

TRADE MARKS ACT 1938 (AS AMENDED)
AND TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION No 1475209
BY GENERAL CIGAR COMPANY INC.
TO REGISTER A TRADE MARK
CIFUENTES WINKS
IN CLASS 34

AND IN THE MATTER OF OPPOSITION THERETO
UNDER NUMBER 41996
BY PARTAGAS Y CIA SA

BACKGROUND

1) On 2 September 1991, General Cigar Co., Inc., of 387 Park Avenue South, New York, New York 10016 - 8899, United States of America applied under Section 29(1)(a) of the Trade Marks Act 1938 for registration of the trade mark CIFUENTES WINKS in respect of "Cigars; all included in Class 34." The application contains a disclaimer of any exclusive right to the use of the word "Cifuentes". The mark proceeded because of prior rights in Registration No. 1465454 (5944, 7346).

2) On 9 February 1995, Partagas Y Cia SA, filed notice of opposition to the application. The grounds of opposition are in summary:

1) The opponent and predecessors have used the name and trade mark CIFUENTES in relation to cigars for many years and are well known in the trade and by the relevant public. They have a reputation in the UK and use of the mark in suit will be detrimental to the distinctive character and repute of the opponent's name and mark.

2) The mark in suit is not adapted to distinguish, nor is it capable of distinguishing the goods of the applicant and so the application offends against Sections 9 & 10 of the Trade Marks Act 1938.

3) Use by the applicant of the mark in suit on the goods for which it is sought to be registered would be likely to deceive or cause confusion and will be disentitled to protection in the Court of Justice. Use by the applicants would be contrary to Section 11 and 56 of the Trade Marks Act 1938.

4) The applicant is not entitled to claim to be the proprietor of the mark in suit, and has no bona fide intention of using the mark in suit as a trade mark on the goods for which registration is sought. Registration would therefore be contrary to Sections 17 & 68 of the Trade Marks Act 1938.

5) The application should be refused in accordance with the Registrar's discretion under Section 17(2) of the Trade Marks Act 1938.

3) The applicant filed a counterstatement denying all the grounds of opposition. The applicant also ask the Registrar to exercise his discretion in their favour and both sides seek an award of

costs in their favour. Both sides filed evidence in these proceedings and the matter came to be heard on 21 February 2001, when the applicant was represented by Mr Engelman of Counsel instructed by Messrs Edward Evans & Co. The opponent was represented by Mr Porteous of Messrs Grant Spencer Caisly & Porteous.

4) By the time this matter came to be decided the Trade Marks Act 1938 had been repealed in accordance with Section 106(2) and Schedule 5 of the Trade Marks Act 1994. In accordance with the transitional provisions set out in Schedule 3 to that Act, however, I must continue to apply the relevant provisions of the old law to these proceedings. Accordingly, all references in this decision are references to the provisions of the Trade Marks Act 1938 (as amended) unless otherwise indicated.

OPPONENT'S EVIDENCE

5) The opponent filed two statutory declarations. The first, dated 8 October 1996, is by Leopoldo Cifuentes Heredia the President of Partagas y Cia S.A.. This company is the major stockholder in International Cifuentes and has affiliates, Cifuentes y Cia S.A. and Partagas y Cifuentes S.A.

6) Senor Heredia states that the name CIFUENTES is "already well known within the international cigar industry as denoting the products of my company and/or its affiliated companies." He provides a potted history of the business which in Cuba in 1916 became known as Cifuentes y Compania S.R.C. Following on from his grandfather the company was run by his uncle and his father. Senor Heredia states that six marks were registered in the UK. At exhibit LCH-1 he provides copies of documents for the following:

Registration number	mark	class	goods
275295	Modelo de Cuba Havana	45	Cigars
294362	Partagas	45	Cigars
342327	Ramon Allones	45	Havana cigars, havana cigarettes
367121	Rallones	45	Havana cigars, havana cigarettes
499528	Ramon Allones	45	Havana cigars
502954	Partagas	45	Havana cigars.

8) These marks are still shown on the UK Register as being owed by Ramon Cifuentes Toriello, Rafael Cifuentes Toriello and Manuel Cifuentes Toriello.

9) In 1982 Cifuentes y Compania S.R.C. sold to International Cifuentes S.A. fifteen trade marks. These are listed in exhibit LCH-2 which is a copy of the contract of sale, dated 8

February 1982. The sale included the mark Cifuentes. Senor Heredia states that the mark Cifuentes is a registered trade mark in Spain and Finland and at exhibit LCH-3 copies of the registrations are provided. These show three different trade marks which all contain the word CIFUENTES together with a combination of different words and devices.

10) The second declaration, dated 24 October 1996, is by Richard Harvey, an investigator of Julian Hill Associates. Mr Harvey states that he has specialised in investigative work relating to intellectual property matters for a number of years. In this instance he was instructed to ascertain the recognition in the UK tobacco and cigar trade of the name Cifuentes in the context of cigars.

11) He states that a search was carried out by International Directory Enquiries of Havana, Cuba for both Union de Empresas del Tabaco , and Habanos. A listing was located for Habanos SA and contact made with their export department. They stated that they no longer produce Cifuentes cigars and had stopped manufacture of these ten years previously. They were also unaware of another manufacturer using the name Cifuentes. Quite why this inquiry was undertaken was not explained.

12) Mr Harvey then made enquiries with eight tobacconists and importers of tobacco. Four had never heard of the name. Two recognised the name but either could not assist further or believed that it was only available in the USA not the UK. The other two knew of Aturo Fuente Cigars and believed that Cifuentes might be a product of Dominica. Enquiries of the Dominican Embassy and Chamber of Commerce were not replied to.

APPLICANT'S EVIDENCE

13) The applicant filed a declaration, dated 29 October 1997, by John M Rano, the Senior Vice President, Premium Marketing and Product Development of General Cigar Co., Inc. He has held this position for three years and has been employed by the company or its affiliates for thirteen years.

14) Mr Rano comments that the opponent's evidence shows no use of the mark in the UK. He also confirms that his company does intend to use the mark in relation to cigars in the UK. At exhibit JMR1 is a copy of an order placed for the products in 1997 by the applicant's UK affiliate. At exhibits JMR2-4 Mr Rano provides copies of registration certificates for the marks "Cifuentes" in the USA dated 18 July 1978 (stating "first use at least as early as 31 March 1949"). The mark "Winks" in the USA dated 25 August 1992 (stating first use May 1991) and the mark "Winks" in the UK dated 29 November 1990. Both the "WINKS" mark are registered for Cigars in Class 34, whilst the "Cifuentes" mark is registered for "Tobacco products- namely cigars".

OPPONENT'S EVIDENCE IN REPLY

15) The opponent filed two declarations in reply, both are by Jacqueline Helen Simpson a trade mark attorney working for GSCP Partnership. The first declaration is dated 28 April 1999.

16) In this declaration Ms Simpson includes as exhibit JHS1 a declaration by Rafael Cifuentes Cortes, the purpose of which is “to confirm that the trade mark CIFUENTES has been used in the UK under the express authorisation of the opponent.” This claim is supported by two letters from the applicant to Senor Cortes referring to the payment of royalties paid by the applicant in return for authorisation by the opponent to use the mark in the UK. Ms Simpson states that the letters attached to Senor Cortes’ declaration “demonstrate that General Cigar Co., Inc., recognise that the trade mark Cifuentes is the property of Partagas Y Cia S.A.”.

17) Senor Cortes states that he is the Managing Director of Partagas y Cia SA, and that he attaches two letters from the applicant relating to royalties covering 1997 for the use of the mark CIFUENTES. The first letter is dated 13 April 1998 from the applicant with a USA address and refers to an enclosed cheque for US\$63,692 for the six month period ending 31 December 1997 which the letter states “This covers royalties for the use of the Cifuentes trade mark”. The second letter dated 28 October 1998 refers to two cheques for the “royalties due for the period January to June 1998”.

18) In her second declaration dated 14 January 2000 Ms Simpson corrects the statement made in her earlier declaration. She had wrongly stated that the royalties were paid for use of the mark in the UK. In fact the royalties related to use of the mark in the USA. However, she states that the agreement to use the mark related to the USA only. She claims that:

“I am advised that in 1974 Rafael and Ramon Cifuentes Toriello entered into an agreement with General Cigar Co., Inc., in relation to the trade marks Cifuentes, Ramon Allones and Partagas in respect of the US market and in 1982 Rafael and Ramon Cifuentes Toriello sold all the trade marks they owned to International Cifuentes S.A a company incorporated under the laws of Spain and in the same ownership as Partagas Y Cia S.A.”

APPLICANT’S EVIDENCE IN REPLY

19) The applicant filed a declaration, dated 1 November 1999, by A. Ross Wollen the General Counsel, Senior Vice President and Secretary of the General Cigar Co., Inc., a position he has held for fifteen years, having been employed by the company for twenty one years.

20) Mr Wollen refutes the claim that the applicant has entered into an agreement with the opponent to use the mark in the UK. He states that the payments relate to an assignment of the trade mark in the USA, which involves the payment of royalties for “a certain period of time, still extant, based on the assignee’s United States sales under the assigned marks”. Later in the same paragraph he confirms that the assigned marks in the USA are “Cifuentes” and “Cifuentes Winks”.

21) He also refutes the claim that these payments confirm that the applicant recognises the mark in suit to be the property of the opponent. He states that “no other party enjoyed any unregistered trade mark rights in the UK with regard to either Cifuentes or Cifuentes Winks prior to the subject application.”

22) Mr Wollen also contends that:

“Opponent has alleged only that it is a related company of an entity, International Cifuentes S.A., which is a successor-in-interest to Cifuentes Y Compania with regard to registrations of the mark Cifuentes in countries other than the UK. As established above, applicant is itself a successor-in-interest to Cifuentes Y Compania with regard to the registered trade mark rights to Cifuentes in the USA.”

“Moreover, applicant has long enjoyed a close relationship with members of the Cifuentes family who comprised the assignor firm Cifuentes Y Compania. Specifically, Ramon Cifuentes Toriello, a member of the firm Cifuentes Y Compania and the signator on behalf of assignor in the assignment of trade mark rights to applicant produced above as exhibit ARW1, for over thirty years has had a contractual consultancy agreement with applicant and/ or its affiliated companies, which contract is still in effect.”

23) Exhibit ARW1 is a copy of an assignment between Cifuentes Y Compania and the applicant in suit. The agreement, effective from 1 March 1975, was between “Cifuentes Y Compania a firm composed of Ramon Cifuentes Toriello, Rafael Cifuentes Toriello and Manuel Cifuentes Toriello” and the applicant. The agreement stated that Cifuentes Y Compania “does hereby sell, assign and transfer” to the applicant in suit “the entire right, title and interest in and to the trademarks, together with the goodwill of the business symbolized by the marks, and the following registrations thereof.”

24) The six trade marks listed were, RAMON ALLONES and design, PARTAGAS, PARTAGAS and design, RAMON ALLONES and design, PARTAGAS etc and design and CIFUENTES.

25) Registration numbers and dates of registration were listed alongside each of the six marks.

26) The document at exhibit ARW1 does not refer to any payments, nor are there any restrictions in terms of geographical areas.

DECISION

27) Although the skeleton argument of the opponent referred to all the grounds of opposition, at the hearing Mr Porteous withdrew all the grounds of opposition except for those under Section 17(1) & (2).

28) The opponents have claimed that the registration should be refused under Section 17(1) which reads as follows:

17. - (1) Any person claiming to be the proprietor of a trade mark used or proposed to be used by him who is desirous of registering it must apply in writing to the Registrar in the prescribed manner for registration either in Part A or in part B of the register.

29) In the case of Al Bassam [1995] RPC 511 head note five states:

“The fact that A might have devised the mark, was the registered proprietor of it in Saudi Arabia and elsewhere, and regarded itself as having rights in the mark in the UK,

was irrelevant. The fact that A supported the applications was immaterial.”

30) The instant case is not on all fours with Al Bassam as there has not been use in the UK. The applicant has referred to an order for its products but this comes from its UK affiliate and there is no evidence of the goods having been supplied.

31) The opponent claims to be the successor in business to Cifuentes y Compania and therefore the proprietor of the mark “Cifuentes”. They also claim, in Senor Heredia’s declaration, that the mark “Cifuentes” is “already well known within the International cigar industry as denoting the products of my company and / or its affiliates”. These claims are disputed by the applicant and no evidence has been submitted to corroborate the opponent’s claims.

32) The opponent has shown that a company, International Cifuentes, in which it is “a major stockholder” purchased a number of trade marks from Cifuentes y Compania S.R.C. In February 1982. One of these marks was “Cifuentes”. International Cifuentes then registered these marks in Spain and Finland.

33) However, the applicant has filed a copy of a contract between itself and Cifuentes y Compania S.R.C. , dated March 1975, in which the Cuban company “does hereby sell, assign and transfer” “the entire right, title and interest in and to the trademarks, together with the goodwill of the business symbolised by the marks , and the following registrations thereof”. Amongst the marks sold was the mark “Cifuentes”, registered in the USA.

34) Prior to the instant application the mark “Cifuentes” had not been registered in the UK and no use in the UK has been provided. The assignments referred to therefore cannot relate to the UK because there was no property right in the UK to assign. Registrations and common law rights are territorially limited and cannot convey a right (or restriction) to use in the UK.

34) Under the 1938 Act the onus is on the applicant to show that the mark is acceptable. However, when an opponent makes allegations regarding proprietorship which are categorically denied by the applicant the onus is on the opponent to make out a prima facie case. Here the opponent has singularly failed to provide any evidence of use of the mark in the UK. Unless the opponent can show that there is a superior claim to proprietorship the challenge is bound to fail, this is implicit from the Al-Bassam case. Reputation arising from use in other jurisdictions does not establish proprietorship in the UK. If it did the applicant’s user in the USA would provide at least as much support for the applicant’s claim as any use claimed, but not established, by the opponent does for its own claim to proprietorship.

35) If , as Senor Heredia claims, the mark is well known as belonging to the opponent in the UK it would surely have been possible to provide independent statements to this effect within the six years between launching the opposition and the hearing occurring. Instead, in the face of the applicant’s denial the opponent claimed that the applicant was licenced to use the mark in the UK and produced evidence of royalties paid by the applicant for this use in the UK. Only when the applicant proved this claim to be false did the opponent retract this claim and admitted that the royalties related to an assignment of the trade mark “Cifuentes” in the USA.

36) As to use of the mark in the UK no evidence has been filed by either side, although given the opposition it is understandable that the applicant has not sought to promote the brand until

the outcome of this case was known.

37) The opponent filed evidence from an investigator which it claimed showed that there had been no use of the mark in the UK and that any knowledge of the mark related to the opponent's reputation within the industry. I do not agree with these conclusions.

38) The investigator contacted eight tobacconists in the London area. Only two recognised the name "Cifuentes", one of which stated that the product was available in the USA. This clearly relates to the applicant's business. I do not believe that this evidence assists the opponent.

39) I also note that the mark in suit is "Cifuentes Winks" and that the "cifuentes" element has been disclaimed because of its geographical connotation. The distinctive element of the mark in suit is therefore the word "Winks" which to the best of my knowledge has no meaning in relation to cigars or tobacco and is registered in the UK in the applicant's name.

40) Therefore whatever the opponents' rights to the "Cifuentes" mark in other jurisdictions, in the absence of evidence of use of Cifuentes by the opponent in the UK, the applicant must be regarded as the proprietor of the mark in suit (Cifuentes Winks) in the UK.

41) The opposition under Section 17(1) therefore fails.

42) I can see no reason why I should invoke the Registrars discretion under Section 17(2) in the opponent's favour.

43) The opposition having failed the applicant is entitled to a contribution towards costs. In view of the opponent's conduct in this case I do not intend awarding costs according to the scale normally used by the Registry. The opponent claims to be the successor in business to the Cuban company (Cifuetes y Compania S.R.C.). As such it must have been aware that the claims made regarding a UK licence and royalty payments for use of the mark "Cifuentes" in the UK were manifestly false. I also take into account the fact that despite the opponent's skeleton arguments for the hearing referring to all the grounds of opposition outlined in their original notice of opposition, at the hearing all but two were abandoned.

44) The applicant has submit its bill of costs, dated 9 March 2001 which was copied to the opponent. The opponent has two weeks from the date of this decision to file written submissions. Following this I will determine the costs to be awarded.

Dated this 11TH day of April 2001

George W Salthouse
For the Registrar
The Comptroller General