

**TRADE MARKS ACT 1994**

**IN THE MATTER OF TRADE MARK REGISTRATION Nos: 1295657, 1295658,  
1295659, 1328847, 1431537, 2000367, 2000371, 2045198, 2045199, 2052422, 2134017,  
2146828, 2149387 & 2159254 IN THE NAME OF  
UDV NORTH AMERICA INC**

**AND**

**IN THE MATTER OF APPLICATIONS FOR REVOCATION AND  
DECLARATIONS OF INVALIDITY THERETO UNDER Nos: 11286 TO 11299  
BY AKTSIONERNOE OBCHTCHESTVO ZAKRITOGO TIPA "TORGOVY" DOM  
POTOMKOV POSTAVCHTCHIKA DVORA EGO IMPERATORSKAGO  
VELITSHESTVA P.A. SMIRNOVA**

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**IN THE MATTER OF Applications for Revocation  
and Declarations of Invalidity thereto under Nos: 11286  
to 11299 by AKTSIONERNOE OBCHTCHESTVO  
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## **BACKGROUND**

1. On 13 December 1999, Aktsionerное Obchtchestvo Zakritogo Tipa “Torgovy” Dom Potomkov Postavchtchika Dvora Ego Imperatorskago Velitschestva p.a. Smirnova applied to revoke and have declared invalid fourteen registrations standing in the name of UDV North America, Inc. The registered proprietor filed counterstatements in which all of the grounds are denied. The details of the registrations in question, together with the basis of the attack against each are shown later in this decision. Suffice is to say at this point that the principal grounds of attack are similar in respect of each; that similar evidence was filed by both sides in respect of these actions and the submissions by learned Counsel were of a composite nature when the matters came to be heard on 24 and 25 April 2001. The applicants for the declarations of invalidity and revocation were represented by Mr Michael Edenborough and Mr Simon Malynicz both of Counsel, instructed by A1 Trade Marks & Service Marks. Mr James Mellor of Counsel, instructed by Bristows, represented the registered proprietor.

2. I intend to summarise the evidence and then draw out the appropriate facts and consider them (the law and the relevant authorities) against the principal grounds, then apply my findings to each registration as appropriate.

## **APPLICANTS FOR REVOCATION/DECLARATION OF INVALIDITY’S EVIDENCE**

3. This consists of a witness statement dated 19 July 2000 by Philip Redman. Mr Redman explains that he is a Trade Mark Attorney and the Principal of A1 Trade Marks and Service Marks, who are responsible for the conduct of these proceedings on the applicants’ behalf. He adds that he is authorised by the applicants to make his witness statement, commenting that he has access to certain documents that he has obtained from the applicants themselves and from their other legal representatives.

4. Mr Redman explains that these revocation/invalidation proceedings should not be viewed in isolation, adding that they are but one of a series of proceedings between the respective parties. Central to the applicants' case in all the proceedings are, says Mr Redman, two basic contentions. These are expressed as follows:

- (a) "UDV is not entitled to the Smirnov/Smirnoff name or mark and it (or its predecessors in title) knew this to be the case at all material times. In this application, this is pleaded as the bad faith ground under s3(6).
- (b) UDV's mark is deceptive. In this application this is pleaded under sections 3(3)(b) and 3(4) of the Act (insofar as the applicant contends that the mark is of such a nature as to deceive) as well as section 46(1)(d) (insofar as the applicant relies on the use of the mark by the proprietor or with his consent such that, as a consequence, the mark is liable to mislead). In essence, the applicants contends that the mark the subject of the application misrepresents to the public (or is liable to mislead) that the goods are manufactured in the Russian Federation and/or that the goods possess qualities or characteristics which they do not in fact possess. Under section 3(4) the applicant relies upon the Trade Descriptions Act 1968 and Council Regulation (EEC) No: 1576/89 of 29 May 1989 laying down general rules on the definition, description and presentation of spirit drinks, pursuant to Article 5(2) of which geographical indications may be used in relation to *inter alia* vodka provided that such do not mislead consumers".

5. In so far as (a) above is concerned, Mr Redman refers to a statutory declaration made by him and dated 16 December 1999 which was originally filed in relation to other proceedings between the parties, Opposition No: 70070. A copy of the declaration and associated exhibits is provided as exhibit PAR1. In relation to (b) above, Mr Redman refers to the statutory declaration of Christopher Palengat dated 26 February 1999 which was also originally filed in relation to Opposition No: 70070. Exhibit PAR2 consists of a copy of Mr Palengat's declaration, together with exhibit CP5 to that declaration.

6. In so far as exhibit PAR1 is concerned the declaration referred to constituted the applicants' evidence in chief in the proceedings mentioned. My summary of this evidence included in that decision is reproduced below:

"This consists of a statutory declaration dated 16 December 1999 by Philip Redman. Mr Redman explains that he is the Trade Mark Attorney responsible for the conduct of these proceedings on the applicants' behalf. He adds that he is authorised by the applicants to make this declaration, commenting that he has access to certain documents that he has obtained from the applicants themselves and from their other legal representatives.

Mr Redman's declaration falls into two distinct categories. The first is his response to the opponents' evidence. In this regard, he makes the following observations:

that in his view, the opponents have not adduced any proper evidence of confusing

similarity to support their objection under section 5(2) of the Act. In so far as the declaration of Mr Atkinson is concerned, in Mr Redman's view, Mr Atkinson has no basis for making his observations, adding that no survey or other evidence by ordinary customers has been provided to substantiate what he says.

That in so far as Mr Walsh comments that he does not believe that the grounds of bad faith and deceptiveness contained in the applicants' counterstatement are relevant to this opposition, Mr Redman disagrees. He comments that if the applicants can prove that the opponents title to their earlier marks is defective, then the opposition in so far as it is based on these earlier marks will be removed. Further he says that the opponents' conduct and knowledge is material in so far as the question of passing off is concerned.

The second category represents the applicants' evidence in chief. Exhibit PAR1 consists of a presentation book entitled "The Biography" dated 1997 which provides background information on the applicants and their business. This book also, says Mr Redman, sets out the applicants' position in relation to what they consider to be the opponents' lack of entitlement to use the Smirnov name and mark, as well as conduct by the opponents' which the applicants' contend prevents them from succeeding in their claim to passing off.

In relation to the action in the United States mentioned in Mr Walsh's declaration, Mr Redman explains that that application for summary judgement has since been decided in favour of the opponents, a copy of the opinion of District Judge Sleet dated 13 May 1999 is exhibited as PAR2. Mr Redman comments that in his view the decision in that action has no bearing whatever on this opposition, since most of the underlying facts were agreed and in any event the action in the United States was decided on very different grounds from those between the parties in this opposition.

That said, Mr Redman states that there were a number of documents filed by both sides in the proceedings in the United States which he believes should be before the Registrar. In this regard, Mr Redman explains that he asked the applicants' lawyers in the United States to provide him with certain of the folios. It would appear that some of the evidence in the American proceedings was subject to a "protective order". However Mr Redman was able to obtain a redacted copy of the Statement of Facts filed by the Plaintiffs, from which he has ascertained the existence of certain documentation in respect of which the protective order never (or no longer) existed. Exhibits PAR3 and PAR4 consist respectively of the Statement of Facts in redacted form and a letter from the applicants' American lawyers which accompanied it. Mr Redman explains that where information obtained through this procedure was, in his view, material to this opposition, it has been included as an exhibit to this declaration.

Exhibit PAR5 consists of three statements made by Oleg Sergeyevich Smirnov who is a grandson of P.A. Smirnov. These statements which were originally filed in Russian are accompanied by a certified English translation. Mr Redman comments that these statements which were originally filed as evidence in the American proceedings had also been filed in an action instituted in 1982 in Cologne, Germany between Plomidex,

a Russian spirits import-export company, and Schneider Import and Heublein Inc, the latter of which is the predecessor in title to the opponents. These statements says Mr Redman set out the position on successorship to the Smirnov name and mark as at the end of the 19<sup>th</sup> and turn of the 20<sup>th</sup> centuries and in particular analyse the defective chain of title leading to the opponents.

Exhibit PAR6 consists of copies of two agreements relating to the use of the Smirnov name and mark which were filed in evidence in the American proceedings. Mr Redman notes in particular that in the first agreement dated 3 December 1902, it states (at point 12) that “no partner shall convey his right to the Trade House without a written consent of all others”. In the second agreement dated 28 January 1905, Mr Redman notes that Vladimir and Nikolai Smirnov (the former of which is the purported predecessor in title to the opponent), withdrew from the partnership leaving P.P. Smirnov the sole and full owner of the business. Exhibit PAR7 consists of a Declaration of Changes and Suspensions (dated 4 December 1902) for the Smirnov business (in Russian with a certified English translation) which in Mr Redman’s view appears to support this contention.

Exhibit PAR8 consists of a copy of an agreement dated 21 August 1933 in which the same Vladimir Smirnov having established a business in Poland under the name Societe Pierre Smirnoff Fils” purported to grant to Rudolph Kunett *inter alia* the exclusive right and licence to manufacture and sell within the United States all the alcoholic beverages and other products of Societe Pierre Smirnoff Fils together with the exclusive right to use the firm’s name, trade marks, bottles, labels, medals, coats of arms, insignia etc. Mr Redman also notes that paragraph 5 of the agreement grants Kunett the right to apply to register intellectual property rights in consequence of this agreement. Exhibit PAR9 consists of a number of other agreements that were filed in the American proceedings and which relate to the purported chain of title leading to the opponents.

Exhibit PAR10 constitutes the final exhibit to Mr Redman’s declaration. It consists of miscellaneous documents relating to the German proceedings in 1982. Although Mr Redman concedes that he is uncertain if these are the only documents relating to the German litigation still in existence or whether these were the only such documents filed in the American proceedings, from the documents provided by him, Mr Redman explains that his understanding of the position is as follows: Plomidex sued Schneider, a German importer of the Smirnoff brand (then owned by Heublein) under German unfair competition law on the grounds that the label was misleading to consumers as to Russian origin, successorship to the business of P.A. Smirnov, entitlement to bear various medals and awards. On 13 January 1982 the Cologne State Court issued an interim decision, finding the Heublein bottle misleading as to geographic origin. The Court did not reach a decision on the alleged misrepresentations. However, it encouraged the parties to reach an agreement under which SMIRNOFF labelling would be substantially altered *inter alia* to remove Cyrillic script and any English language references to Russia or Moscow, whilst emphasising, by way of large capital letters, that the geographic origin of the product was France and not Russia”.

7. Mr Redman also refers to the statutory declaration of Mr Palengat which constituted part of the opponents' evidence in chief in the same proceedings and a copy of Mr Palengat's declaration together with exhibit CP5 to that declaration is provided as exhibit PAR2. Here again, I have reproduced my summary of Mr Palengat's evidence included in that decision below:

"The second declaration dated 1 March 1999 is by Christopher Palengat. Mr Palengat explains that he is a Board Account Director with Lowe Howard Spink (hereafter LHS). LHS have had the responsibility for advertising the SMIRNOFF brand in the United Kingdom since 1993, prior to which (in the period 1962 to 1992), Young & Rubicam were the advertising agency responsible for promoting the SMIRNOFF brand.

Mr Palengat provides a breakdown of the advertising spend in relation to the various SMIRNOFF brands. I do not propose to summarise the individual figures here, but note that (as examples), in 1997 in excess of £3m was spent promoting the SMIRNOFF RED brand, in 1995 in excess of £1m was spent promoting the SMIRNOFF BLACK brand, and that in 1997 in excess of £1m was spent promoting the SMIRNOFF MULE brand. Although the figures vary from brand to brand and from year to year, they are consistently significant sums. I also note that various forms of advertising have been employed, including advertising in the press, on television and on radio, in cinemas and on outdoor hoardings. Examples of various types of advertising material and reviews conducted to establish their effectiveness are provided as exhibits to Mr Palengat's declaration".

8. Mr Redman refers in particular to paragraph 9 of Mr Palengat's declaration and exhibit CP5 which is associated with the comments in that paragraph. This evidence is, he says, directly relevant to the applicants contentions as regards deceptiveness. I note that exhibit CP5 to Mr Palengat's declaration is headed "Smirnoff Red Vodka Imagery By Recognisers". Paragraph 9 of Mr Palengat's declaration reads as follows:

"One of the objectives of emphasising the Smirnoff Red label with its imperial regalia and medals has been to promote the Russian heritage of the brand. There is now produced and shown to me marked CP5 a bar chart prepared by Hall & Partners International in January 1999 as part of a "Smirnoff Motivation Campaign Evaluation". The chart records the results of a customer survey conducted by Hall & Partners and shows that of those respondents who spontaneously named or "recognised" Smirnoff vodka in response to an open-ended question, a total of 57% regarded Smirnoff as "authentically Russian" (and 35% regarded it as the "most" authentically Russian Vodka). Of those respondents who failed spontaneously to name Smirnoff ("non-recognisers"), a total of 53% regarded Smirnoff as authentically Russian (and 36% regarded it as the "most" authentically Russian Vodka)".

## **REGISTERED PROPRIETORS' EVIDENCE**

9. This consists of three witness statements. The first witness statement dated 10 November 2000 is by Paul Walsh. Mr Walsh explains that he is a partner in the firm of Bristows who are

the registered proprietors' professional representatives in these proceedings and he confirms that he is authorised to make this declaration on their behalf. Mr Walsh comments that his witness statement is made on the basis of enquiries he has made personally or in relation to enquiries which he has instructed employees of Bristows to conduct. He adds that the various exhibits attached to his statement were purchased in the United Kingdom during the past three years as a result of these enquiries.

10. Mr Walsh provides a range of exhibits which consist of photographs of various food and drinks products. I note that the latter has been split between beers and vodka. These exhibits have been filed in an effort to demonstrate that the imagery appearing in the label of a product is not necessarily an indication of the geographical origin of that product and that the general public is well aware of this practice. I do not propose to comment on exhibits PAW1 to PAW12 (which relate to food products and beer) but will of course bear their contents in mind when reaching my decision. I will however look in a little more detail at exhibits PAW13 to PAW17 which refer specifically to the labelling of vodka.

11. PAW13 consists of a selection of photographs of bottles of vodka purchased in England on Mr Walsh's instructions. The individual brands are itemised and a range of common features are identified. Mr Walsh's findings are reproduced below:

"16. I exhibit as PAW13 a selection of photographs of bottles of vodka purchased in England on my instructions. The labels of all of these vodkas state that they are produced in the United Kingdom or elsewhere in Europe other than Russia. I set out various features of the labels of these various products as follows:-

- SAINSBURY'S VODKA	The bottle label includes a double-headed eagle and a crown device. The label also states that this vodka is "produced in the UK".
- KIROV VODKA	The label includes a double headed eagle, a crown device and a shield device as well as the words "Imperial Palace". The label states that this vodka is the "produce of United Kingdom".
- SAFEWAY VODKA	The label includes a crown, a ribbon device, and five gold medals incorporating crown, lion and star devices. The label on this vodka does not say where it is produced although it is said to be "bottled in the UK".
- DRY IMPERIAL VODKA, TESCO'S	The label includes crown and scroll devices as well as a double headed eagle, horses and lances. The back label states that this vodka is "produced in the UK".

- MOSKOVA IMPERIAL VODKA	The label includes a crown device as well as Cyrillic script. The label does not specifically state where this vodka is produced although it does say that it is "produced & bottled by Richmond Distillers" and carries the address "Cheshire WA4 6RY, United Kingdom".
- KALINSKA IMPERIAL VODKA	The label includes the representation of a castle with onion shaped domes reminiscent of Russia. The label states that this vodka is "produce of England".
- STROVICH VODKA	The label includes a crown device and Cyrillic script as well as a seal device. The label states that this vodka is "produced and bottled by the Strovich Vodka Company, London".
- KULOV IMPERIAL VODKA	The label includes a crown device, a double headed eagle, a shield and a medallion device. The label does not specifically state where this vodka is produced although it does say "Kulov Distillers Airdrie ML6 8PL Scotland". It is "produced and bottled for Kulov Distillers".
- ST. MICHAEL VODKA	The label includes a crown device. The label states that this vodka is "produced and bottled by Burn Stewart Distillers, Glasgow, Scotland".
- IMPERIAL KOMMISSAR VODKA	The label includes a double headed eagle and crown device as well as a representation of a building with onion shaped domes reminiscent of Russian architecture as well as the word Mokba. The label states that this vodka is "produced in the UK".
- IMPERIAL CZAR VODKA	The label includes a double headed eagle. Crown and shield device as well as a coat of arms. The label states that this vodka is "produced and bottled in United Kingdom".
- KOVOSH IMPERIAL BLUE VODKA	The label includes a shield device, a ribbon device, lions and a representation of a knight on a horse. The label states that this vodka is "bottled in the United Kingdom" and that it is "produce of the E.U.".



- MOSKOV VODKA	The label includes a red star device as well as a representation of a building with numerous onion shaped domes which appears to be a Russian orthodox church. The label states that this vodka is "produce of France".
- IMPERIAL VODKA	The label includes a red star device as well as a coat of arms incorporating a double headed eagle, crown and shield devices. The label states that this vodka is "produced and bottled in England".
- IMPERIAL PREMIUM VODKA	The label includes a device incorporating an oval including a crown and lion device. The label does not specifically state where this vodka is produced although it carries an address in Scunthorpe, South Humberside.
- DYNASTY IMPERIAL VODKA	The label includes a shield device surrounded by a draped curtain bearing a double headed eagle with a crown device. The label states that this vodka is "bottled by Schlossberg Spirituosen GmbH 06542 Allstedt Germany".
- VLADIVAR	This vodka carries a Russian sounding name and bears Cyrillic script embossed onto the bottle. In particular the Cyrillic script ЧИСТДЯ ВОДКД. The label does not specifically say where it is produced but says "The Vladivar Vodka Company, Glasgow G2 5RG".
- ZÓLENSKY RUSKI VODKA LEMON	The label includes a large star device encompassed by sheaths of wheat, and the letters "C.C.C.P." The label also includes words in Cyrillic script. The label states that this product is "produced in the UK".
- RED SQUARE	The label incorporates a double headed eagle device and the name itself refers to the square of the same name in Moscow. The bottle is labelled "produce of UK".
- WAITROSE VODKA	The label includes a double headed eagle and crown device. The label also states that this vodka is "produced in the UK".

12. Exhibit PAW14 consists of a number of photographs of bottles of vodka manufactured in Russia. Mr Walsh explains that these were purchased by him from Gerry's Wines and Spirits on Old Compton Road, London. A copy of the undated receipt for the purchase is provided

at exhibit PAW15, as are photographs of the boxes in which the goods were supplied at exhibit PAW16. Once again the individual brands are itemised, with Mr Walsh observing that all of these vodkas feature prominently on their labels the fact that they are made in Russia. He adds that he did not find a single Russian vodka which did not prominently feature on its label that it was produced in Russia. The list provided by Mr Walsh is as follows:

- PERTSOVKA PEPPER VODKA
- MOSKOVSKAYA - OSOBAYA VODKA
- STARKA OLD VODKA/RUSSIAN FLAVOURED VODKA
- SIBIRSKAYA
- STOLICHNAYA CRISTALL
- LIMONNAYA/RUSSIAN VODKA
- OKHOTNICHYA (HUNTERS VODKA)/RUSSIAN
- ZUBROKA (BISON VODKA)/RUSSIAN
- KREPKAYA (STRONG)/RUSSIAN VODKA
- STOLINCHNAYA/STOLI RAZBERI (Raspberry Flavoured Vodka)
- STOLICHNAYA/STOLI OHRANJ (Orange Flavoured Vodka)
- GEORGIEVSKAYA VODKA
- STOLICHNAYA/STOLI VANIL (Vanilla Flavoured vodka)
- STOLICHNAYA/100 PROOF
- CRISTALL/PREMIUM LEMON FLAVOURED VODKA/LEMON TWIST

13. Exhibit PAW17 consists of photocopies of back labels taken from bottles of SMIRNOFF RED, SMIRNOFF BLUE and SMIRNOFF BLACK. Mr Walsh observes that these labels state that these products are produced in the United Kingdom.

14. Mr Walsh concludes his witness statement by adopting into these proceedings (as exhibit PAW18), the statutory declaration made by him and dated 26 February 1999 which was originally filed in connection with opposition No: 70070. Once again my summary of this evidence included in that decision is reproduced below:

“The final declaration dated 26 February 1999 is by Paul Walsh. Mr Walsh explains that he is a partner in the firm of Bristows who are the opponents’ professional representatives in these proceedings. He adds that he is authorised to make this declaration on the opponents’ behalf, commenting that he makes his declaration on the basis of his knowledge of the issues in the proceedings and his reading of certain of the documents filed by the applicants in an action in The United States District Court for the District of Delaware (C.A. No: 95-749-RPM) between The Joint Stock Society “Trade House of Descendants of Peter Smirnov, Official Purveyor to the Imperial Court” and The Russian American Spirits Company (Plaintiffs) and IDV North America Inc and Pierre Smirnoff Company (Defendants).

Mr Walsh notes the comments of the applicants in their counterstatement to the effect that: the applicant owns rights in the earlier marks relied upon by the opponents to these proceedings and that those earlier marks were applied for by the opponent in bad faith and were improperly registered; that any reputation in the earlier marks resulting from such use belongs to the applicants and not the opponents; and that the use of

medals and Russian Imperial Regalia on certain of the earlier marks is deceptive and misleading.

Mr Walsh then sets out a brief account of how the opponents came to use the SMIRNOFF name and associated labels, medals and regalia. This account is, he says, based upon documents filed by the opponents in the action in the United States, adding that he believes that the applicants' allegations in these proceedings arise from the same historical background. (I will refer to these various events in more detail later in this decision.)

15. The second witness statement also dated 10 November 2000 is by the same Paul Walsh mentioned above. Mr Walsh adopts (as exhibit PAW19) the statutory declarations of Christopher Palengat (1 March 1999), Jason Finch (25 February 1999) and Edwin Atkinson (1 March 1999) which were also originally filed in relation to opposition No: 70070. Here again, I have reproduced below my summary of the various declarations which appear in that decision:

“The second declaration dated 1 March 1999 is by Christopher Palengat. Mr Palengat explains that he is a Board Account Director with Lowe Howard Spink (hereafter LHS). LHS have had the responsibility for advertising the SMIRNOFF brand in the United Kingdom since 1993, prior to which (in the period 1962 to 1992), Young & Rubicam were the advertising agency responsible for promoting the SMIRNOFF brand.

Mr Palengat provides a breakdown of the advertising spend in relation to the various SMIRNOFF brands. I do not propose to summarise the individual figures here, but note that (as examples), in 1997 in excess of £3m was spent promoting the SMIRNOFF RED brand, in 1995 in excess of £1m was spent promoting the SMIRNOFF BLACK brand, and that in 1997 in excess of £1m was spent promoting the SMIRNOFF MULE brand. Although the figures vary from brand to brand and from year to year, they are consistently significant sums. I also note that various forms of advertising have been employed, including advertising in the press, on television and on radio, in cinemas and on outdoor hoardings. Examples of various types of advertising material and reviews conducted to establish their effectiveness are provided as exhibits to Mr Palengat's declaration.

The third declaration dated 25 February 1999 is by Jason Finch. Mr Finch is an Account Executive at Young & Rubicam (hereafter Y&R) who as indicated above were the advertising agency responsible for the SMIRNOFF brand in the period 1962-1992. Although Mr Finch has only been with Y&R since September 1998, his information comes from a review of Y&R's records relating to the various SMIRNOFF advertising campaigns conducted between 1970 and 1992. Exhibits JF1 and JF2 to his declaration consist respectively of, a document entitled “An overview of UK advertising made by Young & Rubicam Limited for IDV 1970-1992” and sample advertisements relating to the various campaigns referred to.

The fourth declaration dated 1 March 1999 is by Edwin Atkinson. Mr Atkinson

explains that he is Director General of the Gin and Vodka Association of Great Britain. He adds that this body is an independent association of producers and traders of gin and vodka in the United Kingdom. He states that he is aware of the various products available in the vodka and gin markets in the United Kingdom and elsewhere and the majority of the trade marks being used on such products. He adds that he is aware that SMIRNOFF is one of the world's leading brands of vodka and that on the basis of his knowledge and experience of the drinks industry, believes that the SMIRNOFF name and the distinctive label with its red, gold and white colouring, four heraldic symbols and Russian Cyrillic lettering is widely known and recognised by vodka drinkers in the United Kingdom and around the world and is exclusively associated with vodka from a particular source. Exhibit EA2 to Mr Atkinson's declaration consists of a photograph of a bottle on which appears a label in the form of the application in suit. Commenting on this, Mr Atkinson says that in his opinion if vodka bearing this label was sold in the United Kingdom, consumers are likely to be confused into thinking that the product is associated in some way with the SMIRNOFF vodka from the opponents with which they are familiar. He speculates that they may believe it to be an imported bottle of SMIRNOFF vodka from the opponents which was intended for sale in Russia rather than the UK".

16. The final witness statement dated 10 November 2000 is by Beverley Brozsely. Ms Brozsely explains that she has previously sworn a statutory declaration in connection with opposition No: 70070. A copy of that declaration and the associated exhibit is adopted and provided as exhibit BB1. My review of the evidence of Ms Brozsely included in that decision appears below:

"The first declaration dated 26 February 1999 is by Beverly Brozsely. Ms Brozsely explains that she is a senior Brands Manager with United Distillers & Vintners Limited (hereafter UDV) and has responsibility for the SMIRNOFF brand. She has held this position for two years having been with the company for approximately seven years.

In Ms Brozsely's view SMIRNOFF is widely recognised as the world's pre-eminent brand of vodka. It is, she says, sold in almost every country of the world, adding that it was first marketed in the United Kingdom in about 1952. Exhibit BB1 consists of an extract from The Wordsworth Dictionary of Drink (dated 1996), in which SMIRNOFF is described as follows:

"world's leading vodka brand". Blue and Red Label styles are produced internationally and premium SMIRNOFF BLACK LABEL is triple distilled and bottled in Moscow".

There are, says Ms Brozsely, now a variety of SMIRNOFF products on the United Kingdom market. These are: SMIRNOFF RED (which is said to be the best selling vodka brand in the United Kingdom), SMIRNOFF BLUE (an export strength premium brand), SMIRNOFF BLACK (the top of the range premium brand), SMIRNOFF MULE (a pre mixed, bottled vodka cocktail) and SMIRNOFF FLAVOURS (which are a range of flavoured vodkas). The numbers of litres sold per year in each category are provided, together with an estimate of turnover under each category in 1998.

Although after the material date in these proceedings, the figure for 1998 is (when viewed in the context of the preceding years) a reasonable measure of turnover under each individual brand. Total turnover in 1998 under the various brands is said to have amounted to some £230m”.

17. Ms Brozsely explains in her witness statement filed in these proceedings that since her first declaration was made (in the related proceedings), she has been promoted to the position of Director of New Brands Development group of UDV. The information in her witness statement comes from her own knowledge, or from the records of UDV and UDV North America (hereafter UDVNA). She adds that she has also discussed the contents of her statement with Alastair Eadie who has been with UDV or its predecessors for forty years. She states that as far as she is aware, UDV and UDVNA had no knowledge of any claim to ownership of the SMIRNOFF trade mark by the applicants until proceedings were filed in the United States in 1995. Ms Brozsely adds that as a former Senior Brands Manager with UDV with past responsibility for the SMIRNOFF brand, she was the person responsible for dealing with complaints made by consumers about products sold under the SMIRNOFF brand. She says that during her time as Senior Brands Manager she was not aware of any complaints from consumers who had been confused as to the origin of SMIRNOFF products, adding that in particular she was not aware of any complaints from consumers who believed the products originated from Russia. In addition, Ms Brozsely confirms that following investigations by her, she is able to confirm that no complaints have been received from consumers regarding the labelling or marketing of the goods so as to give the impression they originated from Russia, since UDV’s consumer complaints department was established in July 1998. However Ms Brozsely does explain that the department has received one complaint from a customer who was unhappy with the decision to move the production of SMIRNOFF BLACK from Russia to the United Kingdom. It appears, says Ms Brozsely, that this consumer was well aware at all times where SMIRNOFF BLACK was manufactured but was simply unhappy that manufacture was being moved back to the United Kingdom. Ms Brozsely adds that when production was moved back to the United Kingdom the label was changed to indicate that SMIRNOFF BLACK was produced in the United Kingdom and the words RUSSIAN VODKA on the label were changed to POT-STILL VODKA.

18. That concludes my review of the evidence in so far as I think it necessary.

19. These actions are part of an international dispute between the parties, which has resulted in proceedings before and decisions by the American and German courts in particular. Though some of the exhibits attached to the evidence filed in these proceedings before the Registrar were used in those other proceedings I do not give the decisions of the various Courts much if any weight. The actions were taken under different laws, with different jurisprudence and, in the case of the decision of the United States District Court, there was a summary judgment. However, I do not think that there was any dispute between the parties about the historic facts upon which the disputes between the parties are primarily based, which are, in simple terms, about who are the rightful proprietors of the SMIRNOFF brand and whether the use by the current registered proprietors of their various SMIRNOFF trade marks is likely to mislead the public as to origin, quality etc.

## **HISTORICAL FACTS**

20. In the latter half of the 19<sup>th</sup> Century Piotr Arsenyevitch Smirnov founded a business under the name 'PA Smirnov', distilling and selling vodka. The business won awards at international fairs and exhibitions in the United States of America, and France, as well as domestic awards. In 1886 'PA Smirnov' became 'Official Purveyor to the Russian Imperial Court'. On his death in 1898, PA Smirnov's business was left to his widow and his five sons (Piotr, Nikolai, Vladimir, Sergei and Alexey Smirnov). In 1902 the first three bought out the interests of the last two and subsequently Piotr bought out the interests of Nikolai and Vladimir. Thus Piotr became the sole owner of the 'PA Smirnov' business which he ran with the assistance of his wife (Eugenia) until his death in 1910, when she became the owner and ran the business until 1917 when the Bolshevik revolution occurred and all private property in Russia was nationalised including the business of 'PA Smirnov'. Its premises were still used to distil vodka but it was not made, or sold under the Smirnov name. Eugenia left Russia in 1917 having remarried and settled in France.

21. Vladimir Smirnov also left Russia and settled in Poland where he began to distil vodka under the name 'Ste Pierre Smirnoff Fils', which I understand means the company of the sons of Piotr Smirnov, with his brother Nikolai. He also claimed that he was the 'Successor to PA Smirnoff in Moscow and P N & V Smirnoff' and used labels on his vodka which resembled the labels on the bottles produced by his fathers 'and brothers' businesses. The labels also bore the medals, coats of arms and awards which the earlier businesses had won or were entitled to use.

22. Vladimir Smirnov subsequently established a production facility in Paris at which point Eugenia, Piotr Smirnov's widow seems to have learned of the situation. It is said that she believed that Vladimir had no right to use SMIRNOFF (the Polish spelling for SMIRNOV) name, having given up any rights to do so when he left the business in 1904 (when he received 500,000 roubles which he directed into the construction of a racecourse in Moscow). But she appears to have taken no action to prevent the use or to contact her brother in law. This was because it is alleged she did not have any documentary evidence to support her claim to the proprietorship of the name (and had little hope of obtaining any).

23. Just before Vladimir Smirnov's death in 1933 his company, Ste. Pierre Smirnoff Fils. entered into a written agreement with a Mr Rudolph Kunnett. This agreement gave Mr Kunnett the exclusive right to produce and sell alcoholic beverages under the SMIRNOFF name. In particular it gave him the exclusive right and license to manufacture and sell all the alcoholic beverages and other products of Ste. Pierre Smirnoff Fils, together with the trade marks and labels as used and owned by the firm, and the exclusive right to reproduce and use the various models of bottles in use by the firm or its licensee in France.

24. The agreement also gave Mr Kunnett the "exclusive right" to use the following

'Firm of Pierre Smirnoff, formerly by appointment to the Imperial Court of Russia' and

'Firm of Pierre Smirnoff, founded in Moscow in 1818.'"

Also, it gave Mr Kunnett the "exclusive right to reproduce and use various emblems, medals, coats of arms, insignia, and awards."

25. Mr Kunnett subsequently transferred his rights under the agreement to a United States of America corporation he formed, called “Ste. Pierre Smirnoff Fls., Inc.” Mr Kunnett sold vodka under the SMIRNOFF trade mark in bottles which were essentially the same shape as those used by the original Moscow based Smirnov business and bore labels that contained essentially all of the same items (awards, crests etc) which were contained on the labels of the original business. In particular the American corporations' bottle label contained the four coats of arms that represented the four times that the original business of P A Smirnov had won the right to use them, beneath a crown and ribbon design and above a banner that read “Purveyors to the Imperial Russian Court, 1886 - 1917.”

26. Though it is said that Eugenia became aware of the transfer agreement between Vladimir Smirnov and Mr Kunnett neither she nor her daughter, Tatyana, took any official action to retrieve the situation.

27. In 1939, a company called G.F. Heublein & Brothers (Heublein), which is now UDV North America, Inc, the registered proprietors of the trade marks in suit, bought Ste. Pierre Smirnoff Fls. from Mr Kunnett. The purchase included the trade marks, and the rights under the 1933 agreement. Like Vladimir Smirnov and Mr Kunnett, Heublein sold its SMIRNOFF vodka in bottles that essentially bore the same crown and ribbon device with the same four coats of arms and the same banner which read "Purveyor's to the Imperial Russian Court, 1886 - 1917." Again, neither Eugenia nor her daughter Tatyana ever informed Heublein of any claim they might have had to the SMIRNOFF name or took any action. Eugenia died in 1958 and Tatyana in 1977. But in 1994 Boris, Tatyana's son, took the first steps to assert any right that his branch of the family might have to the SMIRNOFF name. It is said he read a newspaper article in *Le Figaro* which reported that some Smirnov descendants had started their own business in Russia and were involved in a legal battle with Heublein over who had the right to sell vodka under the SMIRNOFF or SMIRNOV name in Russia. He joined with them in attempting to assert legal claims against Heublein.

28. By this time Heublein had dramatically increased its operations producing, advertising, marketing, and promoting its SMIRNOFF products and protecting its trade marks internationally. It is claimed to be the most popular brand of vodka in the world. It is still sold in bottles the labels of which contain all the elements used on the labels of the original business. Like those used by Vladimir Smirnov and Mr Kunnett, they display the crown and ribbon design, the four Russian coats of arms and a banner reading “Purveyors to the Imperial Russian Court, 1886 - 1917.” In the United Kingdom, sales and promotion represent very significant sums of money in terms of turnover and expenditure.

29. That is the history behind the trade marks and the genesis of the dispute, apart from noting that it is not the descendants of the Smirnov's that bring this action before the Trade Marks Registry but two Russian companies whose relationship with the descendants is unknown. That fact is, however, irrelevant because anyone may file an action before the Registrar or the Court to seek to have a registration revoked or declared invalid.

30. Against that background I propose now to consider the two principal areas of the dispute, against the evidence, authorities and submissions made by Counsel, in the round. I will then apply my deliberations to each of the trade mark registrations in suit and deal with the

individual allegations against particular trade marks.

## **PROPRIETORSHIP**

31. The Russian applicants claim that the American proprietors are not the rightful proprietors of the registered trade marks. They found this claim on the undisputed fact that Vladimir Smirnov in 1904 sold his interest in the PA Smirnov business for 500,000 roubles and went off to construct and run a racecourse in Moscow. Therefore, he was not entitled, having fled to Poland, to use the name SMIRNOFF in connection with the trade in vodka. Consequently he had no rights in the SMIRNOFF name to transfer to Mr Kunnett in 1933 and the latter then had none to transfer to Heublein in 1939. Therefore the trade marks in suit can not be the property of the registered proprietors. The American registered proprietors submit that the ancient history is irrelevant. They have established ownership of goodwill in the United Kingdom of the word SMIRNOFF; goodwill established in Russia and who might own it was not material. In any event it was established that the original P A Smirnov business was nationalised by the then Bolshevik Government. They used its facilities but not its name. Anyone who had an interest in the business was dispossessed in 1918. No one connected with the business prior to its nationalisation sought to re-establish it outside Russia except Vladimir (with assistance from his brother Nikolai). By force of action therefore Vladimir Smirnov was entitled to represent himself as the successor to the PA Smirnov business.

32. The issue of the devolution in title to the SMIRNOFF name is dealt with by statements made by Oleg Sergeyevich Smirnov, a grandson of PA Smirnov in the proceedings before the District Court in the United States and in proceedings in Germany and exhibited by Mr Redman as PAR 5. However, I am not inclined to give these statements significant weight, not least because the facts are not sufficiently supported by independent corroboration to remove the possibility of bias - they were made in support of the Russians claims before the respective Courts. I therefore consider what the position was and is, based upon my reading of the relevant facts.

33. First of all we have the 1904 agreement between Vladimir Smirnov and his brother Piotr Smirnov in which the former relinquished his 'right to use the company name, privileges and honours' (see Mr Redman's evidence) for a sum of money. Thereafter he played no part in the business. The business itself, however, ceased in 1917/1918 as far as the Smirnov family was concerned because it was, like all other private property at that time, nationalised. Thereafter, though the manufacturing facilities of the PA Smirnov business seem to have continued the name Smirnov in association with it did not.

34. There is no evidence that any member of the Smirnov family, who fled or remained in Russia after the revolution sought or intended to carry on the business except Vladimir who, with the assistance of his brother Nikolai, set up a business under the title Ste. Pierre Smirnoff Fils (which it would appear means Company of the Sons of Piotr Smirnov) in Poland. But the applicants claim he had no right to the Smirnov pedigree having forsaken the right to use the name (and other things). The applicants' submissions are it seems to me based upon the assumption that the 1904 agreement between the brothers was absolute and its enforcement went beyond the jurisdiction in which it was signed (ie Russia). But, there is nothing in the agreement or elsewhere in the evidence that I can see which supports that assumption and no



relevant authorities were drawn to my attention which addressed such a point. On the other hand there is nothing which suggests or indicates the contrary. I therefore have to make the best of what I have.

35. It seems to me that the original business and company ceased to operate in 1917/1918; that no other member of the Smirnov family who might have had a claim to the name sought to re-establish the business at that time, that no members of the family when they learned of Vladimir's actions took action to prevent him or to establish a claim to the Smirnov name; the agreement signed by Vladimir is not capable 90 odd years on of being interpreted in terms of the real intentions of the parties and in particular whether it was intended to go beyond the jurisdiction in which it was signed. In the circumstances I reach the view that in 1923 when Vladimir Smirnov established a business in Poland for the purpose of distilling vodka (and other alcoholic beverages) he was not disentitled to use the Smirnov name. Indeed the business name he (and his brother Nikolai) used was a statement of the facts; that it was one set up by the sons of Piotr Smirnov. Given that no other family member had or had sought to re-establish the business it was not unreasonable for the Polish business to represent itself as the successor to the PA Smirnov business - both Vladimir and his brother Nikolai having been associated with it. That said, was that Polish businesses entitled to claim any of the previous businesses ancestry? Mr Edenborough in his skeleton put it this way:

“It is clear from this brief history that the original company ceased to exist in about 1918, and that there was no mechanism whereby any of the rights that vested in that company, for example, the entitlement to claim that it had won plaudits and was the purveyor to the Czars, could be effectively transferred to any other company. Accordingly, it is clear, it is submitted, that regardless of what rights may have been accrued subsequently by the American Smirnoff as a result of the use that it has made since, that it has no *bone fide* claim to any of the original ancestry.”

36. That may be right on a straightforward reading of the situation. The Polish business may on the one hand not be disentitled to represent itself as the successors in business to the one operating before the revolution in Russia but that does not necessarily mean that it was entitled to use all the badges and awards given and awarded to PA Smirnov. But in terms of proprietorship of the name SMIRNOV it does not matter, in my view, one way or another.

37. The issue of proprietorship falls to be dealt with by reference to the allegations made under Sections 3(6) of the Act which states

“3.-(6) A trade mark shall not be registered if or to the extent that the application is made in bad faith.”

38. The authority is *Gromax Plastics Ltd v Don Low Nonwovens Ltd* [1999] RPC 367 where Lindsay J said:-

"I shall not attempt to define bad faith in this context. Plainly it includes dishonesty and, as I would hold, includes also some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined. Parliament has wisely not attempted to explain in detail what is or is not bad faith in this context; how far a dealing must so fall-short in

order to amount to bad faith is a matter best left to be adjudged not by some paraphrase by the courts (which leads to the danger of the courts then construing not the Act but the paraphrase) but by reference to the words of the Act and upon a regard to all material surrounding circumstances."

39. I do not consider that the registered proprietor did anything dishonest or which could be said to fall below the standards of normal commercial behaviour. For the purposes of the actions brought before the Registrar it is sufficient for me to hold that, in my view, Vladimir Smirnov, as the son of PA Smirnov was not disentitled as a result of the agreement he signed in 1904 to set up the business he did in 1923 in Poland under the name Ste Pierre Smirnoff Fils. Thus he was entitled to assign the rights in the name to Rudolph Kunnett who in turn passed those on to GF Heublein & Brothers, predecessors in business to the current registered proprietors.

40. Other allegations of bad faith are made under the Section 3(6) heading ie that the registered proprietor intended to use the trade mark in a manner such as to mislead the public. There is absolutely no evidence in support of the allegation which, in part, is considered under the allegations founded under Sections 3(3)(b) and 3(4) which are considered elsewhere in this decision. The allegation that the registered proprietor had no bona fide intention to use the trade marks on all the goods covered by the specifications is also an allegation in respect of which there is no evidence available from the applicants to support it. The registered proprietors however have done no more than deny the allegations. But in terms the registered proprietors' evidence does not show use on anything other than on vodka and vodka based drinks. That being so it could be said that I should infer that at the date of application of each of the trade marks in question (because the allegation does not apply to all the trade marks) the registered proprietor had no intention to use the trade marks other than on vodka or vodka based drinks. But I decline to do so. The allegation is too broad and unsupported to justify finding for the applicant. And in most cases the registration had not been on the register for five years when the application for revocation/invalidation was made. Thus the registered proprietor could still use the trade marks on goods other than vodka contained in the specification. In reaching this view I have not given weight to Mr Mellor's submission that because the applicants for revocation/invalidation had themselves sought registration for a wide specification of goods in Class 33 I should leave his clients specifications as they are.

**DECEPTION AS TO ORIGIN, QUALITY ETC**

41. The grounds on which the requests for revocation and invalidation are made under this heading are based upon three statutory provisions. These are Sections 3(3)(b), Section 3(4) and Section 46(1)(d). These state:

- "3.-(3) A trade mark shall not be registered if it is -
  - (a) .....
  - (b) of such a nature as to deceive the public (for instance as to the nature, quality or geographical origin of the goods or service).
- 3.-(4) A trade mark shall not be registered if or to the extent that its use is prohibited

in the United Kingdom by any enactment or rule of law or by any provision of Community law.

**46.-**(1) The registration of a trade mark may be revoked on any of the following grounds-

- (d) that in consequence of the use made of it by the proprietor or with his consent in relation to the goods or services for which it is registered, it is liable to mislead the public, particularly as to the nature, quality or geographical origin of those goods or services”.

42. The allegations under the above provisions are as follows:-

- (i) That the relevant trade marks indicate that the goods in question, vodka, were made in the Russian Federation or some part of the manufacture takes place there, or there is some connection in the course of trade with a Russian commercial organisation.
- (ii) That the goods were previously supplied to the Imperial Court of Russia.
- (iii) That the trade mark indicates that the goods had previously been the subject of numerous awards for quality and that the goods had been supplied to the Imperial Court by a predecessor in business.
- (iv) That the goods were produced by a business first established in 1818.
- (v) That the goods were produced by the successors in business to P A Smirnoff.
- (vi) That the goods were produced according to a formula and processes devised by P A Smirnoff.
- (vii) That the word Smirnoff is a Russian sounding name and therefore misrepresents to the public that the goods are made in the Russian Federation or some part of the manufacture takes place there or there is some connection in the course of trade with a Russian commercial organisation.
- (viii) The use of what is perceived to be the Russian Imperial regalia misrepresents that the goods were (a) previously supplied to the Imperial Court and/or (b) made in whole or in part or have some connection with a Russian commercial organisation.

43. In relation to Section 3(3)(b) the applicant for the declaration of invalidation accepts that this statutory provision focuses on the intrinsic characteristics of the trade mark itself when viewed in the light of the specification at the time the application for registration was made. Section 46(1)(d) comes into play when consideration is given to the way in which the trade mark has actually been used by the registered proprietor following registration. In respect of

those two provisions Mr Edenborough suggested that I should approach matters as under

Section 11 of the Trade Marks Act 1938. In that connection he drew my attention to the views of the Court of Appeal in *Swiss Miss Trade Mark* [1998] RPC 889 at 893 and in *Bali* [1969] RPC 472 and 495. In addition, my attention was drawn to my decision in *Madgecourt Limited's application* [2000] ETMR 825. In *Mr Edenborough's* view the test under Section 3(3)(b) was a low one. It was simply whether "a number of persons are caused to wonder" that, in this case, vodka, sold under the registered proprietors trade marks, emanated from Russia.

In the *Madgecourt* case I said:

"It seems to me having regard to the evidence and submissions, that because of the inclusion in the trade mark of a term "PARFUMS DE PARIS" there would be an expectation that the perfume and any of the perfumed products included in the specification would be manufactured in Paris and that if the specification of goods did not reflect that then the trade mark would be deceptive. Also having noted that France and Paris in particular has a reputation for perfumes, it seems to me that the public would be deceived not only as to the geographical origin of the goods but may also be deceived as to their nature and quality."

This view is in line with the Registrar's practice as set out in the extract from the Registry Work Manual quoted above. It is also in line with the judgment of *Vinelot J* in the *Swiss Miss* case [1997] RPC 219 page 222 line 43 where, having found that Switzerland had a reputation for chocolate of high quality, he said:

"The question is whether the mark would cause a number of persons, to entertain as a serious and not merely a fanciful possibility, whether the goods had a Swiss origin."

44. In relation to Sections 3(3)(b) and 46(1)(d) *Mr Mellor* submitted that the relevant tests were identical to concepts under other Community law. Though slightly different wording was used, "liable to mislead the public" and "misleading", all were expressions used in Community instruments dealing with all sorts of consumer protection. He drew on a number of authorities in order to reinforce his point that the test under Section 3(3)(b) and 46(1)(d) was much more severe than the 'cause to wonder test' which was established under Section 11 of the Trade Marks Act 1938.

45. In *Gorgonzola/Cambozola* ECJ 4.0399 the European Court of Justice dealt with a dispute centred on use of the term *Cambozola* and the designation *Gorgonzola*. At paragraphs 41 and 42 of the judgement the Court states:

"41. As to that the circumstances contemplated in Article 3(1)(c) of the first Directive 89/104 do not apply to the present case. Circumstances envisaged in the other two relevant provisions of that Directive - refusal of registration, invalidity of the trade mark, or revocation of the proprietors rights, which preclude its use being continued in Article 14(2) of Regulation No 2081/92 - presupposes the existence of actual deceit or a sufficiently serious risk that the

consumer will be deceived

42. Once again it is for the National Court to apply those tests to the facts of the case before it. Although the term Cambozola, which evokes the designation Gorgonzola, can not on that ground alone be deemed liable to deceive the public as to the nature, quality or origin of the goods designated .....”

46. He also referred me to PALL [1990] ECR 1-4827, CLINIQUE [1994] ECR 1-317 and MARS [1996] ECR 1-1923 which I have read. As a result it seems to me that the authorities consider the consumer to be reasonably observant and circumspect and thus sufficiently alert and sensible such as not to need protection from claims that might only deceive a relatively small number of customers. Overall, what is alleged to be misleading must be sufficiently serious and likely to affect the economic behaviour of the public.

47. In this case, therefore, I ask myself whether there is anything inherent within the various trade marks that would cause a number of persons to entertain as a serious possibility that the vodka supplied under the trade marks in suit had a Russian origin. But in determining that question I must have regard to the way in which these particular goods are sold in the market place. By that I mean what does the trade do in terms of promoting and selling vodka in the market place which might influence the way in which the public might perceive the trade marks in relation to such goods.

48. From the evidence of Mr Paul Walsh who exhibited photographs of bottles of vodka purchased in England there appears to be a common theme amongst producers of vodka which is to indicate in some way or other that the vodka has a Russian connection. Some trade marks use Russian sounding words like 'Kirov', 'Kalinska', others use devices of double-headed eagles, Cyrillic script, representations of buildings with onion shaped domes reminiscent of Russian architecture, red star devices and so on. It therefore seems that the trade itself has led the public to expect that vodka, wherever it is produced (because the evidence also indicates that the vodka upon which these trade marks are used is not produced in Russia but either in the United Kingdom or elsewhere in the European Union) will have a get-up, at least, which has connotations of Russia. Therefore, simply having a Russian sounding name, or labels which include items which suggest a Russian ancestry or connection, would not be sufficient in my view to produce a positive finding under Section 3(3)(b). This is because the public would not, given the nature of branding and promotion of vodka be given any cause to wonder about the geographical origin of goods sold with this sort of decoration or with a Russian sounding name. The trade has educated the public to expect vodka sold in the United Kingdom to have, in one way or another, Russian connotations.

49. Thus, taking all those points and authorities into account, I reach the view that in relation to Section 3(3)(b) there must be something inherent within the trade mark sufficient to mislead the public to a material extent before a positive finding can be made. In this case, the various trade marks including the indicia used in support of the dominant or predominant elements, the imperial regalia, the heraldry, the medals, the statements that the goods were previously supplied to the Imperial Court of Russia and the date of establishment of the business do not suggest to me that deception by the public is likely. Even if Mr Edenborough's test was correct (which I do not believe it is) they would not be given any cause to wonder. The public

would not believe that either individually or collectively the elements which make up the various trade marks in suit are in any way inherent as an indication of the nature, quality or

geographical origin of the goods because within the trade it is common to decorate labels with crowns, medals etc to promote a Russian connection with the product.

50. As Mr Mellor put it "Imperial regalia, medals, coats of arms, crowns etc. are evidently seen by the average consumer as decoration or imagery and not in any sense as a trade description or conveying any indication of origin, nature or quality of the goods. The average consumer would not believe that the appearance of Imperial regalia on a label means that this exact product was supplied to the Imperial Court of Russia". On the basis of the evidence. I agree. Insofar as the requests for revocation and declarations of invalidation based on Section 3(3)(b) these therefore can be dismissed. Further, the registered proprietor has not done anything since the trade marks were registered that I can see to cause the provisions of Section 46(1)(d) to apply. Therefore those grounds of revocation can be dismissed.

51. Under the Section 3(4) ground the applicants for the declarations of invalidity rely upon the Trade Descriptions Act 1968 and Council Regulation (EEC) number 1576/89 of 29 May 1989. The relevant parts of the Trade Descriptions Act are set out below:

"1(1). Any person who, in the course of a trade or business-

(a) applies a false description to any trade of goods; or

(b) supplies or offers to supply any goods to which a false description is applied shall be guilty of an offence."

"2(1). A trade description is an indication, direct or indirect, and by whatever means given of any of the following matters with respect to any goods or parts of goods, that is to say

(a) quantity, size or gauge

(b) method of manufacture, production, processing or reconditioning

(c) composition

(d) fitness for purpose, strength, performance, behaviour or accuracy

(e) any physical characteristics not included in the preceding paragraphs

(f) testing by any person and results thereof

(g) approval by any person or conformity with a type approved by any person

(h) place or date of manufacture, production, processing or reconditioning

[See also s 36 which states that "For the purposes of this Act goods shall be deemed to have been manufactured or produced in the country

in which they last underwent a treatment or process resulting in a substantial change."]

- (i) person by whom manufactured, produced, processed or reconditioned;
- (j) other history, including previous ownership or use."

"3(1) A false trade description is a trade description which is false to a material degree.

3(2) A trade description which, though not false, is misleading, that is to say, likely to be taken for such an indication of any of the matters specified in section 2 of this Act as would be false to a material degree, shall be deemed to be a false trade description"

3(3) .....

3(4) A false indication, or anything likely to be taken as an indication which would be false, that any goods comply with a standard specified or recognised by any person or implied by the approval of any person shall be deemed to be a false trade description, if there is no such person or no standard so specified, recognised or implied."

52. Note that the offence is strict. There is no requirement of *mens rea*. Under section 1 (see above) a person "shall" be guilty of an offence. The strictness of the offence is balanced by the provision of separate statutory defences under section 24 as follows:

"24 (1) In any proceedings for an offence under this Act it shall, subject to subsection (2) of this section, be a defence for the person charged to prove-

- (a) that the commission of the offence was due to a mistake or to reliance on information supplied to him or to the act or default of another person, an accident or some other cause beyond his control; and
- (b) that he took all reasonable precautions and exercised all due diligence to avoid the commission of such an offence by himself or any person under his control.

(2) If in any case the defence provided by the last foregoing subsection involves the allegation that the commission of the offence was due to the act or default of another person or to reliance on information supplied by another person, the person charged shall not, without leave of the court, be entitled to rely on that defence unless, within a period ending seven clear days before the hearing, he has served on the prosecutor a notice in writing giving such information identifying or assisting in the identification of that other person as was then in his possession.

(3) In any proceedings for an offence under this Act of supplying or offering to supply goods to which a false trade description is applied it shall be a defence for the person charged to prove that he did not know, and could not with reasonable diligence have ascertained, that the goods did not conform to the description or that the description had been applied to the goods."

53. The applicants also rely upon the "Trade Descriptions Act 1968" - origin marking

guidance notes issued by the Department of Trade and Industry in December 1996." At paragraph 11 of that document, the Department of Trade and Industry advises traders to pay careful attention to indirect indicia such as the use of fictional, living or dead characters, well known structures, geographical features, emblems or devices that are closely associated with particular places. The guidance states "if your goods, labels, packaging or display material bear any of the above, and do not refer to the place where the goods were actually manufactured or produced, unless you take steps to correct the potentially misleading presentation, you may be committing an offence under the Act".

54. Mr Edenborough asked me to note that the provisions of the Trade Descriptions Act were very widely drawn ie., it was an offence that the false description was "direct or indirect and by whatever means given" and that the truth or otherwise of the indications given in the trade marks were all capable of being ascertained as a matter of fact. In this case, the false statements associated with the claim to Russian origin, historical supply to the Court of the Czar, the award of medals, date of foundation of the business, were all matters of fact the truth of which could be established.

55. In Mr Edenborough's submission the fact that the registered proprietors of the trade marks in question stated, on some, "Pierre Smirnov, Moscow, Russia", and mentioned the Czar and presented with the trade marks other emblems and elements all of which were associated with Russia or Moscow meant that they were seeking by the use of these to persuade the consumer that there was an association between them and the goods such as to mislead directly or indirectly the consumer.

56. For his part, Mr Mellor submitted that the applicants had to prove that use of the trade marks in question were prohibited under the Trade Descriptions Act 1968 and/or Council Regulation 1576/89. This was particularly important in relation to the Trade Descriptions Act because it would be necessary for me to find the registered proprietors guilty of a criminal offence. Thus the burden of proof to show that the registered proprietor had, beyond reasonable doubt, committed such an offence was on the shoulders of the applicants. They had to show that the relevant trade marks did in fact constitute a trade description, that that trade description was false to a material degree and there was no disclaimer which neutralised the alleged false trade description. It was agreed between the parties that Section 19(1) of the Trade Descriptions Act, which provides that no prosecution for an offence under the Act shall be commenced after three years from the commission of the offence, or one year from its discovery by the prosecutor, was not an obstacle in the proceedings before me because each bottle sold by the registered proprietor represented a re-commission of a fresh offence.

57. In considering the allegations under the Trade Marks Act Section 3(4), I look for guidance to a number of authorities which deal with the matter of false trade descriptions. First of all in *Donnelly v Rowlands* [1971] 1 ER9,DC in holding that there was no false trade description where a foiled cap bearing the words "untreated milk products from TT cows" followed by the name and address of the defendant where the bottles themselves were embossed with names of other well known milk suppliers, Lord Parker, CJ stated:

"The whole of the description on the bottles consisted of the wording on the foil cap and the embossed wording. What I think the justice's were saying was; if one looks at the whole thing, the falsity contained in the embossed words on the bottles was not a



falsity to a material degree bearing in mind the accuracy of the trade description on the foil cap. In my judgement that is a possible approach, although I find it quite unnecessary to go to those lengths. It seems to me that such trade descriptions as there was was not false in any degree. The words on the foil cap were an accurate trade description of the milk, and in their context the words on the bottle did not refer to the milk which had already been accurately described, but merely conveyed, as the fact was, that it was a bottle belonging to the person whose name was embossed. Looked at in that way, which is the ordinary way that any member of the public would look at it, there was no falsity here at all in the trade description.”

58. In *R v Veys* [1993] FSR 366 the Court of Appeal (Criminal Division) which was asked by the Crown to certify to points of law as of general public importance at page 368 clarified their earlier judgment by stating that they did not intend that the use of a trade mark could never be an indication of a trade description. What they said in that case was that T-shirts to which a coat of arms very similar to that of Manchester United Football Club had been applied was "what you meant to say was that the T-shirts, taken as a whole, did not contain overall an indication as to who had authorised them to be produced or whether they conformed to any authorised type or by whom they were produced". So even though recognisable as Manchester United's Coat of Arms, taken as a whole, there was no false trade description.

59. In *Horner v Kingsley Clothing* [1989] Crim LR 911 the court had held that the correct approach was to consider the matter under the Trade Descriptions Act 1968 in four stages:

- (1) Had a trade description been applied to the goods?
- (2) Was that trade description false in any particular?
- (3) If it was, was it false to a material degree?
- (4) If it was not, the justice's could put themselves in the position of the ordinary shopper to decide if it was misleading.

60. In considering these authorities I must apply my deliberations to each individual trade mark the subject of these applications for invalidation. However, in general terms I do not consider that the trade mark SMIRNOFF is in fact a trade description. There is no evidence for example that the word SMIRNOFF is a trade description as defined in Section 2 of the Trade Descriptions Act 1968. To the public it is no more than a Russian word of no meaning other than as a badge of origin ie a trade mark. The various other indicia that the applicants claim to be trade descriptions, the Russian Imperial Regalia, crowns, ribbon devices, the various awards which are signalled and shown on some of the labels, are also not in themselves trade descriptions as defined by the Act. In reaching that view I, take account of the survey conducted by the registered proprietors. That survey, which relates to "SMIRNOFF RED VODKA IMAGERY" indicates that of those who recognised the words as a trade mark a total of 57% regarded SMIRNOFF as being "authentically Russian" and of

those who failed spontaneously to name SMIRNOFF, 53% regarded that brand as being authentically Russian. The applicants for the declarations of invalidity have made play of the fact that that survey indicates that the general public would regard the name SMIRNOFF (and

the other indicia) as being trade descriptions which would deceive the public into believing that the vodka sold under the trade marks in suit originated from within Russia in some way or other. Mr Mellor for the registered proprietors denied that that was the case. He pointed out, correctly in my view, that the evidence showed that the registered proprietors had sought to promote the Russian heritage in their advertising campaigns only since the mid 90s. The earlier advertising campaigns were not so directed. Thus, such imagery was unlikely to have been in the minds of the public at the date the various trade marks were applied for. Thus the requests to invalidate under Section 47(1) and Section 3(4), which requires me to consider matters at the date of application, must be dismissed. Insofar as Section 46(1)(d) is concerned, I take note of all the above authorities, the views of the public set out in the survey results, and the average consumer tests referred to earlier. In doing so I look sensibly at the matter, not looking for the slightest misrepresentation but considering the matter in the round. In doing so, as indicated above, I reach the view that there has been no offence committed under the Trade Descriptions Act 1968 either as a result of the use of the word SMIRNOFF or any of the trade marks which include that word or the use by the registered proprietors of any of the indicia set out by the applicant for invalidation. This is because, in relation to the indicia, any misrepresentation is either non-existent or negligible. Certainly there is unlikely to have been any misrepresentation or deceit to any material extent.

61. I move on to consider the allegations of deception by reference to the Council Regulation 1576/89, which deals with rules on the definition, description and presentation of spirit drinks. The relevant recital states:

"Whereas, although Directive 79112/EEC requires the printing of certain particulars on the labelling, it is somewhat lacking in clarity as regards the place of manufacture; whereas this concept is of particular importance in the sector of the drinks concerned owing to the fact that the consumer often makes an association between the drinks in question and the place of its manufacture; whereas the absence of such an indication may give the consumer the impression of a false origin; whereas this danger should be avoided by making it obligatory, in certain cases, to state the place of manufacture on the labelling;"

62. For the reasons set out already I do not believe that a different consideration or decision applies when one considers the allegations made under Section 3(4) as they relate to the Council Regulation (EEC) number 1576/89 29 May 1989. The authority quoted to me was *Verbraucherschutzverein eV v. Sektkellerei G. C. Kessler GmbH und Co* (Case C-303/97) (the "Sekt" case) [1999] ETMR 269. In that case the ECJ held, in a case involving a regulation for sparkling wines, that it was necessary to establish that the deceptive use was in fact likely to mislead reasonably well informed and circumspect customers and also to effect their economic behaviour. Applying that test I have no doubt, and for the reasons given above, that there is no infringement by the registered proprietor of the Council Regulation quoted and therefore no offence.

63. There were submissions made by both sides on the matter of disclaimers used to ensure that any ambiguity in the descriptions or indica used by traders in relation to trade descriptions were removed. In view of my findings (that the trade marks in suit are not trade descriptions and that in any event their various elements are not such as to materially deceive the public as

to quality or origin) there has been no need for me to deal with the point.

64. Mr Edenborough raised the matter of a discrepancy between the Trade Marks Act 1994 and the Directive upon which it is based. He pointed out that the wording of Section 3(4) of the Act which states:

“3.-(4) A trade mark shall not be registered if or to the extent that its use is prohibited in the United Kingdom by any enactment or rule of law or by any provision of Community law”.

is different from the wording of Article 3.2(a) of the Directive which states

" 2. Any Member State may provide that a trade mark shall not be registered or, if registered, shall be liable to be declared invalid where and to the extent that:

(a) the use of that trade mark may be prohibited pursuant to provisions of law other than trade mark law of the Member State concerned or of the Community;

65. In his view, the test put forward within the Directive was lower than that put forward in the Act in that in the former those determining matters had to be certain that the use would have been prohibited by law but in the latter you only had to determine whether it may have been prohibited. In view of my decision above that the tests laid down by the European Court of Justice have not been met I do not intend to comment on that matter.

66. That deals with the two principal grounds of these applications. Set out below are the specific grounds of revocation/invalidation against each registration and my findings in each case. Where there are additional grounds or variations on them against individual registrations I have dealt with them as appropriate under that trade mark case.

67. **Revocation/Invalidation No: 11286**

Trade mark No: 1295657

Trade mark: **SMIRNOFF**

Registered for: Vodka included in Class 33.

The mark was applied for on 16 December 1986 and was placed on the register on 20 September 1991.

The grounds of the action are as follows:-

(a) **Under the provisions of section 46(1)(d) of the Act** - the applicants contend that the mark should be revoked on the ground that as a consequence of the use made of it by the proprietor or with his consent in relation to the goods for which it is registered, it is liable to mislead the public, particularly as to the nature, quality or geographical

origin of the goods. In this respect, the applicants rely on the following facts and matters:

That the proprietor or alternatively its predecessors in title have used or consented to the use of the mark in such a way as to represent falsely that the product for which it is registered:

- is made in the Russian Federation, alternatively that some stage of its manufacture or processing occurs in the Russian Federation, in the further alternative that its manufacture or processing is controlled by, or is connected in the course of trade with, a Russian commercial organisation;
- was previously supplied to the Imperial Court of Russia;
- had previously been in receipt of numerous awards for quality, including *inter alia* Russian State Coats of Arms, the award of Official Purveyorship to the Imperial Court of Russia and/or awards from various international fairs and exhibitions;
- is produced by a business first established in 1818;
- is produced by the successors in business to P.A. Smirnov (1831-1898);
- is produced according to the formula and processes of P.A. Smirnov

By reason of the above, the applicants claim that the mark has since registration become liable to mislead as to the nature, quality, and/or geographical origin of the goods for which it is registered.

(b) **under the provisions of section 47(1) of the Act** - the applicants contend that the mark should be declared invalid under:

- section 3(3)(b) of the Act on the ground that it is of such a nature as to deceive the public as to the nature, quality and/or geographical origin of the goods for which it is registered. The applicants contend that the use of SMIRNOFF a recognisably Russian sounding name, misrepresents to the public that the goods for which it is registered are made in the Russian Federation, alternatively that some stage of its manufacture or processing occurs in the Russian Federation, in the further alternative that its manufacture or processing is controlled by, or is connected in the course of trade with, a Russian commercial organisation;
- under Section 3(4) of the Act on the ground that its use is prohibited in the United Kingdom by an enactment, rule of law and/or by a provision of Community law. In this regard, the applicants refer to the Trade Descriptions Act 1968 pursuant to which it is an offence to apply to goods a false description *inter alia* of the place of manufacture, production or processing, whether such is direct or indirect and by

whatever means given. In addition, the opponents rely on Council Regulation (EEC) No: 1576/89 of 29 May 1989 laying down general rules on the definition, description and presentation of spirit drinks, pursuant to Article 5(2) of which geographical

indications may be used in relation to *inter alia* vodka provided that such does not mislead consumers;

- under section 3(6) of the Act in that the application was filed in bad faith. In this regard the applicants contend that at the date of application the proprietor or alternatively their predecessors in title claimed to be entitled to the mark. In the applicants view the proprietor and/or its predecessors in title were not entitled to the mark and knew this to be the case as at the date of application. Further the proprietor or their predecessors in title intended as at the date of application to use the mark or to consent to the use thereof in such a manner as to mislead the public concerning the nature, quality or geographical origin of the product for which it is registered.

68. For the reasons outlined earlier in this decision the grounds upon which the applications for revocation under Section 46(1)(d) and a declaration that this registration be declared invalid under Section 47(1) have not been made out. The applications under No 11286 in respect of registration No 1295657 are refused.

**69. Revocation/Invalidation No: 11287**

Trade Mark No: 1295658

Trade mark:



Registered for: Vodka included in Class 33.

The mark was applied for on 16 December 1986 and was placed on the register on 20 September 1991.

The grounds of the action are as follows:-

- (a) **Under the provisions of section 46(1)(d) of the Act** - the applicants contend that the mark should be revoked on the ground that as a consequence of the use made of it by the proprietor or with his consent in relation to the goods for which it is registered, it is liable to mislead the public, particularly as to the nature, quality or geographical

origin of the goods. In this respect, the applicants rely on the following facts and matters:

That the proprietor or alternatively its predecessors in title have used or consented to the use of the mark in such a way as to represent falsely that the product for which it is registered:

- is made in the Russian Federation, alternatively that some stage of its manufacture or processing occurs in the Russian Federation, in the further alternative that its manufacture or processing is controlled by, or is connected in the course of trade with, a Russian commercial organisation;
- was previously supplied to the Imperial Court of Russia;
- had previously been in receipt of numerous awards for quality, including *inter alia* Russian State Coats of Arms, the award of Official Purveyorship to the Imperial Court of Russia and/or awards from various international fairs and exhibitions;
- is produced by a business first established in 1818;
- is produced by the successors in business to P.A. Smirnov (1831-1898);
- is produced according to the formula and processes of P.A. Smirnov

By reason of the above, the applicants claim that the mark has since registration become liable to mislead as to the nature, quality, and/or geographical origin of the goods for which it is registered.

(b) **under the provisions of section 47(1) of the Act** - the applicants contend that the mark should be declared invalid under:

- section 3(3)(b) of the Act on the ground that it is of such a nature as to deceive the public as to the nature, quality and/or geographical origin of the goods for which it is registered. The applicants contend that the use of SMIRNOFF a recognisably Russian sounding name, misrepresents to the public that the goods for which it is registered are made in the Russian Federation, alternatively that some stage of its manufacture or processing occurs in the Russian Federation, in the further alternative that its manufacture or processing is controlled by, or is connected in the course of trade with, a Russian commercial organisation. In addition the applicants contend that use of Imperial Russian regalia misrepresents to the public that the goods for which it is registered were previously supplied to the Imperial Court of Russia and/or that the goods for which it is registered are made in the Russian Federation, alternatively that some stage of its manufacture or processing occurs in the Russian Federation, in the further alternative that its manufacture or processing is controlled by, or is connected in the course of trade with, a Russian commercial organisation;
- under Section 3(4) of the Act on the ground that its use is prohibited in the United Kingdom by an enactment, rule of law and/or by a provision of Community law. In

this regard, the applicants refer to the Trade Descriptions Act 1968 pursuant to which it is an offence to apply to goods a false description *inter alia* of the approval of any person or conformity with a type approved by any person, the place of manufacture,

production or processing, the person by whom manufactured, produced or processed, other history, including previous ownership or use, whether such is direct or indirect and by whatever means given. In addition, the opponents rely on Council Regulation (EEC) No: 1576/89 of 29 May 1989 laying down general rules on the definition, description and presentation of spirit drinks, pursuant to Article 5(2) of which geographical indications may be used in relation to *inter alia* vodka provided that such does not mislead consumers;

- under section 3(6) of the Act in that the application was filed in bad faith. In this regard the applicants contend that at the date of application the proprietor or alternatively their predecessors in title claimed to be entitled to the mark. In the applicants view the proprietor and/or its predecessors in title were not entitled to the mark and knew this to be the case as at the date of application. Further the proprietor or their predecessors in title intended as at the date of application to use the mark or to consent to the use thereof in such a manner as to mislead the public concerning the nature, quality or geographical origin of the product for which it is registered.

70. For the reasons outlined earlier in this decision the grounds upon which the applications for revocation under Section 46(1)(d) and a declaration that this registration be declared invalid under Section 47(1) have not been made out. The applications under No 11287 in respect of registration No 1295658 are refused.

71. **Revocation/Invalidation No: 11288**

Trade Mark No: 1295659

Trade Mark:



Registered for: All goods in Class 33.

The mark was applied for on 16 December 1986 and was placed on the register on 30 August 1991.

The grounds of the action are as follows:-

- (a) **under the provisions of sections 46(1)(a) and (b) and 46(5) of the Act** - the applicants contend that the registered proprietor has only ever used the mark on and in

relation to vodka, vodka-based, or vodka-mixed drinks. As such the applicants contend that the mark has not been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to all the goods for which it is registered (other than those indicated), within the period of five years following the date of the completion of the registration procedure, namely 30 August 1991, and there are no proper reasons for non use. Alternatively the applicants contend that the use of the mark in relation to all of the goods for which it is registered (other than those indicated) has been suspended for an interrupted period of five years and there are no proper reasons for this non use.

- (b) **under the provisions of section 46(1)(d) of the Act** - the applicants contend that the mark should be revoked on the ground that as a consequence of the use made of it by the proprietor or with his consent in relation to the goods for which it is registered, it is liable to mislead the public, particularly as to the nature, quality or geographical origin of the goods. In this respect, the applicants rely on the following facts and matters:

That the proprietor or alternatively its predecessors in title have used or consented to the use of the mark in such a way as to represent falsely that the product for which it is registered:

- is made in the Russian Federation, alternatively that some stage of its manufacture or processing occurs in the Russian Federation, in the further alternative that its manufacture or processing is controlled by, or is connected in the course of trade with, a Russian commercial organisation;
- was previously supplied to the Imperial Court of Russia;
- had previously been in receipt of numerous awards for quality, including *inter alia* Russian State Coats of Arms, the award of Official Purveyorship to the Imperial Court of Russia and/or awards from various international fairs and exhibitions;
- is produced by a business first established in 1818;
- is produced by the successors in business to P.A. Smirnov (1831-1898);
- is produced according to the formula and processes of P.A. Smirnov

By reason of the above, the applicants claim that the mark has since registration become liable to mislead as to the nature, quality, and/or geographical origin of the goods for which it is registered.

- (c) **under the provisions of section 47(1) of the Act** - the applicants contend that the mark should be declared invalid under:

- section 3(3)(b) of the Act on the ground that it is of such a nature as to deceive the public as to the nature, quality and/or geographical origin of the goods for which it is registered. The applicants contend that the use of Imperial Russian regalia



misrepresents to the public that the goods for which it is registered were previously supplied to the Imperial Court of Russia and/or that the goods for which it is registered are made in the Russian Federation, alternatively that some stage of its manufacture or processing occurs in the Russian Federation, in the further alternative that its manufacture or processing is controlled by, or is connected in the course of trade with, a Russian commercial organisation;

- under Section 3(4) of the Act on the ground that its use is prohibited in the United Kingdom by an enactment, rule of law and/or by a provision of Community law. In this regard, the applicants refer to the Trade Descriptions Act 1968 pursuant to which it is an offence to apply to goods a false description *inter alia* of the approval of any person or conformity with a type approved by any person, the place of manufacture, production or processing, the person by whom manufactured, produced or processed, other history, including previous ownership or use, whether such is direct or indirect and by whatever means given. In addition, the opponents rely on Council Regulation (EEC) No: 1576/89 of 29 May 1989 laying down general rules on the definition, description and presentation of spirit drinks, pursuant to Article 5(2) of which geographical indications may be used in relation to *inter alia* vodka provided that such does not mislead consumers;
- under section 3(6) of the Act in that the application was filed in bad faith. In this regard the applicants contend that at the date of application the proprietor or alternatively their predecessors in title claimed to be entitled to the mark. In the applicants view the proprietor and/or its predecessors in title were not entitled to the mark and knew this to be the case as at the date of application. Further the proprietor or their predecessors in title intended as at the date of application to use the mark or to consent to the use thereof in such a manner as to mislead the public concerning the nature, quality or geographical origin of the product for which it is registered. Further the applicants contend that at the time of the application the mark in suit was not being used in the United Kingdom by the proprietor (or its predecessors in title) or with its consent in relation to all of the goods specified. Nor in the applicants' view did the proprietor when applying for the mark have a bona fide intention that the mark should be so used.

72. The pleadings and the evidence in respect of the allegation of non-use of this trade mark were directed to the allegation that the trade mark had not been used on all of the goods covered by the specification. In his skeleton argument however Mr Edenborough said:-

“14. However, the applicant submits that, in fact, there is no evidence before the registry for this mark being used by itself. In all cases, the mark is used in conjunction with other elements. It is submitted that these other elements do alter the distinctive character of the sign that is being used in practice, and so cannot save the mark pursuant to Section 46(2). Thus, the mark has always been used in relation to the word element SMIRNOFF. It is submitted that this word element forms the dominant part of the variant sign, and so does alter the distinctive character of the sign that has

been used (cf BUDWEISER BUDBRAU (stylised word), Revocation No 10237, Mr G Salthouse, 11 April 2001, unreported). Yet, in any event, UDV has not relied

upon this subsection, and so cannot now invoke it.

15. Accordingly, it is submitted that this mark ought to be revoked *in toto*, because there has been no use of this mark, genuine or otherwise”.

73. This was the first indication that I can see that that particular ground was being run. In the circumstances I do not regard it as having been properly pleaded and therefore the registered proprietor had no opportunity to respond. Therefore, I decline to deal with that issue.

74. All of the evidence filed in these proceedings show that the registered proprietors have used its trade marks only on vodka and vodka based alcoholic beverages. That being so, the application for revocation based upon non-use of the trade mark under Sections 46(1)(a), (b) and Section 46(5) must succeed, in part. There is a line of authorities Premier Brands UK Ltd v Typhoon Europe Ltd [2000] FSR 767 Pomaco Limited v Reed Consumer Books Limited [2000] FSR 734 and culminating in Decon Laboratories v Fred Baker Scientific Ltd [2001] RPC 217 where Pumfrey J stated at paragraph 24:

"I think that the correct starting point as a matter of principle consists of the list of articles for which the proprietor has in fact used the mark. ... There is no pressing need, therefore, to confer on the proprietor a wider protection than his use warrants by unduly broadening the specification of goods. There is a balance to be held between the proprietor, other traders and the public having regard to the use which has in fact taken place."

75. On this basis I see no reason to allow a specification of goods in respect of this registration other than for the goods on which use has been shown. The registration will therefore be revoked by the limitation of the specification to “vodka and vodka based drinks”. In accordance with Section 46(6) the limitation is deemed to have been in effect from the date of the application for revocation ie. 13 December 1999.

76. All the other grounds upon which the applicants for revocation and the application for the declaration of invalidity are dismissed for the reasons set out earlier in this decision. Thus, application No 11288 for the revocation/invalidation of registration No 1295659 succeeds only insofar as the specification of goods of the registration is limited in the way set out above.

**77. Revocation/Invalidation No: 11289**

Trade Mark No: 1328847

Trade Mark: **SMIRNOFF DE CZAR**

Registered for: Vodka included in Class 33.

The mark was applied for on 4 December 1987 and was placed on the register on 28 August 1990.

The grounds of the action are as follows:-

- (a) **Under the provisions of section 46(1)(d) of the Act** - the applicants contend that the mark should be revoked on the ground that as a consequence of the use made of it by the proprietor or with his consent in relation to the goods for which it is registered, it is liable to mislead the public, particularly as to the nature, quality or geographical origin of the goods. In this respect, the applicants rely on the following facts and matters:

That the proprietor or alternatively its predecessors in title have used or consented to the use of the mark in such a way as to represent falsely that the product for which it is registered:

- is made in the Russian Federation, alternatively that some stage of its manufacture or processing occurs in the Russian Federation, in the further alternative that its manufacture or processing is controlled by, or is connected in the course of trade with, a Russian commercial organisation;
- was previously supplied to the Imperial Court of Russia;
- had previously been in receipt of numerous awards for quality, including *inter alia* Russian State Coats of Arms, the award of Official Purveyorship to the Imperial Court of Russia and/or awards from various international fairs and exhibitions;
- is produced by a business first established in 1818;
- is produced by the successors in business to P.A. Smirnov (1831-1898);
- is produced according to the formula and processes of P.A. Smirnov

By reason of the above, the applicants claim that the mark has since registration become liable to mislead as to the nature, quality, and/or geographical origin of the goods for which it is registered.

- (b) **under the provisions of section 47(1) of the Act** - the applicants contend that the mark should be declared invalid under:

- section 3(3)(b) of the Act on the ground that it is of such a nature as to deceive the public as to the nature, quality and/or geographical origin of the goods for which it is registered. The applicants contend that the use of SMIRNOFF a recognisably Russian sounding name, misrepresents to the public that the goods for which it is registered are made in the Russian Federation, alternatively that some stage of its manufacture or processing occurs in the Russian Federation, in the further alternative that its manufacture or processing is controlled by, or is connected in the course of trade with, a Russian commercial organisation. In addition the applicants contend that use of the words DE CZAR misrepresents to the public that the goods for which it is registered were previously supplied to the Imperial Court of Russia and/or that the goods for which it is registered are made in the Russian Federation, alternatively that some stage of its manufacture or processing occurs in the Russian Federation, in the further alternative that its manufacture or processing is controlled by, or is connected in the

course of trade with, a Russian commercial organisation;

- under Section 3(4) of the Act on the ground that its use is prohibited in the United Kingdom by an enactment, rule of law and/or by a provision of Community law. In this regard, the applicants refer to the Trade Descriptions Act 1968 pursuant to which it is an offence to apply to goods a false description *inter alia* of the approval of any person or conformity with a type approved by any person, the place of manufacture, production or processing, the person by whom manufactured, produced or processed, other history, including previous ownership or use, whether such is direct or indirect and by whatever means given. In addition, the opponents rely on Council Regulation (EEC) No: 1576/89 of 29 May 1989 laying down general rules on the definition, description and presentation of spirit drinks, pursuant to Article 5(2) of which geographical indications may be used in relation to *inter alia* vodka provided that such does not mislead consumers;
- under section 3(6) of the Act in that the application was filed in bad faith. In this regard the applicants contend that at the date of application the proprietor or alternatively their predecessors in title claimed to be entitled to the mark. In the applicants view the proprietor and/or its predecessors in title were not entitled to the mark and knew this to be the case as at the date of application. Further the proprietor or their predecessors in title intended as at the date of application to use the mark or to consent to the use thereof in such a manner as to mislead the public concerning the nature, quality or geographical origin of the product for which it is registered.

78. For the reasons outlined earlier in this decision the grounds upon which the applications for revocation under Section 46(1)(d) and a declaration that this registration be declared invalid under Section 47(1) have not been made out. The applications under No 11289 in respect of registration No 1328847 are refused.

79. **Revocation/Invalidation No: 11290**

Trade Mark No: 1431537

Trade Mark:



Registered for: Vodka; included in Class 33

The mark was applied for on 7 July 1990 and was placed on the register on 17 July 1992.

The grounds of the action are as follows:-

- (a) **Under the provisions of section 46(1)(d) of the Act** - the applicants contend that the mark should be revoked on the ground that as a consequence of the use made of it by

the proprietor or with his consent in relation to the goods for which it is registered, it is liable to mislead the public, particularly as to the nature, quality or geographical origin of the goods. In this respect, the applicants rely on the following facts and matters:

That the proprietor or alternatively its predecessors in title have used or consented to the use of the mark in such a way as to represent falsely that the product for which it is registered:

- is made in the Russian Federation, alternatively that some stage of its manufacture or processing occurs in the Russian Federation, in the further alternative that its manufacture or processing is controlled by, or is connected in the course of trade with, a Russian commercial organisation;
- was previously supplied to the Imperial Court of Russia;
- had previously been in receipt of numerous awards for quality, including *inter alia* Russian State Coats of Arms, the award of Official Purveyorship to the Imperial Court of Russia and/or awards from various international fairs and exhibitions;
- is produced by a business first established in 1818;
- is produced by the successors in business to P.A. Smirnov (1831-1898);
- is produced according to the formula and processes of P.A. Smirnov

By reason of the above, the applicants claim that the mark has since registration become liable to mislead as to the nature, quality, and/or geographical origin of the goods for which it is registered.

(b) **under the provisions of section 47(1) of the Act** - the applicants contend that the mark should be declared invalid under:

- section 3(3)(b) of the Act on the ground that it is of such a nature as to deceive the public as to the nature, quality and/or geographical origin of the goods for which it is registered. The applicants contend that the use of SMIRNOFF a recognisably Russian sounding name, misrepresents to the public that the goods for which it is registered are made in the Russian Federation, alternatively that some stage of its manufacture or processing occurs in the Russian Federation, in the further alternative that its manufacture or processing is controlled by, or is connected in the course of trade with, a Russian commercial organisation;
- under Section 3(4) of the Act on the ground that its use is prohibited in the United Kingdom by an enactment, rule of law and/or by a provision of Community law. In this regard, the applicants refer to the Trade Descriptions Act 1968 pursuant to which it is an offence to apply to goods a false description *inter alia* of the place of manufacture, production or processing, whether such is direct or indirect and by whatever means given. In addition, the opponents rely on Council Regulation (EEC)

No: 1576/89 of 29 May 1989 laying down general rules on the definition, description and presentation of spirit drinks, pursuant to Article 5(2) of which geographical indications may be used in relation to *inter alia* vodka provided that such does not mislead consumers;

- under section 3(6) of the Act in that the application was filed in bad faith. In this regard the applicants contend that at the date of application the proprietor or alternatively their predecessors in title claimed to be entitled to the mark. In the applicants view the proprietor and/or its predecessors in title were not entitled to the mark and knew this to be the case as at the date of application. Further the proprietor or their predecessors in title intended as at the date of application to use the mark or to consent to the use thereof in such a manner as to mislead the public concerning the nature, quality or geographical origin of the product for which it is registered.

80. For the reasons outlined earlier in this decision the grounds upon which the applications for revocation under Section 46(1)(d) and a declaration that this registration be declared invalid under Section 47(1) have not been made out. The applications under No 11290 in respect of registration No 1431537 are refused.

81. **Revocation/Invalidation No: 11291**

Trade Mark No: 2000367

Trade Mark:



Registered for: Wines, spirits and liqueurs.

The mark was applied for on 3 November 1994 and was placed on the register on 27 October 1995.

Mark text: The mark consists of a 3 dimensional shape with the words/devices appearing thereon.

The grounds of the action are as follows:-

- (a) **Under the provisions of section 46(1)(d) of the Act** - the applicants contend that the mark should be revoked on the ground that as a consequence of the use made of it by the proprietor or with his consent in relation to the goods for which it is registered, it is liable to mislead the public, particularly as to the nature, quality or geographical origin of the goods. In this respect, the applicants rely on the following facts and matters:

That the proprietor or alternatively its predecessors in title have used or consented to the use of the mark in such a way as to represent falsely that the product for which it is registered:

- is made in the Russian Federation, alternatively that some stage of its manufacture or processing occurs in the Russian Federation, in the further alternative that its manufacture or processing is controlled by, or is connected in the course of trade with, a Russian commercial organisation;
- was previously supplied to the Imperial Court of Russia;
- had previously been in receipt of numerous awards for quality, including *inter alia* Russian State Coats of Arms, the award of Official Purveyorship to the Imperial Court of Russia and/or awards from various international fairs and exhibitions;
- is produced by a business first established in 1818;
- is produced by the successors in business to P.A. Smirnov (1831-1898);
- is produced according to the formula and processes of P.A. Smirnov

By reason of the above, the applicants claim that the mark has since registration become liable to mislead as to the nature, quality, and/or geographical origin of the goods for which it is registered.

- (b) **under the provisions of section 47(1) of the Act** - the applicants contend that the mark should be declared invalid under:
- section 3(3)(b) of the Act on the ground that it is of such a nature as to deceive the public as to the nature, quality and/or geographical origin of the goods for which it is registered. The applicants contend that the use of SMIRNOFF a recognisably Russian sounding name, misrepresents to the public that the goods for which it is registered are made in the Russian Federation, alternatively that some stage of its manufacture or processing occurs in the Russian Federation, in the further alternative that its manufacture or processing is controlled by, or is connected in the course of trade with, a Russian commercial organisation. In addition the applicants contend that use the of Imperial Russian regalia, the use of Russian State Coats of Arms, the use of the words

PURVEYORS TO THE IMPERIAL RUSSIAN COURT 1886-1917, the use of the words PIERRE SMIRNOFF MOSCOW 1818 and the use of the words MOSCOW

MULE, misrepresents to the public that the goods for which it is registered were previously supplied to the Imperial Court of Russia and/or that the goods for which it is registered are made in the Russian Federation, alternatively that some stage of its manufacture or processing occurs in the Russian Federation, in the further alternative that its manufacture or processing is controlled by, or is connected in the course of trade with a Russian commercial organisation, had previously been awarded such recognition or are produced by the successors in business to P.A. Smirnov (1831-1898);

- under Section 3(4) of the Act on the ground that its use is prohibited in the United Kingdom by an enactment, rule of law and/or by a provision of Community law. In this regard, the applicants refer to the Trade Descriptions Act 1968 pursuant to which it is an offence to apply to goods a false description *inter alia* of the approval of any person or conformity with a type approved by any person, the place of manufacture, production or processing, the person by whom manufactured, produced or processed, other history, including previous ownership or use, whether such is direct or indirect and by whatever means given. In addition, the opponents rely on Council Regulation (EEC) No: 1576/89 of 29 May 1989 laying down general rules on the definition, description and presentation of spirit drinks, pursuant to Article 5(2) of which geographical indications may be used in relation to *inter alia* vodka provided that such does not mislead consumers;
- under section 3(6) of the Act in that the application was filed in bad faith. In this regard the applicants contend that at the date of application the proprietor or alternatively their predecessors in title claimed to be entitled to the mark. In the applicants view the proprietor and/or its predecessors in title were not entitled to the mark and knew this to be the case as at the date of application. Further the proprietor or their predecessors in title intended as at the date of application to use the mark or to consent to the use thereof in such a manner as to mislead the public concerning the nature, quality or geographical origin of the product for which it is registered. Further the applicants contend that at the time of the application the mark in suit was not being used in the United Kingdom by the proprietor (or its predecessors in title) or with its consent in relation to all of the goods specified. Nor in the applicants' view did the proprietor when applying for the mark have a bona fide intention that the mark should be so used.

82. The fact that the trade mark in suit is a three dimensional device incorporating the 'SMIRNOFF' label makes no difference to the matters in hand. For the reasons outlined earlier in this decision the grounds upon which the applications for revocation under Section 46(1)(d) and a declaration that this registration be declared invalid under Section 47(1) have not been made out. The applications under No 11291 in respect of registration No 2000367 are refused.

### 83. **Revocation/Invalidation No: 11292**



Trade Mark No: 2000371

Trade Mark:



Registered for: Russian Vodka

The mark was applied for on 3 November 1994 and was placed on the register on 28 February 1997.

Mark text: The mark consists of a 3 dimensional shape with the words/devices appearing thereon.

The grounds of the action are as follows:-

- (a) **Under the provisions of section 46(1)(d) of the Act** - the applicants contend that the mark should be revoked on the ground that as a consequence of the use made of it by the proprietor or with his consent in relation to the goods for which it is registered, it is liable to mislead the public, particularly as to the nature, quality or geographical origin of the goods. In this respect, the applicants rely on the following facts and matters:

That the proprietor or alternatively its predecessors in title have used or consented to the use of the mark in such a way as to represent falsely that the product for which it is registered:

- was previously supplied to the Imperial Court of Russia;
- had previously been in receipt of numerous awards for quality, including *inter alia*

Russian State Coats of Arms, the award of Official Purveyorship to the Imperial Court of Russia and/or awards from various international fairs and exhibitions;

- is produced by a business first established in 1818;
- is produced by the successors in business to P.A. Smirnov (1831-1898);
- is produced according to the formula and processes of P.A. Smirnov

By reason of the above, the applicants claim that the mark has since registration become liable to mislead as to the nature, quality, and/or geographical origin of the goods for which it is registered.

(b) **under the provisions of section 47(1) of the Act** - the applicants contend that the mark should be declared invalid under:

- section 3(3)(b) of the Act on the ground that it is of such a nature as to deceive the public as to the nature, quality and/or geographical origin of the goods for which it is registered. The applicants contend that use of Imperial Russian regalia, the use of Russian State Coats of Arms, the use of the words PURVEYORS TO THE IMPERIAL RUSSIAN COURT 1886-1917 and the use of the words PIERRE SMIRNOFF MOSCOW 1818 misrepresents to the public that the goods for which it is registered were previously supplied to the Imperial Court of Russia and/or that the goods for which it is registered had previously been awarded such recognition or are produced by the successors in business to P.A. Smirnov (1831-1898);
- under Section 3(4) of the Act on the ground that its use is prohibited in the United Kingdom by an enactment, rule of law and/or by a provision of Community law. In this regard, the applicants refer to the Trade Descriptions Act 1968 pursuant to which it is an offence to apply to goods a false description *inter alia* of the approval of any person or conformity with a type approved by any person, the place of manufacture, production or processing, the person by whom manufactured, produced or processed, other history, including previous ownership or use, whether such is direct or indirect and by whatever means given;
- under section 3(6) of the Act in that the application was filed in bad faith. In this regard the applicants contend that at the date of application the proprietor or alternatively their predecessors in title claimed to be entitled to the mark. In the applicants view the proprietor and/or its predecessors in title were not entitled to the mark and knew this to be the case as at the date of application. Further the proprietor or their predecessors in title intended as at the date of application to use the mark or to consent to the use thereof in such a manner as to mislead the public concerning the nature, quality or geographical origin of the product for which it is registered.

84. Mr Edenborough in his skeleton argument and in his submissions drew attention to the fact that in their evidence (Ms Beverly Brozsely's witness statement) the registered proprietors admit that the goods on which the trade mark is used, "Russian vodka", are no longer

produced in Russia. Thus, it amounts to a false description of manufacture. But that ground of revocation under Section 46 was never pleaded and no request to amend the pleadings accordingly was made. In the circumstances I decline to consider the matter. Though, prima

facie, the registration is vulnerable to attack for those reasons.

85. For the reasons outlined earlier in this decision the grounds upon which the applications for revocation under Section 46(1)(d) and a declaration that this registration be declared invalid under Section 47(1) have not been made out. The applications under No 11292 in respect of registration No 2000371 are refused.

85. **Revocation/Invalidation No: 11293**

Trade Mark No: 2045198

Trade Mark:

**СМІРНОБА**

Registered for: Wines, spirits and liqueurs; all included in Class 33.

The mark was applied for on 17 November 1995 and was placed on the register on 20 September 1996.

The grounds of the action are as follows:-

- (a) **Under the provisions of section 46(1)(d) of the Act** - the applicants contend that the mark should be revoked on the ground that as a consequence of the use made of it by the proprietor or with his consent in relation to the goods for which it is registered, it is liable to mislead the public, particularly as to the nature, quality or geographical origin of the goods. In this respect, the applicants rely on the following facts and matters:

That the proprietor or alternatively its predecessors in title have used or consented to the use of the mark in such a way as to represent falsely that the product for which it is registered:

- is made in the Russian Federation, alternatively that some stage of its manufacture or processing occurs in the Russian Federation, in the further alternative that its manufacture or processing is controlled by, or is connected in the course of trade with, a Russian commercial organisation;
- was previously supplied to the Imperial Court of Russia;
- had previously been in receipt of numerous awards for quality, including *inter alia*

Russian State Coats of Arms, the award of Official Purveyorship to the Imperial Court of Russia and/or awards from various international fairs and exhibitions;

- is produced by a business first established in 1818;
- is produced by the successors in business to P.A. Smirnov (1831-1898);
- is produced according to the formula and processes of P.A. Smirnov

By reason of the above, the applicants claim that the mark has since registration become liable to mislead as to the nature, quality, and/or geographical origin of the goods for which it is registered.

(b) **under the provisions of section 47(1) of the Act** - the applicants contend that the mark should be declared invalid under:

- section 3(3)(b) of the Act on the ground that it is of such a nature as to deceive the public as to the nature, quality and/or geographical origin of the goods for which it is registered. The applicants contend that use of the Cyrillic script as a device the English translation of which is SMIRNOVA or SMIRNOV or SMIRNOFF misrepresents to the public that the goods for which it is registered are made in the Russian Federation, alternatively that some stage of its manufacture or processing occurs in the Russian Federation, in the further alternative that its manufacture or processing is controlled by, or is connected in the course of trade with, a Russian commercial organisation;
- under Section 3(4) of the Act on the ground that its use is prohibited in the United Kingdom by an enactment, rule of law and/or by a provision of Community law. In this regard, the applicants refer to the Trade Descriptions Act 1968 pursuant to which it is an offence to apply to goods a false description *inter alia* of the place of manufacture, production or processing whether such is direct or indirect and by whatever means given. In addition, the opponents rely on Council Regulation (EEC) No: 1576/89 of 29 May 1989 laying down general rules on the definition, description and presentation of spirit drinks, pursuant to Article 5(2) of which geographical indications may be used in relation to *inter alia* vodka provided that such does not mislead consumers;
- under section 3(6) of the Act in that the application was filed in bad faith. In this regard the applicants contend that at the date of application the proprietor or alternatively their predecessors in title claimed to be entitled to the mark. In the applicants view the proprietor and/or its predecessors in title were not entitled to the mark and knew this to be the case as at the date of application. Further the proprietor or their predecessors in title intended as at the date of application to use the mark or to consent to the use thereof in such a manner as to mislead the public concerning the nature, quality or geographical origin of the product for which it is registered. Further the applicants contend that at the time of the application the mark in suit was not being used in the United Kingdom by the proprietor (or its predecessors in title) or with its consent in relation to all of the goods specified. Nor in the applicants' view did the proprietor when applying for the mark have a bona fide intention that the mark should be so used.

86. I note that the trade mark consists of Cyrillic characters which mean, on translation, SMIRNOV . It is thus different from the name SMIRNOFF itself. The average member of the public would not connect it at all, in my view, with the SMIRNOFF name and trade mark. Therefore, for the reasons outlined earlier in this decision the grounds upon which the applications for revocation under Section 46(1)(d) and a declaration that this registration be declared invalid under Section 47(1) have not been made out. The applications under No 11293 in respect of registration No 2045198 are refused.

87. **Revocation/Invalidation No: 11294**

Trade Mark No: 2045199

Trade Mark:

**Смирновская Водка No. 21**

Registered for: Wines, spirits and liqueurs; all included in Class 33

The mark was applied for on 17 November 1995 and was placed on the register on 30 August 1996.

The grounds of the action are as follows:-

- (a) **Under the provisions of section 46(1)(d) of the Act** - the applicants contend that the mark should be revoked on the ground that as a consequence of the use made of it by the proprietor or with his consent in relation to the goods for which it is registered, it is liable to mislead the public, particularly as to the nature, quality or geographical origin of the goods. In this respect, the applicants rely on the following facts and matters:

That the proprietor or alternatively its predecessors in title have used or consented to the use of the mark in such a way as to represent falsely that the product for which it is registered:

- is made in the Russian Federation, alternatively that some stage of its manufacture or processing occurs in the Russian Federation, in the further alternative that its manufacture or processing is controlled by, or is connected in the course of trade with, a Russian commercial organisation;
- was previously supplied to the Imperial Court of Russia;
- had previously been in receipt of numerous awards for quality, including *inter alia* Russian State Coats of Arms, the award of Official Purveyorship to the Imperial Court of Russia and/or awards from various international fairs and exhibitions;
- is produced by a business first established in 1818;

- is produced by the successors in business to P.A. Smirnov (1831-1898);
- is produced according to the formula and processes of P.A. Smirnov

By reason of the above, the applicants claim that the mark has since registration become liable to mislead as to the nature, quality, and/or geographical origin of the goods for which it is registered.

- (b) **under the provisions of section 47(1) of the Act** - the applicants contend that the mark should be declared invalid under:
- section 3(3)(b) of the Act on the ground that it is of such a nature as to deceive the public as to the nature, quality and/or geographical origin of the goods for which it is registered. The applicants contend that use of the Cyrillic script as a device the English translation of which is SMIRNOVA or SMIRNOV or SMIRNOFF VODKA No. 21 misrepresents to the public that the goods for which it is registered are made in the Russian Federation, alternatively that some stage of its manufacture or processing occurs in the Russian Federation, in the further alternative that its manufacture or processing is controlled by, or is connected in the course of trade with, a Russian commercial organisation;
  - under Section 3(4) of the Act on the ground that its use is prohibited in the United Kingdom by an enactment, rule of law and/or by a provision of Community law. In this regard, the applicants refer to the Trade Descriptions Act 1968 pursuant to which it is an offence to apply to goods a false description *inter alia* of the place of manufacture, production or processing whether such is direct or indirect and by whatever means given. In addition, the opponents rely on Council Regulation (EEC) No: 1576/89 of 29 May 1989 laying down general rules on the definition, description and presentation of spirit drinks, pursuant to Article 5(2) of which geographical indications may be used in relation to *inter alia* vodka provided that such does not mislead consumers;
  - under section 3(6) of the Act in that the application was filed in bad faith. In this regard the applicants contend that at the date of application the proprietor or alternatively their predecessors in title claimed to be entitled to the mark. In the applicants view the proprietor and/or its predecessors in title were not entitled to the mark and knew this to be the case as at the date of application. Further the proprietor or their predecessors in title intended as at the date of application to use the mark or to consent to the use thereof in such a manner as to mislead the public concerning the nature, quality or geographical origin of the product for which it is registered. Further the applicants contend that at the time of the application the mark in suit was not being used in the United Kingdom by the proprietor (or its predecessors in title) or with its consent in relation to all of the goods specified. Nor in the applicants' view did the proprietor when applying for the mark have a bona fide intention that the mark should be so used.

88. The Cyrillic characters in this case can be translated into SMIRNOVSKAYA Vodka but the average member of the public would not so translate; he or she would regard them as Russian looking words but with no meaning to them.

89. For the reasons outlined earlier in this decision the grounds upon which the applications for revocation under Section 46(1)(d) and a declaration that this registration be declared invalid under Section 47(1) have not been made out. The applications under No: 11294 in respect of registration No 2045199 are refused.

90. **Revocation/Invalidation No: 11295**

Trade Mark No: 2052422

Trade mark:



Registered for: Vodka

The mark was applied for on 13 January 1996 and was placed on the register on 27 September 1996.

The grounds of the action are as follows:-

- (a) **Under the provisions of section 46(1)(d) of the Act** - the applicants contend that the mark should be revoked on the ground that as a consequence of the use made of it by the proprietor or with his consent in relation to the goods for which it is registered, it is liable to mislead the public, particularly as to the nature, quality or geographical origin of the goods. In this respect, the applicants rely on the following facts and matters:

That the proprietor or alternatively its predecessors in title have used or consented to the use of the mark in such a way as to represent falsely that the product for which it is registered:

- is made in the Russian Federation, alternatively that some stage of its manufacture or processing occurs in the Russian Federation, in the further alternative that its

manufacture or processing is controlled by, or is connected in the course of trade with, a Russian commercial organisation;

- was previously supplied to the Imperial Court of Russia;
- had previously been in receipt of numerous awards for quality, including *inter alia* Russian State Coats of Arms, the award of Official Purveyorship to the Imperial Court of Russia and/or awards from various international fairs and exhibitions;
- is produced by a business first established in 1818;
- is produced by the successors in business to P.A. Smirnov (1831-1898);
- is produced according to the formula and processes of P.A. Smirnov

By reason of the above, the applicants claim that the mark has since registration become liable to mislead as to the nature, quality, and/or geographical origin of the goods for which it is registered.

(b) **under the provisions of section 47(1) of the Act** - the applicants contend that the mark should be declared invalid under:

- section 3(3)(b) of the Act on the ground that it is of such a nature as to deceive the public as to the nature, quality and/or geographical origin of the goods for which it is registered. The applicants contend that use of SMIRNOFF together with Imperial Russian regalia, the use of Russian State Coats of Arms, the use of the words PURVEYORS TO THE IMPERIAL RUSSIAN COURT 1886-1917, the use of the words PIERRE SMIRNOFF FILS and the use of the Cyrillic script whose English translation is SMIRNOVA or SMIRNOV or SMIRNOFF VODKA No. 21, misrepresents to the public that the goods for which it is registered are made in the Russian Federation, alternatively that some stage of its manufacture or processing occurs in the Russian Federation, in the further alternative that its manufacture or processing is controlled by, or is connected in the course of trade with, a Russian commercial organisation, or that the goods were supplied to the Imperial Court of Russia and/or that the goods for which it is registered had previously been awarded such recognition or are produced by the successors in business to P.A. Smirnov (1831-1898);
- under Section 3(4) of the Act on the ground that its use is prohibited in the United Kingdom by an enactment, rule of law and/or by a provision of Community law. In this regard, the applicants refer to the Trade Descriptions Act 1968 pursuant to which it is an offence to apply to goods a false description *inter alia* of the approval of any person or conformity with a type approved by any person, the place of manufacture, production or processing, the person by whom manufactured, produced or processed, other history, including previous ownership or use, whether such is direct or indirect and by whatever means given. In addition, the opponents rely on Council Regulation (EEC) No: 1576/89 of 29 May 1989 laying down general rules on the definition,



description and presentation of spirit drinks, pursuant to Article 5(2) of which geographical indications may be used in relation to *inter alia* vodka provided that such does not mislead consumers;

- under section 3(6) of the Act in that the application was filed in bad faith. In this regard the applicants contend that at the date of application the proprietor or alternatively their predecessors in title claimed to be entitled to the mark. In the applicants view the proprietor and/or its predecessors in title were not entitled to the mark and knew this to be the case as at the date of application. Further the proprietor or their predecessors in title intended as at the date of application to use the mark or to consent to the use thereof in such a manner as to mislead the public concerning the nature, quality or geographical origin of the product for which it is registered. Further the applicants contend that at the time of the application the mark in suit was not being used in the United Kingdom by the proprietor (or its predecessors in title) or with its consent in relation to all of the goods specified. Nor in the applicants' view did the proprietor when applying for the mark have a bona fide intention that the mark should be so used.

91. For the reasons outlined earlier in this decision the grounds upon which the applications for revocation under Section 46(1)(d) and a declaration that this registration be declared invalid under Section 47(1) have not been made out. The applications under No 11295 in respect of registration No 2052422 are refused.

**92. Revocation/Invalidation No: 11296**

Trade Mark No: 2134017

Trade Mark:



Registered for: Wines, spirits and liqueurs

The mark was applied for on 21 May 1997 and was placed on the register on 21 November 1997.

Mark text: Series of two marks.

The grounds of the action are as follows:-

- (a) **Under the provisions of section 46(1)(d) of the Act** - the applicants contend that the mark should be revoked on the ground that as a consequence of the use made of it by the proprietor or with his consent in relation to the goods for which it is registered, it is liable to mislead the public, particularly as to the nature, quality or geographical origin of the goods. In this respect, the applicants rely on the following facts and matters:

That the proprietor or alternatively its predecessors in title have used or consented to the use of the mark in such a way as to represent falsely that the product for which it is registered:

- is made in the Russian Federation, alternatively that some stage of its manufacture or processing occurs in the Russian Federation, in the further alternative that its manufacture or processing is controlled by, or is connected in the course of trade with, a Russian commercial organisation;
- was previously supplied to the Imperial Court of Russia;
- had previously been in receipt of numerous awards for quality, including *inter alia* Russian State Coats of Arms, the award of Official Purveyorship to the Imperial Court of Russia and/or awards from various international fairs and exhibitions;
- is produced by a business first established in 1818;
- is produced by the successors in business to P.A. Smirnov (1831-1898);
- is produced according to the formula and processes of P.A. Smirnov

By reason of the above, the applicants claim that the mark has since registration become liable to mislead as to the nature, quality, and/or geographical origin of the goods for which it is registered.

- (b) **under the provisions of section 47(1) of the Act** - the applicants contend that the mark should be declared invalid under:

- section 3(3)(b) of the Act on the ground that it is of such a nature as to deceive the public as to the nature, quality and/or geographical origin of the goods for which it is registered. The applicants contend that use of SMIRNOFF which they say is a recognisably Russian sounding name misrepresents to the public that the goods for which it is registered are made in the Russian Federation, alternatively that some stage of its manufacture or processing occurs in the Russian Federation, in the further alternative that its manufacture or processing is controlled by, or is connected in the course of trade with, a Russian commercial organisation;
- under Section 3(4) of the Act on the ground that its use is prohibited in the United Kingdom by an enactment, rule of law and/or by a provision of Community law. In this regard, the applicants refer to the Trade Descriptions Act 1968 pursuant to which it is an offence to apply to goods a false description *inter alia* of the place of

manufacture, production or processing, whether such is direct or indirect and by whatever means given. In addition, the opponents rely on Council Regulation (EEC) No: 1576/89 of 29 May 1989 laying down general rules on the definition, description and presentation of spirit drinks, pursuant to Article 5(2) of which geographical indications may be used in relation to *inter alia* vodka provided that such does not mislead consumers;

- under section 3(6) of the Act in that the application was filed in bad faith. In this regard the applicants contend that at the date of application the proprietor or alternatively their predecessors in title claimed to be entitled to the mark. In the applicants view the proprietor and/or its predecessors in title were not entitled to the mark and knew this to be the case as at the date of application. Further the proprietor or their predecessors in title intended as at the date of application to use the mark or to consent to the use thereof in such a manner as to mislead the public concerning the nature, quality or geographical origin of the product for which it is registered. Further the applicants contend that at the time of the application the mark in suit was not being used in the United Kingdom by the proprietor (or its predecessors in title) or with its consent in relation to all of the goods specified. Nor in the applicants' view did the proprietor when applying for the mark have a bona fide intention that the mark should be so used.

93. For the reasons outlined earlier in this decision the grounds upon which the applications for revocation under Section 46(1)(d) and a declaration that this registration be declared invalid under Section 47(1) have not been made out. The applications under No 11296 in respect of registration No 2134017 are refused.

94. **Revocation/invalidation No: 11297**

Trade Mark No: 2146828

Trade mark:



Registered for: Wines, spirits and liqueurs

The mark was applied for on 2 October 1997 and was placed on the register on 8 May 1998.

Mark text: The applicant claims the colours copper, red, gold and white as an element of the mark here depicted in heraldic shading.

The grounds of the action are as follows:-

- (a) **Under the provisions of section 46(1)(d) of the Act** - the applicants contend that the mark should be revoked on the ground that as a consequence of the use made of it by the proprietor or with his consent in relation to the goods for which it is registered, it is liable to mislead the public, particularly as to the nature, quality or geographical origin of the goods. In this respect, the applicants rely on the following facts and matters:

That the proprietor or alternatively its predecessors in title have used or consented to the use of the mark in such a way as to represent falsely that the product for which it is registered:

- is made in the Russian Federation, alternatively that some stage of its manufacture or processing occurs in the Russian Federation, in the further alternative that its manufacture or processing is controlled by, or is connected in the course of trade with, a Russian commercial organisation;
- was previously supplied to the Imperial Court of Russia;
- had previously been in receipt of numerous awards for quality, including *inter alia* Russian State Coats of Arms, the award of Official Purveyorship to the Imperial Court of Russia and/or awards from various international fairs and exhibitions;
- is produced by a business first established in 1818;
- is produced by the successors in business to P.A. Smirnov (1831-1898);
- is produced according to the formula and processes of P.A. Smirnov

By reason of the above, the applicants claim that the mark has since registration become liable to mislead as to the nature, quality, and/or geographical origin of the goods for which it is registered.

- (b) **under the provisions of section 47(1) of the Act** - the applicants contend that the mark should be declared invalid under:

- section 3(3)(b) of the Act on the ground that it is of such a nature as to deceive the public as to the nature, quality and/or geographical origin of the goods for which it is registered. The applicants contend that use of SMIRNOFF which they say is a recognisably Russian-sounding name the use of Imperial Russian regalia, the use of

Russian State Coats of Arms, the use of the words PURVEYORS TO THE IMPERIAL RUSSIAN COURT 1886-1917 and the use of the words PIERRE SMIRNOFF MOSCOW FILS misrepresents to the public that the goods for which it is registered were previously supplied to the Imperial Court of Russia and/or that the goods for which it is registered had previously been awarded such recognition or are produced by the successors in business to P.A. Smirnov (1831-1898);

- under Section 3(4) of the Act on the ground that its use is prohibited in the United Kingdom by an enactment, rule of law and/or by a provision of Community law. In this regard, the applicants refer to the Trade Descriptions Act 1968 pursuant to which it is an offence to apply to goods a false description *inter alia* of the approval of any person or conformity with a type approved by any person, the place of manufacture, production or processing, the person by whom manufactured, produced or processed, other history, including previous ownership or use, whether such is direct or indirect and by whatever means given. In addition, the opponents rely on Council Regulation (EEC) No: 1576/89 of 29 May 1989 laying down general rules on the definition, description and presentation of spirit drinks, pursuant to Article 5(2) of which geographical indications may be used in relation to *inter alia* vodka provided that such does not mislead consumers;
- under section 3(6) of the Act in that the application was filed in bad faith. In this regard the applicants contend that at the date of application the proprietor or alternatively their predecessors in title claimed to be entitled to the mark. In the applicants view the proprietor and/or its predecessors in title were not entitled to the mark and knew this to be the case as at the date of application. Further the proprietor or their predecessors in title intended as at the date of application to use the mark or to consent to the use thereof in such a manner as to mislead the public concerning the nature, quality or geographical origin of the product for which it is registered.

95. The fact that this trade mark contains as an element the word MULE does not make any difference to either sides arguments or submissions or my findings.

96. For the reasons outlined earlier in this decision the grounds upon which the applications for revocation under Section 46(1)(d) and a declaration that this registration be declared invalid under Section 47(1) have not been made out. The applications under No 11297 in respect of registration No 2146828 are refused.

**97. Revocation/Invalidation No: 11298**

Trade Mark No: 2149387

Trade Mark: **PURE SMIRNOFF THE DIFFERENCE IS CLEAR**

Registered for: Wines, spirits and liqueurs

The mark was applied for on 29 October 1997 and was placed on the register on 1 May 1998.

The grounds of the action are as follows:-

- (a) **Under the provisions of section 46(1)(d) of the Act** - the applicants contend that the mark should be revoked on the ground that as a consequence of the use made of it by the proprietor or with his consent in relation to the goods for which it is registered, it is liable to mislead the public, particularly as to the nature, quality or geographical origin of the goods. In this respect, the applicants rely on the following facts and matters:

That the proprietor or alternatively its predecessors in title have used or consented to the use of the mark in such a way as to represent falsely that the product for which it is registered:

- is made in the Russian Federation, alternatively that some stage of its manufacture or processing occurs in the Russian Federation, in the further alternative that its manufacture or processing is controlled by, or is connected in the course of trade with, a Russian commercial organisation;
- was previously supplied to the Imperial Court of Russia;
- had previously been in receipt of numerous awards for quality, including *inter alia* Russian State Coats of Arms, the award of Official Purveyorship to the Imperial Court of Russia and/or awards from various international fairs and exhibitions;
- is produced by a business first established in 1818;
- is produced by the successors in business to P.A. Smirnov (1831-1898);
- is produced according to the formula and processes of P.A. Smirnov

By reason of the above, the applicants claim that the mark has since registration become liable to mislead as to the nature, quality, and/or geographical origin of the goods for which it is registered.

- (b) **under the provisions of section 47(1) of the Act** - the applicants contend that the mark should be declared invalid under:
- section 3(3)(b) of the Act on the ground that it is of such a nature as to deceive the public as to the nature, quality and/or geographical origin of the goods for which it is registered. The applicants contend that the use of SMIRNOFF a recognisably Russian sounding name, misrepresents to the public that the goods for which it is registered are made in the Russian Federation, alternatively that some stage of its manufacture or processing occurs in the Russian Federation, in the further alternative that its manufacture or processing is controlled by, or is connected in the course of trade with, a Russian commercial organisation;
  - under Section 3(4) of the Act on the ground that its use is prohibited in the United Kingdom by an enactment, rule of law and/or by a provision of Community law. In

this regard, the applicants refer to the Trade Descriptions Act 1968 pursuant to which it is an offence to apply to goods a false description *inter alia* of the place of manufacture, production or processing, whether such is direct or indirect and by whatever means given. In addition, the opponents rely on Council Regulation (EEC) No: 1576/89 of 29 May 1989 laying down general rules on the definition, description and presentation of spirit drinks, pursuant to Article 5(2) of which geographical indications may be used in relation to *inter alia* vodka provided that such does not mislead consumers;

- under section 3(6) of the Act in that the application was filed in bad faith. In this regard the applicants contend that at the date of application the proprietor or alternatively their predecessors in title claimed to be entitled to the mark. In the applicants view the proprietor and/or its predecessors in title were not entitled to the mark and knew this to be the case as at the date of application. Further the proprietor or their predecessors in title intended as at the date of application to use the mark or to consent to the use thereof in such a manner as to mislead the public concerning the nature, quality or geographical origin of the product for which it is registered. Further the applicants contend that at the time of the application the mark in suit was not being used in the United Kingdom by the proprietor (or its predecessors in title) or with its consent in relation to all of the goods specified. Nor in the applicants' view did the proprietor when applying for the mark have a bona fide intention that the mark should be so used.

98. For the reasons outlined earlier in this decision the grounds upon which the applications for revocation under Section 46(1)(d) and a declaration that this registration be declared invalid under Section 47(1) have not been made out. The applications under No 11298 in respect of registration No 2149387 are refused.

**99. Revocation/Invalidation No: 11299**

Trade Mark No: 2159254

Trade Mark: **BLOODY SMIRNOFF**

Registered for: Wines, spirits and liqueurs

The mark was applied for on 25 February 1998 and was placed on the register on 21 August 1998.

The grounds of the action are as follows:-

- (a) **Under the provisions of section 46(1)(d) of the Act** - the applicants contend that the mark should be revoked on the ground that as a consequence of the use made of it by the proprietor or with his consent in relation to the goods for which it is registered, it is liable to mislead the public, particularly as to the nature, quality or geographical origin of the goods. In this respect, the applicants rely on the following facts and matters:

That the proprietor or alternatively its predecessors in title have used or consented to the use of the mark in such a way as to represent falsely that the product for which it is registered:

- is made in the Russian Federation, alternatively that some stage of its manufacture or processing occurs in the Russian Federation, in the further alternative that its manufacture or processing is controlled by, or is connected in the course of trade with, a Russian commercial organisation;
- was previously supplied to the Imperial Court of Russia;
- had previously been in receipt of numerous awards for quality, including *inter alia* Russian State Coats of Arms, the award of Official Purveyorship to the Imperial Court of Russia and/or awards from various international fairs and exhibitions;
- is produced by a business first established in 1818;
- is produced by the successors in business to P.A. Smirnov (1831-1898);
- is produced according to the formula and processes of P.A. Smirnov

By reason of the above, the applicants claim that the mark has since registration become liable to mislead as to the nature, quality, and/or geographical origin of the goods for which it is registered.

(b) **under the provisions of section 47(1) of the Act** - the applicants contend that the mark should be declared invalid under:

- under Section 3(3)(b) of the Act on the ground that it is of such a nature as to deceive the public as to the nature, quality and/or geographical origin of the goods for which it is registered. The applicants contend that the use of SMIRNOFF a recognisably Russian sounding name, misrepresents to the public that the goods for which it is registered are made in the Russian Federation, alternatively that some stage of its manufacture or processing occurs in the Russian Federation, in the further alternative that its manufacture or processing is controlled by, or is connected in the course of trade with, a Russian commercial organisation;
- under Section 3(4) of the Act on the ground that its use is prohibited in the United Kingdom by an enactment, rule of law and/or by a provision of Community law. In this regard, the applicants refer to the Trade Descriptions Act 1968 pursuant to which it is an offence to apply to goods a false description *inter alia* of the place of manufacture, production or processing, whether such is direct or indirect and by whatever means given. In addition, the opponents rely on Council Regulation (EEC) No 1576/89 of 29 May 1989 laying down general rules on the definition, description and presentation of spirit drinks, pursuant to Article 5(2) of which geographical indication may be used in relation to *inter alia* vodka provided that such does not mislead consumers;



- under Section 3(6) of the Act in that the application was filed in bad faith. In this regard the applicants contend that at the date of application the proprietor or alternatively their predecessors in title claimed to be entitled to the mark. In the applicants view the proprietor and/or its predecessors in title were not entitled to the mark and knew this to be the case as at the date of application. Further the proprietor or their predecessors in title intended as at the date of application to use the mark or to consent to the use thereof in such a matter as to mislead the public concerning the nature, quality or geographical origin of the product for which it is registered. Further the applicants contend that at the time of the application the mark in suit was not being used in the United Kingdom by the proprietor (or its predecessors in title) or with its consent in relation to all of the goods specified. Nor in the applicants' view did the proprietor when applying for the mark have a bona fide intention that the mark should be so used.

100. For the reasons outlined earlier in this decision the grounds upon which the applications for revocation under Section 46(1)(d) and a declaration that this registration be declared invalid under Section 47(1) have not been made out. The applications under No 11299 in respect of registration No 2159254 are refused.

101. As the applicants have failed for the most part (one specification of goods has been limited) in all of their grounds on all of these cases the registered proprietors are entitled to an award of costs. The evidence filed was common to all cases as were, for the most part, the submissions made by each side at the single hearing. Taking that into account and the Comptrollers scale in operation at the time these proceedings were launched I order the applicants to pay to the registered proprietor the sum of £7000. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

**Dated this 23<sup>rd</sup> day of November 2001**

**M KNIGHT  
For the Registrar  
the Comptroller-General**