

O/701/22

**TRADE MARKS ACT 1994**

**IN THE MATTER OF UK REGISTRATION NO. 3273969  
IN THE NAME OF EAGLE DISTILLERIES CO.  
IN RESPECT OF THE FOLLOWING TRADE MARK**



**AND**

**AN APPLICATION FOR A DECLARATION OF THE INVALIDITY  
THEREOF UNDER NO 503963**

**BY**

**JVW CORPORATION**

## BACKGROUND AND PLEADINGS

1. Trade mark No. 3273969 shown on the cover page of this decision stands registered in the name of Eagle Distilleries Co. (“the proprietor”). It was applied for on 29 November 2017 and completed its registration procedure on 9 March 2018. The goods for which it is registered are as follows:

Class 33

*Wine, Arak, Whisky, Gin, Vodka, Rum, Cognac, Brandy, Liqueur.*

2. On 29 June 2021, the JVW Corporation (“the applicant”) filed an application to have this trade mark declared invalid under the provisions of sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”), which are relevant in invalidation proceedings under section 47 of the Act. The application for invalidation concerns all the goods for which the contested mark stands registered.

3. Under sections 5(2)(b) and 5(3), the applicant is relying on the following marks:

Mark	Goods Relied On
UKTM 2405969  JORDAN  Filing date: 17 December 2002 Registration date: 4 May 2007	<u>Class 33</u>  <i>Wines.</i>
UKTM 900205617    Filing date: 1 April 1996 Registration date: 9 December 1998	<u>Class 33</u>  <i>Wines.</i>

4. Under section 5(2)(b), the applicant claims that the marks are similar and that the goods covered by the marks are either identical or highly similar. Consequently, it claims that there exists a likelihood of confusion on the part of the relevant public in the UK.

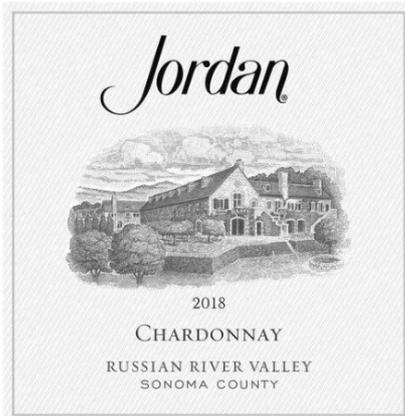
5. Under section 5(3), the applicant claims that the use of the contested mark would, without due cause, take unfair advantage of the distinctive character or repute of the earlier marks, and that consumers may purchase goods from the proprietor on the basis that the earlier marks have been brought to their mind. Further, or in the alternative, they may believe it is a trade mark of the applicant. The applicant also claims that use of the contested mark could result in detriment to the distinctive character of the earlier marks or, if the proprietor's goods were to be of poor quality, detriment to and tarnishment of the reputation of the earlier marks.

6. Under section 5(4)(a), the applicant claims to have used the following signs throughout the UK since at least as early as 2012 for *Wines*:

JORDAN



*Jordan*



7. The applicant claims to have acquired goodwill under these signs and asserts that use of the contested mark would constitute a misrepresentation to the public that would damage the goodwill in its business. Consequently, use of the contested mark would be contrary to the law of passing off.

8. The proprietor filed a defence and counterstatement denying the claims made and putting the applicant to proof of use of the marks relied upon under sections 5(2) and 5(3) and of claimed reputation and goodwill.

9. The matter came to be heard before me by videolink on 16 June 2022. The applicant was represented by Julius Stobbs of Stobbs IP Limited and the proprietor by Roberto Pescador of Bird & Bird LLP.

### **Evidence**

10. The applicant's evidence in chief comes from Devonna Smith, Chief Financial Officer of JYW Corporation since April 2020. Her witness statement is dated 21 November 2021 and goes to the use and reputation of the marks relied upon.

11. The proprietor's evidence comes from Fares Nasri Mudieb Haddad, Director of Business Development & Planning of Eagle Distilleries Co since 2006, Roberto Campagnolo, owner of Al Santo Restaurant in London, and Dario Langella, director and owner of Vineyards Direct. Mr Haddad's evidence is dated 19 January 2022 and goes to the history of the proprietor and the use made of the contested mark.

Mr Campagnolo's and Mr Langella's witness statements are dated 14 January 2022 and 23 December 2021 respectively. Both witnesses explain their knowledge of the marks and set out their beliefs that there is no confusion in the market.

12. The applicant filed evidence in reply in the form of a witness statement dated 10 April 2022 by Kasongo Swana, a Trainee Trade Mark Attorney at the applicant's representatives, Stobbs IP Limited. It is accompanied by four exhibits, which contain screenshots from the websites of Al Santo Restaurant and Vineyards Direct and documents relating to a US opposition filed by the applicant against an application made by the proprietor for a US trademark for JR JORDAN RIVER for goods in Class 33.

13. I shall refer to the evidence where appropriate during the course of my decision.

14. Neither party made written submissions during the evidence rounds.

### **Applicable law**

15. Section 6(3)(a) of the European (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Trade Marks Act relied on in these proceedings are derived from an EU Directive. This is why this decision continues to make reference to the trade mark case law of EU courts.

## **DECISION**

### **Section 47: the legislation**

16. The relevant parts of section 47 of the Act are as follows:

“(2) Subject to subsections (2A) and (2G), the registration of a trade mark may be declared invalid on the ground—

(a) that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, or

(b) that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied,

unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.

...

(2A) The registration of a trade mark may not be declared invalid on the ground that there is an earlier trade mark unless—

(a) the registration procedure for the earlier trade mark was completed within the period of five years ending with the date of application for the declaration,

(b) the registration procedure for the earlier trade mark was not completed before that date, or

(c) the use conditions are met.

(2B) The use conditions are met if—

(a) the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with their consent in relation to the goods or services for which it is registered—

(i) within the period of 5 years ending with the date of application for the declaration, and

(ii) within the period of 5 years ending with the date of filing of the application for registration of the later trade mark or (where

applicable) the date of the priority claimed in respect of that application where, at that date, the five year period within which the earlier trade mark should have been put to genuine use as provided in section 46(1)(a) has expired, or

(b) it has not been so used, but there are proper reasons for non-use.

(2C) For these purposes—

(a) use of a trade mark includes use in a form (the ‘variant form’) differing in elements which do not alter the distinctive character of the mark in the form in which it was registered (regardless of whether or not the trade mark in the variant form is also registered in the name of the proprietor), 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.

...

(2E) 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.

(2F) Subsection (2A) does not apply where the earlier trade mark is a trade mark within section 6(1)(c).

(2G) An application for a declaration of invalidity on the basis of an earlier trade mark must be refused if it would have been refused, for any of the reasons set out in subsection (2H), had the application for the declaration been made on the date of filing of the application for registration of the later

trade mark or (where applicable) the date of the priority claimed in respect of that application.

(2H) The reasons referred to in subsection (2G) are –

(a) that on the date in question the earlier trade mark was liable to be declared invalid by virtue of section 3(1)(b), (c) or (d), (and had not yet acquired a distinctive character as mentioned in the words after paragraph (d) in section 3(1));

(b) that the application for a declaration of invalidity is based on section 5(2) and the earlier trade mark had not yet become sufficiently distinctive to support a finding of likelihood of confusion within the meaning of section 5(2);

(c) that the application for a declaration of invalidity is based on section 5(3)(a) and the earlier trade mark had not yet acquired a reputation within the meaning of section 5(3).

(5) Where the grounds of invalidity exist in respect of only some of the goods or services for which the trade mark is registered, the trade mark shall be declared invalid as regards those goods or services only.

(5A) An application for a declaration of invalidity may be filed on the basis of one or more earlier trade marks or other earlier rights provided they all belong to the same proprietor.

(6) Where the registration of a trade mark is declared invalid to any extent, the registration shall to that extent be deemed never to have been made:

Provided that this shall not affect transactions past and closed.”

## Section 5(2)(b)

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

“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.”

18. An “earlier trade mark” is defined in section 6(1) of the Act as:

“(a) a registered trade mark or international trade mark (UK) 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,

(aa) a comparable trade mark (EU) or a trade mark registered pursuant to an application made under paragraph 25 of Schedule 2A which has a valid claim to seniority of an earlier registered trade mark or protected international trade mark (UK) even where the earlier trade mark has been surrendered or its registration has expired,

(ab) a comparable trade mark (IR) or a trade mark registered pursuant to an application made under paragraph 28, 29 or 33 of Schedule 2B which has a valid claim to seniority of an earlier registered trade mark or protected international trade mark (UK) even where the earlier trade mark has been surrendered or its registration has expired,

(ba) a registered trade mark or international trade mark (UK) which –

(i) prior to IP completion day has been converted from a European Union trade mark or international trade mark (EC) which itself had a valid claim to seniority of an earlier registered trade mark or protected international trade mark (UK) even where the earlier trade mark has been surrendered or its registration has expired, and

(ii) accordingly has the same claim to seniority, or

(c) a trade mark which, at the date of application for registration of the trade mark in question or (where appropriate) of the priority claimed in respect of the application, was entitled to protection under the Paris Convention or the WTO Agreement as a well known trade mark.”

19. The marks relied upon under this section qualify as earlier marks under the above provision. As they both completed their registration procedures more than five years before the date of the application for invalidation, they were subject to the requirement to show use.<sup>1</sup> At the hearing Mr Pescador for the proprietor accepted that use had been shown for the goods registered.

20. In considering the application for invalidity under this section, I am guided by the following principles, gleaned from the decisions of the Court of Justice of the European Union (“CJEU”) 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 BV* (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-334/05 P) and *Bimbo SA v OHIM* (Case C-519/12 P):

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<sup>1</sup> Section 47(2A) of the Act.

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. The average consumer is deemed to be reasonably well informed and reasonably circumspect and observant, but someone who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them they have kept in their 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; and

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**

21. The goods to be compared are shown in the table below:

<b>Earlier goods</b>	<b>Contested goods</b>
<u>Class 33</u> <i>Wines.</i>	<u>Class 33</u> <i>Wine, Arak, Whisky, Gin, Vodka, Rum, Cognac, Brandy, Liqueur.</i>

22. The proprietor's *Wine* is clearly identical to the applicant's *Wines*.

23. Mr Pescador accepted that the remaining goods were similar to the earlier goods, but he submitted that the degree of similarity was low, referring me to a number of previous decisions of this tribunal in support of his position.<sup>2</sup> Mr Stobbs for the applicant submitted that the remaining contested goods were similar to the earlier goods, to a high degree in the case of *Arak*, which he described as an alcoholic drink made from fermented grapes that tends to be consumed with food, particularly *mezze*.<sup>3</sup> He urged me to apply the factors established in case law, rather than simply adopt the findings of fact made by other hearing officers. The case law clearly states that all relevant factors should be taken into account, but these may include the nature of the goods, their purpose, their users and method of use, the trade channels through which they reach the market, and whether they are in competition with each other or

<sup>2</sup> BL O-380-18, BL O/560/18 and BL O-246-22.

<sup>3</sup> Applicant's skeleton argument, paragraph 28.

are complementary: see *Canon*, paragraph 23, and *British Sugar Plc v James Robertson & Sons Limited (TREAT Trade Mark)* [1996] RPC 281 at [296]. Goods are complementary when

“... 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.”<sup>4</sup>

24. All the remaining goods are, of course, alcoholic beverages, although I note that their alcohol content is considerably higher by volume than that of wine. I disagree with Mr Stobbs that – except perhaps in the case of *Arak* – the applicant’s non-wine goods would be drunk to accompany a meal. However, I do accept that they will all be consumed to enjoy the flavour of the beverage and, as Mr Stobbs puts it in his skeleton, “*experience ... the pleasurable effect of alcohol*”.<sup>5</sup> There may indeed be circumstances where a consumer chooses between, say, a glass of white wine and a gin and tonic. However, I am not persuaded that the degree of competition between the opponent’s and the applicant’s goods is particularly high. The goods share trade channels, users and method of use. Their method of production, however, is different. *Arak, Whisky, Gin, Vodka, Rum, Cognac* and *Brandy* are all distilled, as *Liqueur* may also be. However, Mr Stobbs submitted that the evidence shows that the applicant produces all these types of beverages, and so the average consumer would not be surprised to find them coming from the same undertaking. I am reluctant to find from a single example that it is not uncommon for the same undertaking to be responsible for wine and spirits when this would go against my own experience as a consumer. Having taken account of all these factors, I agree with Mr Pescador that there is a low degree of similarity between *Arak, Whisky, Gin, Vodka, Rum, Cognac, Brandy, Liqueur* and the opponent’s *Wines*.

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<sup>4</sup> *Boston Scientific Ltd v OHIM*, Case T-325/06, paragraph 82.

<sup>5</sup> Paragraph 29.

## ***Average consumer and the purchasing process***

25. In *Hearst Holdings Inc & Anor v A.V.E.L.A. Inc & Ors* [2014] EWHC 439 (Ch), Birss J (as he then was) described the average consumer in these terms:

“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 word ‘average’ denotes that the person is typical. The term ‘average’ does not denote some form of numerical mean, mode or median.”<sup>6</sup>

26. The average consumer of both parties’ goods is an adult member of the general public. I accept that there will also be professional consumers. However, as they are more likely to pay a greater degree of attention when purchasing the goods they are less likely to be confused. I will therefore focus on the non-trade customer, who will purchase the goods from a retail outlet such as a supermarket or off-licence for consumption at home, or in licensed premises such as a bar, restaurant or club. In the first case, they may visit a physical shop or buy from a website where the mark will be visible on the physical product itself or an image of it. Even if the goods are stocked behind the counter and the average consumer must ask a sales assistant for them, the bottles will be visible. Consequently, I find that the purchasing process will be largely visual, although I do not completely discount the aural element.

27. If the consumer is buying the goods in licensed premises, aural considerations are likely to play a larger role as the customer will order by speaking to bar staff. It is also possible that the environment may be noisy, but, even then, the consumer may see the mark on bottles or optics behind the bar or on a drinks list: see *Anton Riemerschmid Weinbrennerei und Likörfabrik GmbH & Co. KG v European Union Intellectual Property Office (EUIPO)*, Case T-187/17. In my view, the visual aspect of the mark will still be significant.

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<sup>6</sup> Paragraph 60.

28. Mr Stobbs submitted that the average consumer would pay a “*low to no-more-than-moderate*” degree of attention when purchasing the goods.<sup>7</sup> Mr Pescador, on the other hand, took the view that the average consumer would pay a higher than average degree of attention. In my view, the average consumer will want to ensure that the beverage they are purchasing is of their preferred type, flavour or strength, whatever the price, which will vary from low to extremely high. I find that they would pay a medium degree of attention when buying the goods at issue.

### ***Comparison of marks***

29. It is clear from *SABEL* (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 in *Bimbo* that:

“... it is necessary to ascertain in each individual case, the overall impression made on the target public by the sign for which the 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.”<sup>8</sup>

30. It would be wrong, therefore, artificially to dissect the 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 created by the marks.

31. At the hearing, Mr Stobbs accepted that the word mark was his better case and so I shall confine my analysis to that one.

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<sup>7</sup> Skeleton argument, paragraph 31.

<sup>8</sup> Paragraph 34.

32. The respective marks are shown below:

Earlier mark	Contested mark
JORDAN	

33. The earlier mark is a single word in capital letters and a standard font. In *LA Superquimica v EUIPO*, Case T-24/17, the General Court (“GC”) held that such plain word marks protected the word or words contained in the mark in whatever form, colour or font.<sup>9</sup> The overall impression of the earlier mark lies in the word “JORDAN”.

34. The contested mark consists of the letters “J” and “R” in lower case, cursive script. Below these letters, in a smaller sans serif font and to the right of the loop of the cursive “J” are the words “JORDAN RIVER” in capital letters. Mr Stobbs submitted that the cursive letters referred back to, and reinforced, the words. He further contended that the most distinctive element of the applicant’s mark was the word “JORDAN” and that it was established in the case law that the average consumer would pay greater attention to the words than to the device. I asked him to cite the cases that supported this reasoning where the marks consisted of initials and words. He referred to the decision of Richard Arnold QC (as he then was), sitting as the Appointed Person, in *SUN RIPENED TOBACCO*, BL O/200/08, and the decision of the Intellectual Property Enterprise Court in *NOCN (formerly National Open College Network) v Open College Network Credit4Learning*, [2015] EWHC 2667 (IPEC). The first of these cases concerned a composite mark made up of verbal and figurative elements, while the second, among other things, concerned the distinctive character of an acronym. He continued:

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<sup>9</sup> Paragraph 39.

“Then you couple that with the case law which says the consumer is drawn to the word element. It is a combination of those things that mean if I am looking at that mark, it is JR, and I get that, but it is JORDAN RIVER so I know that JR is standing for JORDAN RIVER. I cannot ignore it from a visual point of view, but as a consumer I am going to look for those word elements and say those word elements become important. Even though they are relatively small, they become very important. This is not Junior Wine, for example, because the JR is clarified by Jordan River. If you are wanting to tell your friend what wine you had, you have to make that determination, madam, but my submission is you would say, ‘I had Jordan River wine’. You would not say, ‘I had JR wine.’ It is the combination of those things.”<sup>10</sup>

35. Mr Pescador submitted that the cursive letters were significantly larger than the words and that, as a general rule, the average consumer would pay attention to the first element of the mark, which in this case would be the cursive letters. I agree with Mr Pescador that the letters make the larger contribution to the overall impression of the contested mark, by virtue of their size and position. The words “JORDAN RIVER”, though, are far from negligible and make a reasonable contribution to the overall impression of the mark. In reaching this finding, I have borne in mind the case law that, as I have already noted, states that the average consumer normally perceives a mark as a whole and will not analyse it in the way that trade mark practitioners do. Nevertheless, I agree with Mr Stobbs that the average consumer will assume that “JR” stands for “JORDAN RIVER”.

#### *Visual comparison*

36. The entirety of the earlier mark is reproduced in the contested mark, but there are clearly points of difference in the additional word “RIVER” and the large cursive letters “J” and “R”. Taking all these factors into account, I consider that the marks are visually similar to a low degree.

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<sup>10</sup> Transcript, page 15.

### *Aural comparison*

37. The earlier mark consists of two syllables and would be pronounced as the letters lead one to expect: “JOR-DAN”. With regard to the contested mark, Mr Stobbs submitted that the letters “J” and “R” would not be articulated and so the mark would have four syllables, all pronounced as in the standard English words of the mark. For the proprietor, Mr Pescador submitted that the mark would have three elements and that “JORDAN” would be “*diluted*” within the aural impression of the mark.<sup>11</sup> He argued that the level of aural similarity would be low.

38. The cursive letters do not constitute a figurative element that by its nature cannot be articulated. Mr Stobbs is asking me to find that the average consumer would pass over these letters and voice the smaller words “JORDAN RIVER”. In my view this would represent an aural dissection of the mark and so I agree with Mr Pescador that the average consumer would pronounce the contested mark as “JAY-ARE-JOR-DAN-RIV-UH”, resulting in a significantly longer string of syllables, with the earlier mark exactly in the middle. I find that there is a low degree of aural similarity between the marks.

### *Conceptual comparison*

39. In my view, the average consumer would interpret JORDAN in the earlier mark as referring either to the country or to a first name or surname. The contested mark would bring to mind a river, possibly the one that flows through a number of countries in the Middle East. At the hearing, Mr Stobbs submitted that “*Basically Jordan in both marks has the same meaning. River slightly changes the concept but we would say there is a high degree of conceptual similarity in the context of that.*”<sup>12</sup>

40. Nothing in trade mark law requires me to identify one, and only one, perception among the relevant class of consumers: see *Soulcycle Inc v Matalan Ltd*, [2017] EWHC 496 (Ch), paragraph 27. I shall therefore make a conceptual comparison

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<sup>11</sup> Skeleton argument, paragraph 19.

<sup>12</sup> Transcript, page 11.

between the marks based on the different ways in which the earlier mark would, in my view, be perceived.

41. I consider that it is likely that a significant proportion of the consumers who think “JORDAN” refers to a country will be aware of the river of that name and know or assume that there is a geographical connection – that one is named after the other. I do not believe that, even for these consumers, there is as high a degree of conceptual similarity as Mr Stobbs submits. A river and a country are different things. Consequently, I find that there is at most a medium degree of conceptual similarity between these marks for these consumers.

42. I turn now to consider the consumers who would think that “JORDAN” refers to a name. The GC held in *Luciano Sandrone v EUIPO* that “a first name or a surname which does not convey a ‘general and abstract idea’ and which is devoid of semantic content, is lacking any ‘concept’”.<sup>13</sup> The contested mark would still bring to mind a river. There would therefore be no conceptual similarity between the earlier and the contested marks.

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

43. 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 Alternberger* [1999] ECR I-0000, paragraph 49).

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<sup>13</sup> Paragraph 85.

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).”

44. Registered trade marks possess varying degrees of inherent distinctive character from the very low, because they are suggestive of, or allude to, a characteristic of the goods or services, to those with high inherent distinctive character, such as invented words which have no allusive qualities.

45. I found that the average consumer would perceive the earlier mark to be either the name of a person or a geographical area. The latter is not precluded from registration, as the CJEU made clear in *Windsurfing Chiemsee*, paragraph 33. Mr Stobbs drew my attention to the decision of the GC in *Peek & Cloppenburg KG v EUIPO*, T-379/03:

“37. In the light of all the foregoing, a sign’s descriptiveness cannot be assessed other than by reference to the goods or services concerned, on the one hand, and by reference to the understanding which the relevant persons have of it, on the other (Case T-295/01 *Nordmilch v OHIM (OLDENBURGER)* [2003] ECR II-4365, paragraphs 27 to 34).

38. In making that assessment the Office is bound to establish that the geographical name is known to the relevant class of persons as the designation of a place. What is more, the name in question must suggest a current association, in the mind of the relevant class of persons, with the category of goods or services in question, or else it must be reasonable to assume that such a name may, in the view of those persons, designate the geographical origin of that category of goods or services. In making that

assessment, particular consideration should be given to the relevant class of persons' degree of familiarity with the geographical name in question, with the characteristics of the place designated by that name, and with the category of goods or services concerned (see, by analogy, *Windsurfing Chiemsee*, paragraph 37 and paragraph 1 of the operative part)."

46. Mr Pescador submitted that the earlier mark possessed a low level of inherent distinctive character, as Jordan produced a large quantity of wine. Mr Stobbs disagreed that the evidence showed that this was the case at the relevant date of 29 November 2017. I agree with Mr Stobbs and cite a few examples from the proprietor's evidence. An extract from the proprietor's website states that "*Jordan's wines are a hidden treasure waiting to be discovered*".<sup>14</sup> A further website promoting wine-themed tourism says that "*Wine in Jordan is not exactly mainstream...*" and notes that there are only two commercial wine producers in the country, one of which is the proprietor.<sup>15</sup> An article from 2018 interviews representatives of the two wineries who talk about a desire "*to put Jordanian wines on the map*".<sup>16</sup> These articles and websites do not convey the impression of an established wine-producing country.

47. Whether the earlier mark brings to the mind of the average consumer a country or a name, I find that it has a medium degree of inherent distinctive character. I will now consider whether that inherent distinctiveness has been enhanced through use. Mr Pescador submitted that the applicant had not pleaded an enhanced distinctive character, but I agree with Mr Stobbs that it is not necessary to make such a pleading up-front. The factors that I must take into account when considering the earlier mark are set out in the paragraphs quoted from *Lloyd Schuhfabrik* above. I am directed to assess the degree of distinctiveness based on the mark's inherent characteristics and the use that has been made of it.

48. Ms Smith states that the applicant has been using the mark in the UK and Europe since at least 2011 for wine – on labels, packaging, invoices, point-of-sale materials

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<sup>14</sup> Exhibit FH-1, page 12.

<sup>15</sup> Exhibit FH-2, page 13.

<sup>16</sup> Exhibit FH-7, pages 1-3.

and promotional materials.<sup>17</sup> In each of the years 2011, 2012, 2013 and 2014, the applicant shipped more than \$100,000 of wine bearing the mark to its UK distributor. There are no figures for 2015-2017.<sup>18</sup> Ms Smith goes on to say that the applicant “*routinely*” exports more than 100 cases (1,200 bottles) of wine to the UK every year, with wines retailing at prices around £44.99 to £65.00 per bottle, and more than £150 in restaurants.<sup>19</sup>

49. The evidence includes a selection of press and online coverage. This includes an article from *Decanter* magazine (a UK-based publication) in 2014<sup>20</sup> and another from the *discoversolar.co.uk* website dated 13 July 2012 reporting on the applicant’s conversion to solar power.<sup>21</sup> The remaining articles are either undated or dated after 29 November 2017. Ms Smith states that reviews from *tripadvisor.co.uk* of Jordan winery tours date from 2015, but as far as I can see the earliest is dated 31 October 2019.<sup>22</sup>

50. The applicant has won a number of awards for its wines in the UK. Most of those that are listed date from 2019 and 2020, but in 2016 the applicant won “The Anorim Sustainability Award for Wine” from *The Drinks Business* magazine. This award “*recognises the efforts made by one company, generic or brand to employ the most efficient and effective sustainable practices in their business*” and was given at a ceremony in London.<sup>23</sup>

51. Most of the evidence on promotional activities also post-dates the relevant date. Exhibit 8 contains an advert published in *Decanter* in 2012, while Exhibit 9 shows that the applicant attended the California Wine Fair in July 2017 and is listed as seeking distribution in the UK.

52. I have no information on the size of the wine market in the UK. Mr Stobbs admitted that the sales were relatively low but submitted that the applicant’s products were high-

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<sup>17</sup> Witness statement of Devonna Smith, paragraph 7.

<sup>18</sup> Paragraph 13.

<sup>19</sup> Paragraph 14.

<sup>20</sup> Exhibit 5, pages 9-10.

<sup>21</sup> Exhibit 6, page 24-25.

<sup>22</sup> Exhibit 6, pages 15-21.

<sup>23</sup> Exhibit 7.

end wines and, as such, large volumes of sales were not to be expected. He also invited me to take judicial notice of the fact that the wine market consisted of a large number of small producers. It is, of course, possible for marks with a low volume of sales to be so well known that a proportion of the public identifies the goods and services as originating from an undertaking on the strength of the mark, even if they themselves, perhaps for reasons of cost, would not purchase the goods bearing those marks. I am not persuaded that this is the case here. There is very limited evidence of promotional activity and media coverage before the relevant date. Consequently, I find that the inherent distinctiveness of the earlier mark has not been enhanced through the use made of it.

### ***Conclusions on likelihood of confusion***

53. There is no scientific formula to apply in determining whether there is a likelihood of confusion. It is a global assessment where a number of factors need to be borne in mind. I must also take account of the interdependency principle, i.e. that a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods or vice versa. I keep in mind that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them they have in their mind.

54. At this point, I find it convenient to consider the evidence of Mr Campagnolo and Mr Langella. Both state that they have come across no instances of confusion between the two brands and that in their experience, *“every reference to the Mark is understood to be associated with the Owner.”*<sup>24</sup> In addition, they both state that they consider that the applicant’s and proprietor’s wines are not directly in competition with each other, as *“they come from different countries which, in the sector, are a determining factor on the characteristics of the wines, impacting highly in the purchase decision of the customer.”*<sup>25</sup>

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<sup>24</sup> Paragraph 6 of both witness statements.

<sup>25</sup> Paragraph 5 of both witness statements.

55. In *Roger Maier & Anor v ASOS & Anor*, [2015] EWCA Civ 220, Kitchen LJ stated that:

“... the likelihood of confusion must be assessed globally taking into account all relevant factors and having regard to the matters set out in *Specsavers* at paragraph [52] and repeated above. If the mark and the sign have both been used and there has been actual confusion between them, this may be powerful evidence that their similarity is such that there exists a likelihood of confusion. But conversely, the absence of actual confusion despite side by side use may be powerful evidence that they are not sufficiently similar to give rise to a likelihood of confusion. This may not always be so, however. The reason for the absence of confusion may be that the mark has only been used to a limited extent or in relation to only some of the goods or services for which it is registered, or in such a way that there has been no possibility of the one being taken for the other. So there may, in truth, have been limited opportunity for real confusion to occur.”<sup>26</sup>

56. Mr Haddad states that the contested mark was first used on a line of wines in 2015 and that since 2017 the proprietor has exported more than 242,000 bottles of wine bearing the mark to 12 countries, including the UK.<sup>27</sup> It is not clear how many bottles have been available for sale in the UK and thus the extent of the exposure of the UK consumer to both marks, but the volume of exports is not large. It is reasonable, in my view, to infer from this evidence that there would have been limited opportunity for real confusion to occur.

57. Earlier in my decision, I found that:

- The proprietor’s goods were identical to the applicant’s goods (in the case of *Wine*). The remaining goods were similar to the applicant’s goods to a low degree;

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<sup>26</sup> Paragraph 80.

<sup>27</sup> Witness statement of Fares Haddad, paragraphs 8 and 21.

- The average consumer would be an adult member of the public (or a professional); they would pay a medium degree of attention when buying the goods; and both visual and aural aspects of the mark would be important;
- The cursive letters make the larger contribution to the overall impression of the contested mark, by virtue of their size and position, but that the words “JORDAN RIVER” would also make a contribution and the average consumer would assume that the initials stood for “JORDAN RIVER”;
- The marks were visually and aurally similar to a low degree, and conceptually similar to at most a medium degree or dissimilar; and
- The earlier mark has a medium degree of distinctive character, which has not been enhanced through use.

58. There are two types of confusion: direct and indirect. In *L.A. Sugar Limited v Back Beat Inc*, BL O/375/10, Iain Purvis QC, sitting as the Appointed Person, 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 recognised 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.’

17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

(a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right ('26 RED TESCO' would no doubt be such a case).

(b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as 'LITE', 'EXPRESS', 'WORLDWIDE', 'MINI' etc.).

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension ('FAT FACE' to 'BRAT FACE' for example)."

59. In *Liverpool Gin Distillery Limited & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207, Arnold LJ commented that:

"This is a helpful explanation of the concept of indirect confusion, which has frequently been cited subsequently, but as Mr Purvis made clear it was not intended to be an exhaustive definition."<sup>28</sup>

60. He also said:

"As James Mellor QC sitting as the Appointed Person pointed out in *Cheeky Italian Ltd v Sutaria* (O/291/16) at [16] 'a finding of likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion'. Mr Mellor went on to say that, if there is no likelihood of direct confusion, 'one needs a reasonably special set of circumstances for a finding of a likelihood of indirect confusion'. I would prefer to say that there must be a proper basis for concluding that there is a

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<sup>28</sup> Paragraph 12.

likelihood of indirect confusion given that there is no likelihood of direct confusion.”<sup>29</sup>

61. I must also consider the impact of the case law of the CJEU in *Medion* and *Bimbo*. In *Whyte and Mackay Ltd v Origin Wine UK Ltd & Anor*, [2015] EWHC 1271 (Ch), Arnold J (as he then was) 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 meaning 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).

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<sup>29</sup> Paragraph 13.

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.”

62. In *Medion*, the CJEU stated that, even if the overall impression of a mark is dominated by one or more components of a composite mark, “*it is quite possible that in a particular case an earlier mark used by a third party in a composite sign including the name of the company of the third party still has an independent distinctive role in the composite sign, without necessarily constituting the dominant element*”.<sup>30</sup> This may also apply where the earlier mark is similar. I found that the dominant element of the contested mark was the cursive letters, but considered that mark as a whole when making my comparison with the earlier mark. Would the average consumer perceive the “JORDAN RIVER” part of the contested mark to have distinctive significance independently of the whole? I found that this part of the mark would lead the average consumer to believe that the cursive letters stood for “JORDAN RIVER”. The meaning of the dominant component is therefore qualified by “JORDAN RIVER”, and so the principle described in *Whyte and Mackay* does not, in my view, apply. Even if it did, I must still undertake a global assessment of the likelihood of confusion.

63. When considering whether there is a likelihood of confusion, I must bear in mind that the average consumer does not perfectly recall the marks. Even so, I believe there are sufficient differences between the marks to guard against the average consumer mistaking one mark for the other, even where the goods are identical. I find that there is no likelihood of direct confusion.

64. Indirect confusion does not require such a mistake to be made. The average consumer is aware that the marks are different but assumes a connection between them. As James Mellor QC (as he then was), sitting as the Appointed Person, said in *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17, “*a finding of indirect confusion*

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<sup>30</sup> Paragraph 30.

*should not be made merely because the two marks share a common element*".<sup>31</sup> I must take account of the common element in the context of the mark as a whole. A finding of indirect confusion requires the average consumer to assume that the contested mark is another brand or mark of the applicant, that it belongs to a related undertaking. I accept that the average consumer may not recall the earlier mark perfectly. Even so, it seems to me unlikely that they will assume that RIVER denotes a natural brand extension of JORDAN, or imperfectly recollect the earlier mark as "JORDAN RIVER".

I find that there is no likelihood of indirect confusion.

65. The opposition fails under section 5(2)(b).

#### **Section 5(4)(a)**

66. Mr Stobbs admitted at the hearing that *"I do not think there is a scenario where we lose on 5(2) and win on 5(4)"*.<sup>32</sup> However, as he also said that he was not abandoning the claim under this ground, I shall consider it.

67. Section 5(4)(a) of the Act states that:

"A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented –

(a) by virtue of any rule or law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, where the condition in subsection 4(A) is met

..."

68. Subsection 4(A) is as follows:

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<sup>31</sup> Paragraph 81.4.

<sup>32</sup> Transcript, page 16.

“The condition mentioned in subsection (4)(a) is that the rights to the unregistered trade mark or other sign were acquired prior to the date of application for registration of the trade mark or date of the priority claimed for that application.”

69. In *Reckitt & Colman Products Limited v Borden Inc. & Ors* [1990] RPC 341, HL, Lord Oliver of Aylmerton described the ‘classical trinity’ that must be proved in order to reach a finding of passing off:

“First, he must establish a goodwill or reputation attached to the goods or services which he supplies in the mind of the purchasing public by association with the identifying ‘get-up’ (whether it consists simply of a brand name or a trade description, or the individual features of labelling or packaging) under which his particular goods or services are offered to the public, such that the get-up is recognised by the public as distinctive specifically of the plaintiff’s goods or services. Secondly, he must demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that the goods or services offered by him are the goods or services of the plaintiff. Thirdly, he must demonstrate that he suffers or, in a quia timet action, that he is likely to suffer damage by reason of the erroneous belief engendered by the defendant’s misrepresentation that the source of the defendant’s goods or services is the same as the source of those offered by the plaintiff.”<sup>33</sup>

### ***Relevant Date***

70. In *Advanced Perimeter Systems v Multisys Computers Limited*, BL O-410-11, Daniel Alexander QC, sitting as the Appointed Person, quoted with approval the summary made by Allan James, acting for the Registrar, in *SWORDERS Trade Mark*, BL O/212/06:

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<sup>33</sup> Page 406.

“Strictly, the relevant date for assessing whether s.5(4)(a) applies is always the date of the application for registration or, if there is a priority date, that date: see Article 4 of Directive 89/104. However, where the applicant has used the mark before the date of the application it is necessary to consider what the position would have been at the date of the start of the behaviour complained about, and then to assess whether the position would have been any different at the later date when the application was made.”<sup>34</sup>

71. The date of application for the contested mark was 29 November 2017. The registered proprietor claims to have been using the mark in countries including the UK from 2017, but does not give any more specific information than this. Consequently, I shall proceed on the basis that the relevant date is 29 November 2017.

### **Goodwill**

72. The concept of goodwill was considered by the House of Lords in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217:

“What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantages of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start. The goodwill of a business must emanate from a particular centre or source. However widely extended or diffused its influence may be, goodwill is worth nothing unless it has the power of attraction sufficient to bring customers home to the source from which it emanates.”

73. Mr Stobbs submitted that:

“...we have shown significant sales of this product under the mark JORDAN in the UK, for a reasonably significant period of time, winning awards, and

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<sup>34</sup> Quoted in paragraph 43 of BL O-410-11.

we think it is perfectly reasonable for you to come to the conclusion that we have established goodwill.”<sup>35</sup>

74. In *Smart Planet Technologies, Inc. v Rajinda Sharma (Recup Trade Mark)*, BL O/304/20, Thomas Mitcheson QC, sitting as the Appointed Person, reviewed the following authorities about the establishment of goodwill for the purposes of passing-off: *Starbucks (HK) Ltd v British Sky Broadcasting Group Plc* [2015] UKSC 31, paragraph 52, *Reckitt & Colman Product v Borden* [1990] RPC 341, HL and *Erven Warnink B.V. v. J. Townend & Sons (Hull) Ltd* [1980] R.P.C. 31. After doing so, he concluded that:

“.. a successful claimant in a passing off claim needs to demonstrate more than nominal goodwill. It needs to demonstrate significant or substantial goodwill and at the very least sufficient goodwill to be able to conclude that there would be substantial damage on the basis of the misrepresentation relied upon.”<sup>36</sup>

75. In paragraphs 48-52 above, I considered whether the evidence showed that the inherent distinctiveness of the earlier mark had been enhanced through the use that had been made of it. I noted that sales figures covered the period 2011-2014. Articles and promotional material also relate to this period. I acknowledge that the applicant won an award in 2016 but this was given in recognition of efforts made to adopt sustainable business practices and is not evidence of sales in the UK. Exhibit 9 indicates that as of July 2017 the applicant was seeking distribution in the UK, from which I infer that the applicant’s goods were not being traded at that time. Indeed, Ms Smith states that the applicant acquired a new distributor in January 2018.<sup>37</sup>

76. In *Minimax GmbH & Co KG v Chubb Fire Limited* [2008] EWHC 1960 (Pat), Floyd J said:

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<sup>35</sup> Transcript, page 16.

<sup>36</sup> Paragraph 34.

<sup>37</sup> Witness statement of Devonna Smith, paragraph 10.

“12. ... It is quite possible for a party to have made no real use of a mark for a period of five years but to retain a goodwill in a name sufficient to support a passing off action.

13. That this is the law can be seen from two cases which were cited to me. The first is *Ad-Lib Club v Granville* [1972] RPC 673. In that case, a night club had operated for a period of two years from 1964 to 1968 under the name AD-LIB CLUB before it was closed down for making excessive noise. Since 1966 the plaintiff company had sought alternative premises but apparently unsuccessfully. The defendant, who did not file any evidence in response to an application for an interlocutory injunction, was proposing to open a club under the same name. The Vice-Chancellor, Sir John Pennycuik, considered the question of whether a party who had ceased to trade could nevertheless maintain an action for passing off. At page 677, lines 1 to 10 he said this:

‘It seems to me clear on principle and on authority that where a trader ceases to carry on his business he may none the less retain for at any rate some period of time the goodwill attached to that business. Indeed it is obvious. He may wish to reopen the business or he may wish to sell it. It further seems to me clear in principle and on authority that so long as he does retain the goodwill in connection with his business he must also be able to enforce his rights in respect of any name which is attached to that goodwill. It must be a question of fact and degree at which point in time a trader who has either temporarily or permanently closed down his business should be treated as no longer having any goodwill in that business or in any name attached to it which he is entitled to have protected by law.’

14. More recently, in *Sutherland v V2 Music Ltd* [2002] EMLR 28, Laddie J had to consider whether the goodwill generated by a funk music band called Liberty 1, which had been formed in the late 1980s, still subsisted in March

2001. Laddie J considered the relevant principles and reviewed the authorities. At paragraph 22 he said this:

‘There is one other general matter to deal with before turning to the facts, namely the size of the claimant’s reputation. At some point a reputation may be respected by such a small group of people that it will not support a passing-off action. Neither Mr Purle nor Mr Speck were able to formulate a test for this bottom level. Mr Purle said it was a matter of fact and degree. I agree with that. The law of passing off protects the goodwill of a small business as much as the large, but it will not intervene to protect the goodwill which any reasonable person would consider trivial.’

15. It is difficult to define any minimum threshold. It will all depend on the facts. How big was the reputation when use stopped? How lasting in the public eye are the goods or services to which the mark is applied? How, if at all, has the person asserting the existence of the goodwill acted in order to keep the reputation in the public eye? The greater each of these elements is, the longer, it seems to me, it will take for any goodwill to dissipate.”

77. The total value of the wine shipped to the UK is relatively low and, in so far as it relates to the period before the relevant date, the evidence of articles and promotion is sparse. Any goodwill that existed in 2014 would have been relatively modest. I cannot see that there has been activity to keep any reputation in the public eye. I accept that the applicant attended a wine fair in July 2017, but this is just one example and I have no evidence that suggests its attendance at such an event would keep any goodwill alive in the eyes of UK wine consumers.

78. I find that there was no protectable goodwill at the relevant date and so the opposition fails under section 5(4)(a).

## **Section 5(3)**

79. Section 5(3) of the Act is as follows:

“A trade mark which –

(a) is identical with or similar to an earlier trade mark,

[...]

shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom 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.”

80. The conditions of section 5(3) are cumulative. First, the applicant must show that the earlier mark is similar to the contested mark. Secondly, it must satisfy me that the earlier mark has achieved a level of knowledge/reputation amongst a significant part of the relevant public. Thirdly, it must be established that the level of reputation and the similarities between the marks will cause the public to make a link between them, in the sense of the earlier mark being brought to mind by the contested mark. Fourthly, assuming that the first three conditions have been met, section 5(3) requires that one or more of the three types of damage claimed will occur. It is unnecessary for the purposes of section 5(3) that the goods be similar, although the relative distance between them is one of the factors which must be assessed in deciding whether the public will make a link between the marks.

81. I have already found that the marks are similar.

### ***Reputation***

82. In *General Motors Corp v Yplon SA*, Case C-375/97, the CJEU held that:

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

25. It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined.

26. The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.

27. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use and the size of the investment made by the undertaking in promoting it.

28. Territorially, the condition is fulfilled when, in the terms of Article 5(2) of the Directive, the trade mark has a reputation ‘in the Member State’. In the absence of any definition of the Community provision in this respect, a trade mark cannot be required to have a reputation ‘throughout’ the territory of the Member State. It is sufficient for it to exist in a substantial part of it.”

83. Mr Stobbs claimed that reputation had been shown and cited two cases in support of his position. These two cases were also referred to in the decision of Phillip Johnson, sitting as the Appointed Person, in *SPIRIT ENERGY*, BL O-034-20, in which he considered whether a sufficient reputation had been shown. He explained why they did not provide much assistance in determining the issue of reputation:

“12. In *Och-Ziff Management Europe Ltd & Anor v Och Capital LLP & Anor* [2010] EWHC 2599 (Ch), [2011] FSR 11, paragraph 126, Arnold J described the need to establish reputation as ‘not a particularly onerous requirement’.

This phrase has been reiterated by Arnold J on further occasions and adopted by other judges of the High Court and Appointed Persons. Nevertheless, in neither *Och-Ziff* nor in those subsequent cases was the phrase given any further elucidation. Likewise, the Court of Justice has done little to assist in clarifying when a reputation becomes 'significant'.

13. In terms of setting a threshold, Mr Hollingworth made much of the fact THE GLEE CLUB mark was found to have a reputation in *Comic Enterprises Ltd v Twentieth Century Fox Film Corp* [2014] EWHC 185 (Ch) and this finding was not overturned on appeal [2016] EWCA Civ 41. Mr Campbell, on the other hand, submitted that the issue of reputation was not in dispute in *Comic Enterprises* and so little can be taken from the court concluding it existed. He pointed out that there was no discussion of the issue of reputation and the judge simply concluded it existed ([2014] EWHC 185 (Ch), paragraph 129) and this was not challenged on appeal ([2016] EWCA Civ 41, paragraph 133). I agree with Mr Campbell that, in the absence of any reasoning and without knowing whether the issue was live in *Comic Enterprises*, it is difficult to conclude much from the decision. I should add that Mr Campbell had appeared in the case, but he could not recall whether the issue was admitted or why it was not dealt with. In the circumstances, I am not sure the case assists in addressing any threshold questions.”

84. The factors that must be considered when assessing whether a mark has a reputation are the same as those that are relevant when determining whether the distinctive character of the mark has been enhanced through use. I have discussed the evidence in paragraphs 48-52 above. For the reasons I set out there, I consider that the applicant has not shown that the earlier mark has a reputation.

85. The section 5(3) ground fails.

## **OUTCOME**

86. The application for invalidation has failed and UKTM No. 3273969 will remain registered.

## **COSTS**

87. The proprietor has been successful and is entitled to a contribution towards its costs in line with the scale set out in Tribunal Practice Notice No. 2/2016. In the circumstances, I award the proprietor the sum of £2100 which is calculated as follows:

<i>Considering the applicant's statement and preparing a counterstatement:</i>	<i>£300</i>
<i>Preparing evidence and considering the applicant's evidence:</i>	<i>£1000</i>
<i>Preparing for and attending a hearing:</i>	<i>£800</i>
<b><i>TOTAL:</i></b>	<b><i>£2100</i></b>

88. I therefore order JVW Corporation to pay Eagle Distilleries Co. the sum of £2100, which should be paid within twenty-one days of the expiry of the appeal period or within twenty-one days of the final determination of this case if any appeal against this decision is unsuccessful.

**Dated this 18th day of August 2022**

**Clare Boucher,  
For the Registrar,  
Comptroller-General**