

O-380-18

TRADE MARKS ACT 1994

**IN THE MATTER OF REGISTRATION NO. 2517140
IN THE NAME OF BB&R LIMITED
FOR THE FOLLOWING TRADE MARKS (SERIES OF TWO):**

THE JOHN MILROY SELECTION

AND

JOHN MILROY SELECTION

IN CLASS 33

AND

**AN APPLICATION FOR A DECLARATION OF INVALIDITY
UNDER NO. 501683 BY BARREL INDUSTRIES LIMITED**

Background and pleadings

1. The series of two trade marks **THE JOHN MILROY SELECTION** and **JOHN MILROY SELECTION** (number 2517140) stands registered in the name of BB&R Limited (“the proprietor”). The trade mark was applied for on 29 May 2009 and was registered on 18 September 2009 for the following goods:

Class 33: Alcoholic beverages; whisky; wines, spirits and liqueurs.

2. As nothing turns on the difference between the marks in the series I will, for convenience, refer to them in the singular.

3. On 8 June 2017, Barrel Industries Limited (“the applicant”) applied to have the contested trade mark declared invalid under s. 47 of the Trade Marks Act 1994 (“the Act”). The grounds are based on ss. 5(2)(b), 5(3) and 5(4)(a) of the Act. Under each of these grounds, the invalidity is directed against all of the goods in the specification.

4. Under ss. 5(2)(b) and 5(3), the applicant relies upon its UK trade mark number 2465041 for the mark shown below:



The mark was filed on 23 August 2007 and was entered in the register on 4 April 2008. It is registered for a range of goods and services in classes 16, 33, 35, 41 and 43. Under both of the above grounds, the opponent relies upon the following goods and services only:

Class 33: Alcoholic beverages, whisky, blended whisky, bourbon whisky, Irish whisky, malt whisky, Scottish whisky, whisky based liqueurs, wines, liqueurs, spirits, distilled beverages.

Class 35: The bringing together, for the benefit of others, of a variety of alcoholic beverages, enabling consumers to conveniently view and purchase those alcoholic beverages in a retail off-licence store; the bringing together for the benefit of others, a variety of alcoholic beverages, enabling customers to conveniently view and purchase those alcoholic beverages from a beverage catalogue by mail order or by means of telecommunications; the bringing together, for the benefit of others, of a variety of alcoholic beverages, enabling consumers to conveniently purchase those alcoholic beverages from an Internet website specialising in the sale of alcoholic beverages.

5. Given its date of filing, the above mark qualifies as an earlier mark in accordance with s. 6 of the Act. In its application for invalidation, the applicant states that it has used its trade mark in relation to all of the goods and services relied upon. This statement is made because the earlier mark is subject to the proof of use provisions contained in ss. 47(2A)-(2E) of the Act.

6. Under s. 5(2)(b), the applicant claims that: “the dominant and distinctive feature of both marks is the distinctive word MILROY. Since the goods and services are identical or highly similar, the relevant public are likely to assume that the goods emanate from the same undertaking or that there is an economic connection between them”.

7. Under s. 5(3), the applicant claims that its marks have a reputation in the UK such that use of the mark applied for would cause the relevant public to believe that there is an economic connection between the applicant and the proprietor, where no such connection exists. It claims that the use, without due cause, of the application, would confer an unfair advantage on the proprietor, who would benefit unfairly from “the power of attraction, prestige and reputation established and nurtured” by the applicant. The applicant also claims that the reputation of the earlier mark would be damaged if the goods sold by the proprietor were inconsistent with the reputation for quality enjoyed by the applicant, and that the distinctive character of the earlier mark would be diluted by

the presence on the market of a highly similar mark, “thereby impeding or nullifying the ability of the Applicant for cancellation to market effectively its goods and services”.

8. The applicant further claims under s. 5(4)(a) of the Act that the signs **MILROY’S** and **MILROY’S OF SOHO** have been used throughout the UK since at least 2005 in respect of the following goods and services:

Alcoholic beverages; whisky; retail of alcoholic beverages including whisky; mail order sale of alcoholic beverages including whisky; online sales of alcoholic beverages including whisky.

9. The applicant claims that it has acquired goodwill under the signs and that use of the contested trade mark would constitute a misrepresentation to the public, resulting in damage to the applicant’s goodwill.

10. The proprietor filed a counterstatement in which it denies the grounds of invalidity and puts the applicant to proof of use for all of the goods and services relied upon.

11. Only the applicant filed evidence. It also filed written submissions during the evidence rounds. Neither party requested a hearing and neither filed written submissions in lieu of attendance. The applicant has been represented throughout by MW Trade Marks and the proprietor by Groom Wilkes & Wright LLP.

12. This decision is taken following a careful reading of all of the papers.

Evidence

Applicant's evidence

13. This consists of the witness statement of Martyn Simpson, with twenty appendices. Mr Simpson states that he has been the Executive Director of the applicant for three years.

14. Mr Simpson says that, under the earlier trade mark and the sign “MILROY’S”, the applicant operates a shop and a bar selling whisky in the Soho area of London.¹ He explains that there is a cocktail bar in the basement of the same premises, which is called “The Vault” and which sells other alcoholic beverages.² Over 250 whiskies are said to be sold in the bar, and the applicant is said to sell whisky online and via mail order as well as holding whisky tastings at the premises, all under the registered mark and under the sign “MILROY’S” in plain and stylised form.³

15. Mr Simpson gives some background relating to the business operating at the applicant's premises.⁴ He explains that the shop trading at the applicant's premises was established in 1964 by John Milroy. He states that it began as a wine shop but expanded to sell wine, sherry, Champagne and whisky as well, and that John Milroy and his brother Wallace “became famous names in the whisky trade on an international scale”. It is said that the brothers sold their business (it is not specified when) and that the business changed hands until it was acquired by the applicant in 2014. At appendix 1 is a redacted copy of a sale agreement relating to “Milroy's of Soho”, which is said to show that the applicant acquired the assets, including the goodwill, of the business, which is defined as the “retail sale of wines and whiskey”.⁵

¹ §2.

² Ibid.

³ Ibid.

⁴ §3.

⁵ Appendix 1, pp. 2, 4, 20.

16. Appendix 2 consists of prints from the applicant's website, on which "Milroys [sic] of Soho" is visible in word-only form. The mark shown below is also present, including on bottles of whisky which are offered for sale:⁶



In addition, pages from the site's shop show other brands of whisky for sale. The website bears a copyright date of 2017. I note that master classes and tastings are advertised, with dates from October 2017.

17. At appendix 3 is a list of sales of whisky in bottles. Mr Simpson says that sales are made online and at the applicant's premises, though it is not clear what proportion of sales were to customers in the shop or distance sales to other areas of the UK. Most of the sales date between September 2016 and September 2017 (the relevant period ends in June 2017). Sales totals are, rather unhelpfully, not provided. However, they appear to run into the low tens of thousands per month. There are a number of different whiskies mentioned, all of which are identified by the name "Milroy's", including "Milroy's Blair Athol" and "Milroy's Glentauchers". The latter two names correspond to the names on bottles shown at appendix 2. These whiskies are also said to be shown at appendix 4, which shows the same mark. I note that there are five sales between March and June 2015, which total just over £400. These sales are to the same person/shop and include the comment "old logo".

18. A number of reviews are exhibited. At appendix 5 is a review of one of the applicant's whiskies, dated April 2012. The author refers to visiting the applicant's premises, of which there is also a photograph showing the registered mark. I note that the signage indicates the shop sells whiskies and wines. A board outside advertises rum. The author states that he purchased a bottle of whisky, which is shown below:

⁶ This image is actually taken from appendix 19 as it is a clearer reproduction but it appears to be identical to that at appendix 2.



19. Appendix 6 consists of a review from *The Whiskyphiles*, dated March 2015. It shows the registered mark on taster bottles, as well as the mark in black on a yellow background.

20. Appendix 7 is a review from *Whisky Discovery*, dated December 2012, of a whisky “Tweet Tasting” run by the applicant, which appears to be a distance sale. The reviewer explains that the applicant sells other spirits, such as rum, cognac and Armagnac, and that Milroy’s has “access to a portfolio of over 2,000 Champagnes, wines and fine wines”. The earlier mark is shown on whisky bottle labels, both as registered and in black on a yellow background. There is a further whisky mentioned, which is provided by the applicant but does not appear to be their own brand.

21. Appendix 8 is said to be an online summary of a podcast, which is dated December 2016. The mark in black on a yellow background is shown on a bottle of whisky.

22. A number of press articles are exhibited. These are:

- An article dated December 1994 from the *Baltimore Sun* about the applicant’s whisky business.⁷ A correspondent from the *Financial Times* is quoted as saying that Milroy’s “is London’s best address for malt whisky”;
- An article from *Whisky Magazine* about the Independent Bottlers Challenge 2006.⁸ Two whiskies are said to be from “Milroy’s of Soho” and are identified under the mark “Milroy’s”;

⁷ Appendix 9.

⁸ Appendix 10.

- An article dated November 2007 from the *Guardian* in which “Milroy’s of Soho” is mentioned.⁹ The article indicates that the shop is a whisky specialist but that it also sells wine and other spirits. Services mentioned include international mail order, tutored tastings and a service to help create a bespoke cellar;
- Articles from whisky-pages, dated April 2008 and April 2009. Prices are in sterling and whiskies are shown bearing the mark as registered and in gold on a blue background;¹⁰
- An undated copy of the applicant’s Twitter page.¹¹ The mark is visible in the form shown at paragraph 16, above. The joining date is given as May 2009 and the page notes that the business was established in 1964. It is described as an “Independent Soho whisky & spirits specialist”;
- A newsletter from the applicant’s business dated November 2010.¹² The mark is shown in white on a blue background; a number of different whiskies with their prices in sterling are mentioned;
- An article from www.tiredoflondontiredoflife.com, dated September 2011, which discusses the applicant’s shop.¹³ It is stated that the shop was founded “in the 1960s by brothers John and Wallace Milroy” as a wine merchant. The shop front is shown, which appears to be the same as at appendix 5;
- Two articles from www.whiskyintelligence.com dated January and February 2013, which appear to have been written by the applicant’s business.¹⁴ The mark is shown in white on a blue background. Several different brands of whisky are mentioned which appear to be available from the applicant’s business;
- An article dated July 2015, said to be from TimeOut magazine, about the applicant’s business.¹⁵ The article indicates that the applicant’s shop featured in its list of 100 best shops in London (the date is not specified) and there is a photograph of the shop frontage, on which the words “MILROYS” and “SOHO”

⁹ Appendix 11.

¹⁰ Appendix 12.

¹¹ Appendix 13.

¹² Appendix 14.

¹³ Appendix 15.

¹⁴ Appendices 16 and 17.

¹⁵ Appendix 18.

are visible. The fact that the shop was founded by “John ‘Jack’ Milroy” in 1964 is mentioned and there is a quotation from the shop which says that they sell whisky “plus a great range of other spirits, wine and beer”;

- A number of 2016 press releases from publications including the *Telegraph* and *Observer* about the applicant’s business and its rebranding.¹⁶ The mark shown at paragraph 16, above, is shown on bottles of whisky. I note that “Milroys of Soho” is variously referred to as “A [sic] institution in London” (p. 1), “London’s oldest whisky specialist” (pp. 2, 7, 9, 10), “London’s leading whisky specialist” (p. 4), “London’s oldest whisky shop” (p. 8) and “London based whisky specialist” (p. 9). Several of the articles point out that it is the first rebrand for the company in over fifty years.

23. A copy of the applicant’s Facebook page with a copyright date of 2017 and the mark as shown above at paragraph 16 is exhibited at appendix 20.

24. At appendix 21 is a copy of the listing for Milroy’s of Soho in the Scotch Industry Review 2016. The mark as registered is visible.

25. That concludes my summary of the evidence, so far as I consider it necessary.

Proof of use

26. Section 5 has application in invalidation proceedings because of the provisions of s. 47 of the Act. The first issue is whether, or to what extent, the applicant has shown genuine use of the earlier mark. The relevant statutory provisions are as follows:

“47. – [...]

(2) The registration of a trade mark may be declared invalid on the ground-

¹⁶ Appendix 19.

- (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) But 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 the 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) within the period of five years ending with the date of the application for the declaration the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or
- (b) 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 differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and

(b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(2D) In relation to a European Union trade mark or international trade mark (EC), any reference in subsection (2B) or (2C) to the United Kingdom shall be construed as a reference to the European Union.

(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)

[...]

(5) Where the grounds of invalidity exists 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.

(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”.

27. Section 100 of the Act is also relevant. It states that:

“100. If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it.”

28. The relevant period is the five-year period ending on the date of the application for invalidity. Consequently, the relevant period under these provisions is 7 June 2012 to 6 June 2017.

29. When considering whether genuine use has been shown, I must apply the same factors as if I were determining an application for revocation based on grounds of non-use. What constitutes genuine use has been subject to a number of judgments. In *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Ecotive Limited*, [2016] EWHC 52, Arnold J. summarised the case law on genuine use of trade marks. He said:

“219. I would now summarise the principles for the assessment of whether there has been genuine use of a trade mark established by the case law of the Court of Justice, which also includes Case C-442/07 *Verein Radetsky-Order v Bunderversvereinigung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I-9223 and Case C-609/11 *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR 7, as follows:

(1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].

(2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Centrotherm* at [71]; *Leno* at [29].

(3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Centrotherm* at [71]; *Leno* at [29].

(4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of

the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34]; *Leno* at [29]-[30], [56].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32]”.

30. I also bear in mind the comments of Daniel Alexander Q.C., sitting as the Appointed Person, in *Awareness Limited v Plymouth City Council*, BL O/236/13, where he stated that:

“22. The burden lies on the registered proprietor to prove use [...]. However, it is not strictly necessary to exhibit any particular kind of documentation, but if it is likely that such material would exist and little or none is provided, a tribunal will be justified in rejecting the evidence as insufficiently solid. That is all the more so since the nature and extent of use is likely to be particularly well known to the proprietor itself. A tribunal is entitled to be sceptical of a case of use if, notwithstanding the ease with which it could have been convincingly demonstrated, the material actually provided is inconclusive. By the time the tribunal (which in many cases will be the Hearing Officer in the first instance) comes to take its final decision, the evidence must be sufficiently solid and specific to enable the evaluation of the scope of

protection to which the proprietor is legitimately entitled to be properly and fairly undertaken, having regard to the interests of the proprietor, the opponent and, it should be said, the public,”

and further at paragraph 28:

“28. [...] I can understand the rationale for the evidence being as it was but suggest that, for the future, if a broad class, such as “tuition services”, is sought to be defended on the basis of narrow use within the category (such as for classes of a particular kind) the evidence should not state that the mark has been used in relation to “tuition services” even by compendious reference to the trade mark specification. The evidence should make it clear, with precision, what specific use there has been and explain why, if the use has only been narrow, why a broader category is nonetheless appropriate for the specification. Broad statements purporting to verify use over a wide range by reference to the wording of a trade mark specification when supportable only in respect of a much narrower range should be critically considered in any draft evidence proposed to be submitted”.

31. In *Dosenbach-Ochsner Ag Schuhe Und Sport v Continental Shelf 128 Ltd*, BL O/404/13, Geoffrey Hobbs Q.C. as the Appointed Person stated that:

“21. The assessment of a witness statement for probative value necessarily focuses upon its sufficiency for the purpose of satisfying the decision taker with regard to whatever it is that falls to be determined, on the balance of probabilities, in the particular context of the case at hand. As Mann J. observed in *Matsushita Electric Industrial Co. v. Comptroller- General of Patents* [2008] EWHC 2071 (Pat); [2008] R.P.C. 35:

[24] As I have said, the act of being satisfied is a matter of judgment. Forming a judgment requires the weighing of evidence and other factors. The evidence required in any particular case

where satisfaction is required depends on the nature of the inquiry and the nature and purpose of the decision which is to be made. For example, where a tribunal has to be satisfied as to the age of a person, it may sometimes be sufficient for that person to assert in a form or otherwise what his or her age is, or what their date of birth is; in others, more formal proof in the form of, for example, a birth certificate will be required. It all depends who is asking the question, why they are asking the question, and what is going to be done with the answer when it is given. There can be no universal rule as to what level of evidence has to be provided in order to satisfy a decision-making body about that of which that body has to be satisfied.

22. When it comes to proof of use for the purpose of determining the extent (if any) to which the protection conferred by registration of a trade mark can legitimately be maintained, the decision taker must form a view as to what the evidence does and just as importantly what it does not ‘*show*’ (per Section 100 of the Act) with regard to the actuality of use in relation to goods or services covered by the registration. The evidence in question can properly be assessed for sufficiency (or the lack of it) by reference to the specificity (or lack of it) with which it addresses the actuality of use”.

32. Whilst I bear in mind that not all commercial use may be deemed genuine, the purpose of assessing genuine use is not to determine the economic success of a company or whether there has been large-scale commercial use; rather it is to assess whether any use which has been shown is the type of use which is appropriate in the sector for creating a market share for the relevant goods or services.

Form of the mark

33. There is evidence that the mark has been used in its registered form at various times in the relevant period.¹⁷ There is also evidence that the mark has been used in the same stylised form but in different colours during the relevant period.¹⁸ I do not consider that the use of the mark in a different colour palette but with no other alterations has any effect on its distinctive character. I find that the use shown is use of the mark as registered, or at least use of the mark in a form which does not alter the distinctive character of the mark as registered, upon which the opponent is entitled to rely.¹⁹

Genuine use

34. The applicant has not provided a great deal of evidence of sales, nor has such evidence as there is been provided in a particularly helpful format. The documented sales in the relevant period are largely restricted to a ten-month period from September 2016. They are likely to represent a tiny fraction of the market. However, there is also evidence in the form of articles in both online publications and in national newspapers that the applicant produces its own-brand whisky and that it sells both own-brand and other producers' whiskies. It is clear from the evidence that the retail premises have been in operation for many years, with the sale of whisky being the primary focus, and that the applicant also sells its goods online. All of this suggests that the applicant's reach is not restricted to passing trade in the vicinity of the shop but that it has attempted to carve out a market share in the UK as a whole, at least in relation to the whisky market. I am satisfied that, although modest, the use shown is sufficient to constitute genuine use.

¹⁷ Appendices 6 and 7.

¹⁸ Appendices 6, 7, 8, 16 and 17.

¹⁹ Section 6A(4)(a) of the Act refers.

Fair specification

35. I now turn to the question of what is a fair specification upon which the applicant may rely. In *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*, BL O/345/10, Geoffrey Hobbs Q.C. as the Appointed Person summed up the law as being:

“In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned”.

36. In *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors* [2016] EWHC 3103 (Ch), Mr Justice Carr summed up the law relating to partial revocation as follows.

“iii) Where the trade mark proprietor has made genuine use of the mark in respect of some goods or services covered by the general wording of the specification, and not others, it is necessary for the court to arrive at a fair specification in the circumstance, which may require amendment; *Thomas Pink Ltd v Victoria's Secret UK Ltd* [2014] EWHC 2631 (Ch) (“Thomas Pink”) at [52].

iv) In cases of partial revocation, pursuant to section 46(5) of the Trade Marks Act 1994, the question is how would the average consumer fairly describe the services in relation to which the trade mark has been used; *Thomas Pink* at [53].

v) It is not the task of the court to describe the use made by the trade mark proprietor in the narrowest possible terms unless that is what the average

consumer would do. For example, in *Pan World Brands v Tripp Ltd* (Extreme Trade Mark) [2008] RPC 2 it was held that use in relation to holdalls justified a registration for luggage generally; *Thomas Pink* at [53].

vi) A trade mark proprietor should not be allowed to monopolise the use of a trade mark in relation to a general category of goods or services simply because he has used it in relation to a few. Conversely, a proprietor cannot reasonably be expected to use a mark in relation to all possible variations of the particular goods or services covered by the registration. *Maier v Asos Plc* [2015] EWCA Civ 220 ("Asos") at [56] and [60].

vii) In some cases, it may be possible to identify subcategories of goods or services within a general term which are capable of being viewed independently. In such cases, use in relation to only one subcategory will not constitute use in relation to all other subcategories. On the other hand, protection must not be cut down to those precise goods or services in relation to which the mark has been used. This would be to strip the proprietor of protection for all goods or services which the average consumer would consider to belong to the same group or category as those for which the mark has been used and which are not in substance different from them; *Mundipharma AG v OHIM* (Case T-256/04) ECR II-449; EU:T:2007:46".

37. The only documentary evidence of sales relates to whisky. There is, moreover, no indication in the evidence that the applicant produces any other beverage under the mark. As far as the retail services are concerned, the picture is more complicated. Although in its written submissions the applicant comments on the similarity between the goods in the respective specifications in their totality, it points towards use of the earlier mark only in relation to whiskies and the sale of whiskies. Mr Simpson's evidence is not entirely clear on the point: he refers to the shop selling whisky (bar services themselves are not proper to class 35) and stresses the applicant's notoriety as a whisky specialist. However, he also explains that the shop "started as a wine shop and

expanded to sell wine, sherry, Champagne and whisky". There is evidence, in the form of the sale agreement dated in the relevant period, which suggests that the business retailed both whisky and wine. Evidence from April 2012 shows the shop front advertising whisky and wine. I acknowledge that this pre-dates the relevant period by two months but, when considered in light of the evidence which indicates that the 2016 rebrand was the first in fifty years, it is likely that the premises retained the same frontage at least during the early part of the relevant period. Further, there are two articles from December 2012 and July 2016 (i.e. within the relevant period) which refer to the applicant selling spirits and wines.²⁰ Finally, I bear in mind that the applicant's evidence is unchallenged.

38. I note that whisky belongs to a more general category of beverages, namely spirits. However, in my view, the average consumer will see whisky as a distinct subcategory of spirits and restriction of the goods in class 33 to "whisky" would not, in those circumstances, be overly restrictive. In relation to the retail services, whilst I acknowledge the applicant's comments that obtaining evidence of use from previous owners is not easy, the fact remains that the applicant acquired the business three years before the end of the relevant period. It is, as the case law cited above makes clear, the responsibility of the owner of the earlier mark to demonstrate the use that has been made of the mark, and the applicant ought to have been able to show with relative ease the level of sales or turnover, in relation to both the goods and the services, for the period of its own ownership of the business. I have, therefore, considered whether the applicant's specification in class 35 ought to be restricted to the retail of whisky. However, looking at the picture as a whole, I conclude that the evidence indicates retail services used in relation to a wider range of goods. A fair specification upon which the applicant may rely is:

Class 33: Whisky

Class 35: Retail of alcoholic beverages.

²⁰ Appendices 7 and 18.

Section 5(2)(b)

39. Section 5(2)(b) of the Act 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”.

40. The following principles are gleaned from the decisions of the EU courts 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 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 are:

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

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the

imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

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

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

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

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

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

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

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

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

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

The average consumer and the nature of the purchasing act

41. It is necessary for me to determine who the average consumer is for the respective parties' goods and services. I must then decide the manner in which these goods and services are likely to be selected by the average consumer in the course of trade. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods and services in question: *Lloyd Schuhfabrik*.

42. 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”.

43. I have no submissions from the parties on this point. The average consumer of the goods at issue is a member of the public over eighteen. For the applicant's retail services, the average consumer will also include adult members of the public. However, given that the services will be used to market other companies' products, there will be a second group of average consumer for the retail services, namely business consumers.

44. The goods at issue are sold through a range of channels including restaurants, bars and public houses. They are also commonly sold in supermarkets, off-licences and their online equivalents. In restaurants, bars and public houses, the goods are likely to be on display, for example in bottles, in optics or in fridges behind the bar. They may also be shown on drinks menus, where the trade mark will be visible. While I do not discount that there may be an aural component in the selection and ordering of the goods in bars, restaurants and public houses, this is likely to take place after a visual inspection of the bottles or drinks menu (see *Simonds Farsons Cisk plc v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-3/04 (GC)). In retail premises, the goods at issue are likely to be displayed on shelves, where they will be viewed and self-selected by the consumer. A similar process will apply to websites, where the consumer will most likely select the goods having viewed an image displayed on a web page. I am, therefore, of the view that the selection of the goods at issue will be primarily visual, although aural considerations will play a part. When purchasing the various different alcoholic beverages, the average consumer is likely to be attentive to the level of alcohol, as well as taking some care to choose a particular type or flavour of beverage. These goods will be purchased with an average level of attention.

45. The retail services at issue are also likely to be purchased by mainly visual means, for example by viewing the shop front or website, promotional brochures and other advertising, both in print and online. I do not discount that there may be an aural component to the purchase, stemming principally from aural recommendations. Factors such as the range of services offered, as well as the range of goods and brands available, are likely to influence the consumer who is a member of the public, leading to an average degree of attention being paid to the selection. For the business consumer, additional factors such as the cost of the service, particularly if repeat contracts and large volumes of goods are involved, will lead to a reasonably high level of attention being paid.

Comparison of goods

46. The goods and services to be compared are:

Earlier specification	Contested specification
Class 33: Whisky Class 35: Retail of alcoholic beverages.	Class 33: Alcoholic beverages; whisky; wines, spirits and liqueurs.

47. When making the comparison, all relevant factors relating to the goods and services in the specification should be taken into account. In *Canon*, the Court of Justice of the European Union (“CJEU”) stated at paragraph 23 of its judgment:

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

48. Guidance on this issue has also come from Jacob J. (as he then was) *British Sugar Plc v James Robertson & Sons Ltd* (the *Treat* case), [1996] R.P.C. 281, where he identified the factors for assessing similarity as:

- (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.

49. In *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T- 133/05, the General Court (“GC”) stated that:

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

50. In *Kurt Hesse v OHIM*, Case C-50/15 P, the 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 Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06, the 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”.

51. In *Sanco SA v OHIM*, Case T-249/11, the GC indicated that goods and services may be regarded as ‘complementary’ and therefore similar to a degree in circumstances where the nature and purpose of the respective goods and services are very different, i.e. *chicken* against *transport services for chickens*. The purpose of examining whether there is a complementary relationship between goods/services is to assess whether the relevant public are liable to believe that responsibility for the goods/services lies with the same undertaking or with economically connected undertakings. As Daniel Alexander Q.C. noted as the Appointed Person in *Sandra Amelia Mary Elliot v LRC Holdings Limited* BL O/255/13:

“It may well be the case that wine glasses are almost always used with wine – and are, on any normal view, complementary in that sense - but it does not follow that wine and glassware are similar goods for trade mark purposes”.

52. I also bear in mind Mr Alexander’s comments in the same case, where he warned against applying too rigid a test when considering complementarity:

“20. In my judgment, the reference to “legal definition” suggests almost that the guidance in Boston is providing an alternative quasi-statutory approach to evaluating similarity, which I do not consider to be warranted. It is undoubtedly right to stress the importance of the fact that customers may think that responsibility for the goods lies with the same undertaking. However, it is neither necessary nor sufficient for a finding of similarity that the goods in question must be used together or that they are sold together. I therefore think that in this respect, the Hearing Officer was taking too rigid an approach to Boston”.

53. The applicant has made no more specific submissions than a claim that the respective goods are identical and that the proprietor's goods are similar to the applicant's services.

Class 33 v Class 33

54. The term "whisky" appears in both specifications and is self-evidently identical. Whisky is also falls within the terms "alcoholic beverage" and "spirit" in the contested specification. These terms are identical on the basis of the principle outlined in *Meric*. As far as "liqueurs" in the application is concerned, the goods share a similar purpose with "whisky" and, particularly as "liqueurs" includes whisky-based liqueurs, a similar nature. The goods are likely to be consumed in short measures and will share channels of trade. There is a potentially competitive relationship but they are not complementary in the sense defined in the case law. They are similar to a high degree.

55. That leaves "wines". Although, like whisky, wine is an alcoholic beverage, the European courts have consistently held that there is very little or no similarity between different categories of alcoholic beverage. In particular, in *Bodegas Montebello*, Case T-430/07 (ECLI:EU:T:2009:127), officially published only in French and Spanish, the court held that wine and rum were very different goods. In *Coca-Cola v OHIM*, Case T-175/06, [2008] ECR II-1055 (*Mezzopane*), the GC held that there was little similarity between wine and beer, whilst in *Yilmaz v OHIM*, Case T-584/10 (ECLI:EU:T:2012:518) the GC found that tequila and beer were dissimilar. Whilst the question of similarity between whisky and wine has been considered by the Appointed Person (*BALMORAL TM* [1999] RPC 297), with the conclusion that the goods were similar, the determination was based on the UK market at the time (1998) and pre-dates the European jurisprudence, which is preferred.

56. Wine and whisky are similar in purpose to the extent that they are both drunk for a pleasurable drinking experience, which may include the intoxicating effects of alcohol. However, the goods are not produced from the same basic ingredients (grapes as against grain) and the production methods of fermentation and distillation are different.

57. They have very different alcohol content and wine is normally consumed in much larger measures than whisky. Whilst wine is typically drunk with a meal, the same cannot be said of whisky: there may be some competition in that both drinks are capable of meeting the same need, though as the consumer is likely to perceive the goods as two distinct products, I do not consider that the substitution of wine for whisky is a typical competitive choice made by the consumer. There is nothing to suggest that the consumer will not be aware of or will not notice the distinguishing characteristics between wine and whisky as regards their composition and method of production. There is no evidence to suggest that whisky and wine are commonly produced by the same manufacturer, nor that, given the differences in the nature of the goods, the average consumer would perceive the goods as being produced by the same undertakings. The goods are not complementary. Overall, there is no meaningful similarity.

Class 33 v Class 35

58. In *Oakley, Inc v OHIM*, Case T-116/06, at paragraphs 46-57, the GC held that although retail services are different in nature, purpose and method of use to goods, retail services for particular goods may be complementary to those goods and distributed through the same trade channels, and therefore be similar to a degree.

59. In *Tony Van Gulck v Wasabi Frog Ltd*, Case BL O/391/14, Geoffrey Hobbs Q.C. as the Appointed Person reviewed the law concerning retail services v goods. He said (at paragraph 9 of his judgment) that:

“9. The position with regard to the question of conflict between use of **BOO!** for handbags in Class 18 and shoes for women in Class 25 and use of **MissBoo** for the Listed Services is considerably more complex. There are four main reasons for that: (i) selling and offering to sell goods does not, in itself, amount to providing retail services in Class 35; (ii) an application for registration of a trade mark for retail services in Class 35 can validly describe the retail services for which protection is requested in general terms; (iii) for

the purpose of determining whether such an application is objectionable under Section 5(2)(b), it is necessary to ascertain whether there is a likelihood of confusion with the opponent's earlier trade mark in all the circumstances in which the trade mark applied for might be used if it were to be registered; (iv) the criteria for determining whether, when and to what degree services are 'similar' to goods are not clear cut."

60. However, on the basis of the European courts' judgments in *Sanco SA v OHIM*,²¹ and *Assembled Investments (Proprietary) Ltd v. OHIM*,²² upheld on appeal in *Waterford Wedgewood Plc v. Assembled Investments (Proprietary) Ltd*,²³ Mr Hobbs concluded that:

i) Goods and services are not similar on the basis that they are complementary if the complementarity between them is insufficiently pronounced that, from the consumer's point of view, they are unlikely to be offered by one and the same undertaking;

ii) In making a comparison involving a mark registered for goods and a mark proposed to be registered for retail services (or vice versa), it is necessary to envisage the retail services normally associated with the opponent's goods and then to compare the opponent's goods with the retail services covered by the applicant's trade mark;

iii) It is not permissible to treat a mark registered for 'retail services for goods X' as though the mark was registered for goods X;

iv) The GC's findings in *Oakley* did not mean that goods could only be regarded as similar to retail services where the retail services related to exactly the same

²¹ Case C-411/13P

²² Case T-105/05, at paragraphs [30] to [35] of the judgment.

²³ Case C-398/07P

goods as those for which the other party's trade mark was registered (or proposed to be registered).


61. All of the proprietor's goods are alcoholic beverages, of one type or another. The applicant may rely on the retail of alcoholic beverages at large. The goods and services do not share a similar nature, purpose or method of use. There is no competition between the goods and the services. However, the users will intersect, albeit at a general level, as will channels of trade. There is a complementary relationship between the goods and services, as they are not only important for the other but it is also commonplace for retailers of alcoholic beverages to produce their own alcoholic drinks for sale, of which the applicant's evidence provides but one example. The nature of the relationship between the various alcoholic beverages in the contested specification and the retail of alcoholic beverages at large is sufficiently pronounced that I consider there to be a medium degree of similarity between the goods on the one hand and the services on the other.

Comparison of trade marks

62. 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 at paragraph 34 of its judgment 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 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”.

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

Earlier mark	Contested mark (series of two)
	<p>(i) THE JOHN MILROY SELECTION</p> <p>(ii) JOHN MILROY SELECTION</p>

64. The applicant submits that the respective trade marks are highly similar. It claims that “MILROY” is distinctive, whereas “[the] other elements in the respective marks are less distinctive”; what is more, it asserts that the word “MILROY” dominates the contested mark. I have no submissions from the proprietor on this point.

65. The earlier mark consists of the word “MILROY’S” positioned above the words “OF SOHO”. All of the words are presented in capital letters but “MILROY’S” is noticeably larger. The font used is very slightly stylised but unremarkable, and the words are presented in blue. Either side of the words “OF SOHO” is a horizontal blue line. The overall impression is dominated by the word “MILROY’S”, which has an independent distinctive role. The words “OF SOHO” will indicate to the average consumer the place of business and will be given no trade mark significance. The stylisation and horizontal lines play a very minor role in the overall impression.

66. Mark (i) in the series of contested marks consists of the words “THE JOHN MILROY SELECTION” presented in capital letters. The words form a phrase, indicating that the selection is that of John Milroy. None of the words is more dominant than the others in

the overall impression, which rests in the mark as a whole, though I accept that the non-distinctive meaning of “THE” and “SELECTION” is likely to result in the words “JOHN MILROY” playing a greater role in the consumer’s recall of the mark.

67. The same considerations apply to mark (ii) in the series, which is the words “JOHN MILROY SELECTION” presented in capital letters. Nothing turns on the absence of the definite article: the words “JOHN MILROY SELECTION” form a phrase, with the same meaning as the first mark in the series, which none of the individual words dominates. As with mark (i), the overall impression of mark (ii) in the series also rests in the mark as a whole.

68. Considering first mark (i), both parties’ marks contain the word “MILROY”, although it is in possessive form in the earlier mark. There are differences between the earlier mark and mark (i) because of the presence of the possessive “S” and the words “OF SOHO” in the earlier mark and “THE”, “JOHN” and “SELECTION” in the later mark, as well as presentational differences. Bearing in mind the dominance in the earlier mark of the word “MILROY’S”, I consider that there is a fairly low (between low and medium) degree of visual similarity between the marks. I do not consider that the absence of the word “THE” in mark (ii) materially affects the degree of visual similarity between that mark and the earlier mark: these marks are visually similar to a fairly low degree.

69. The stylisation in the earlier mark will not be articulated. The words “OF SOHO” are also unlikely to be articulated in the earlier mark, given their descriptive connotations. All of the words in both later marks will be articulated. Later mark (i) is, therefore, four words and seven syllables long, as contrasted with the single word and two syllables of the earlier mark. The shared word “MILROY’S”/“MILROY” is almost identical. Overall, there is a fairly low degree of aural similarity. Again, I do not consider that the absence in mark (ii) of the word “THE” materially affects the aural comparison: the marks are aurally similar to a fairly low degree.

70. The word “MILROY’S” will, in my view, be perceived as the possessive form of the known but not common surname “MILROY”. “MILROY” in the later mark will be understood as the surname of “JOHN”, an individual. There is some conceptual difference because of the inclusion of a location, “SOHO”, in the earlier mark and the idea of a “selection” in the later mark, though these are not distinctive concepts. The presence of the word “THE” in mark (i) does not make a material difference. The earlier mark is conceptually similar to both mark (i) and mark (ii) to a medium degree.

Distinctive character of the earlier trade mark

71. The distinctive character of the earlier mark must be assessed, as the more distinctive the earlier mark, either inherently or through use, the greater the likelihood of confusion (*Sabel* at [24]). In *Lloyd Schuhfabrik*, 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-2779, 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)".

72. The level of distinctive character of a trade mark can vary, depending on the particular goods and services at issue: a mark may be more distinctive for some goods and services than it is for others. Distinctiveness can also be enhanced through use of the mark. There has been no explicit claim of enhanced distinctiveness but evidence of use has been filed. However, the sales figures are modest, and only relate to sales of whisky. There are no overall turnover figures and there is no indication of the size of the relevant market, though it is likely to be very large. No details of advertising spend are provided and whilst there is some evidence which goes to the geographical spread of the use, it is limited. The evidence is not sufficient to establish that the mark benefits from an enhanced level of distinctive character.

73. Turning to the inherent position, whilst the words "OF SOHO" are non-distinctive, the word "MILROY'S" is a surname which is not allusive in relation to the goods or services at issue. I bear in mind that the use of surnames is not unusual in the sector but nor is "MILROY", in my view, a very common surname. In short, I see no reason why the earlier mark is possessed of a particularly weak distinctive character. The mark is inherently distinctive to a medium degree.

Likelihood of confusion

74. The factors considered above have a degree of interdependency (*Canon* at [17]), 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 services and vice versa. A global assessment of the competing factors must be made when determining whether there is a likelihood of confusion (*Sabel* at [22]). It is a matter of considering the various factors from the perspective of the average consumer and deciding whether they are likely to be confused. In making my assessment, I must 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 he has retained in his mind (*Lloyd Schuhfabrik* at [26]). Confusion can be direct (where the average consumer mistakes one mark for the other) or indirect (where the average consumer realises the marks are not the same but puts the similarity that exists between the marks/goods down to the responsible undertakings being the same or related). Indirect confusion was explained by Iain Purvis, Q.C., sitting as the Appointed Person, in *L.A. Sugar Limited v By Back Beat Inc.*, BL O/375/10, where he stated 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.

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”).

75. In *Duebros Limited v Heidler Cenovis GmbH*, BL O/547/17, James Mellor Q.C., sitting as the Appointed Person, stressed that a finding of indirect confusion should not be made merely because the two marks share a common element. In this connection, he pointed out that it is not sufficient that a mark merely calls to mind another mark. This is mere association not indirect confusion.

76. The marks are visually and aurally similar to a fairly low degree. They have a medium level of conceptual similarity and the earlier mark has a medium degree of inherent distinctive character. The purchase will be dominated by visual considerations, which makes the visual similarity between the marks a factor of particular importance, and the consumer’s level of attention will vary from medium to reasonably high. It is settled law that, where different levels of attention are in play, the position must be considered from the perspective of the least attentive consumer.

77. Taking first the identical goods, I consider that the visual and aural differences between the marks are sufficient to avoid direct confusion, even when the consumer is paying no higher than an average degree of attention. As a lesser degree of similarity between the goods is less likely to lead to confusion, it follows that I do not consider that there is any risk of direct confusion in relation to the remaining goods (it is, of course, not possible for there to be confusion where the goods are not similar at all: *Waterford Wedgwood plc v OHIM* – C-398/07 P (CJEU) and *eSure Insurance v Direct Line Insurance*, [2008] ETMR 77 CA at [49]).

78. Regarding indirect confusion, I acknowledge that there is only a fairly low degree of visual and aural similarity between the marks. I also note that the earlier mark is a surname and the later mark identifies an individual, albeit one who has the same surname. However, the forename in the later mark is very common forename. The presence of a known but not common surname in the earlier mark, repeated and combined with a very common forename, when coupled with the absence of other features which would assist the average consumer in drawing a clear conceptual distinction between the marks, will lead, in my view, to indirect confusion. Although the average consumer is unlikely to mistake one mark for the other, s/he is likely to perceive the later mark as a sub-brand of the earlier mark and assume that there is an economic connection between the entities providing the goods. There is a likelihood of indirect confusion.

79. The goods which are not identical are similar either to the goods in the earlier mark to a high degree, or are similar to the applicant's services to a medium degree. For all of these contested goods, I consider that there remains a likelihood of indirect confusion, for the reasons given above. The lesser degree of similarity between the proprietor's goods and the applicant's goods and services, even those which are similar only to a medium degree, is not sufficient to offset the conceptual similarity between the marks and the likely perception of the later mark as a secondary brand of the applicant. There is a likelihood of confusion.

Conclusion

80. The application for invalidation has succeeded in full and the subject registration is hereby declared invalid. Under the provisions of Section 47(6) of the Act, it is deemed never to have been made.

Other grounds

81. As the application for invalidation has succeeded in full under s. 5(2)(b), there is no need for me to consider the remaining grounds as to do so would not materially improve the applicant's position.

Costs

82. The applicant has been successful and is entitled to an award of costs. Awards of costs are governed by Tribunal Practice Notice ("TPN") 2/2016. Bearing that guidance in mind but allowing for the fact that the proprietor filed no evidence or submissions for the applicant to consider, I award costs to the applicant as follows:

Official fee:	£200
Preparing a statement and considering the other side's statement:	£200
Preparing evidence and written submissions:	£500
Total:	£900

83. I order BB&R Limited to pay Barrel Industries Limited the sum of **£900**. 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 21st day of June 2018

**Heather Harrison
For the Registrar**