname concerned is unusual or, on the contrary, very common, which is likely to have an effect on that distinctive character.”

That being so, “MORRILLO’S” is paired with “Coffee Specialists Authorised Importers & Distributors”, which, given its descriptive nature, will effectively stand to reduce the mark’s distinctiveness. The mark’s stylisation, however, may have the opposite effect. All things considered, I find the opponent’s mark to possess an average degree of inherent distinctiveness.

Likelihood of confusion

43. In determining whether there is a likelihood of confusion, a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and vice versa. As I mentioned above, it is also necessary for me to keep in mind the distinctive character of the opponent’s trade mark, as the more distinctive it is, the greater the likelihood of confusion.

44. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one trade mark for the other, while indirect confusion is where the average consumer realises the trade marks are not the same but puts the similarity that exists between the trade marks and goods down to the responsible undertakings being the same or related.

45. Earlier in this decision I reached the following conclusions:

- There is a low degree of similarity between *yoghurt based beverages* and *beverages (coffee-based -)*. The remaining goods and services are not similar;
- The average consumer is a member of the general public. Visual considerations are likely to dominate the selection process, though aural considerations cannot be discounted;
- An average degree of attention will be paid to the selection of goods;
- The competing trade marks are visually similar to a low to medium degree, aurally similar to a high degree and conceptually similar to a medium degree;
- The opponent’s trade mark possesses an average degree of inherent distinctive character.

46. I take note of the comments made by Mr Iain Purvis Q.C., as the Appointed Person, in *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10, where he explained 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.””

47. To make the assessment, I must adopt the global approach advocated by the case law whilst taking account of the above conclusions. I also keep in mind that the average consumer rarely has the chance to make direct comparisons between trade marks and must, instead, rely upon the imperfect picture of them retained in its mind.

48. In making my assessment, I first consider the relationship between the remaining goods, *yoghurt based beverages* and *beverages (-coffee based)*, which I have found to be similar to only a low degree. In my experience, a single undertaking is not usually responsible for the provision of both goods; yoghurt based beverages often being provided by an entity specialising in dairy products and coffee based beverages often provided by an entity specialising in coffee products. Consequently, consumers are unlikely to be predisposed to make a connection between the undertakings. Furthermore, in my experience, consumers are readily prepared to distinguish between marks comprised of names in order to identify distinct individuals and/or undertakings and it is not uncommon for them to be expected to do so in respect of the goods at issue here. On the basis of the interdependency principle, the low similarity between the goods could be offset only by a high degree of similarity between

the marks. Instead, whilst I have found the aural similarity to be of a high degree, I have found only a medium degree of visual and conceptual similarity. Given the nature of the purchase, I do not find the similarities in the marks, collectively, sufficient to offset the disparity in the nature of the goods.

49. When considering the possibility of indirect confusion, I refer to the comments of Mr Iain Purvis Q.C. in *L.A. Sugar Limited*. With these in mind, I find it highly unlikely that consumers would, upon encountering the applicant's mark, acknowledge the differences with the opponent's mark but erroneously conclude that the differences were indicative of a brand development. It would be highly unusual for a sub-brand to adopt a name which is, besides some overlap in their letters, altogether different to the original. It is far more probable, in my opinion, that consumers will correctly attribute the differences in not only the marks, but the goods themselves, to their origin from distinct and unrelated undertakings. In other words, there will be no confusion.

50. Finally, for clarification, even if I am incorrect in my findings regarding the applicant's remaining goods (where no similarity was found), I would consider that any similarity could only be to a very low degree. Were this to be the case, I apply the same reasoning as above and, again, fail to identify a likelihood of confusion in respect of all goods for which registration is sought.

Conclusion

51. The opposition has failed. Subject to any successful appeal, the application will proceed to registration.

Costs

52. As the applicant has been successful, it is entitled to a contribution towards its costs. Awards of costs in fast track opposition proceedings are governed by Tribunal Practice Notice ("TPN") 2 of 2015. Using that TPN as a guide, I award costs to the applicant on the following basis:

Reviewing the Notice of Opposition	£100
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Preparing a counterstatement £150

Total: £250

53. I order Constantino Michele Morrillo, Domenico Gianni Morrillo, Vittorio Morrillo and Maria Morrillo, all being partners in Morrillo's Coffee Specialists, to pay BFS Group Ltd the sum of £250. This sum is to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 24th day of January 2019

**Laura Stephens
For the Registrar**