

O/223/12

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION  
No. 2563450  
BY DEAKIN & FRANCIS LIMITED  
TO REGISTER THE TRADE MARK**



**DEAKIN & FRANCIS  
ENGLAND**

**IN CLASS 14**

**AND**

**IN THE MATTER OF OPPOSITION THERETO  
UNDER No. 101612 BY  
SOCIETE JAS HENNESSY & CO**

## BACKGROUND

1) On 5 November 2010 Deakin & Francis Limited (hereinafter the applicant), applied to register the following trade mark:






2) In respect of the following goods in Class 14: “Jewellery.”

3) The application was examined and accepted, and subsequently published for opposition purposes on 26 November 2010 in Trade Marks Journal No.6863.

4) On 25 February 2011, Societe Jas Hennessy & Co, (hereinafter the opponent) filed a notice of opposition. The grounds of opposition are in summary:

a) The opponent is the proprietor of the following trade mark:

Number	Mark	Filing and Registration Date	Class	Specification relied upon
M858533		Date protection conferred in the EU 14.09.2006	14	Precious metals and their alloys and products made from these materials or coated therewith other than for dental use, namely services (tableware) of precious metal; vases of precious metal; candelabra of precious metal; snuff boxes of precious metal; ashtrays (of precious metal) for smokers; cigarette cases (of precious metal); cigar cases (of precious metal); cigarette holders (of precious metal); cigar holders (of precious metal); statues and statuettes (of precious metal); boxes of precious metal; purses of precious metal; novelty key rings, jewellery, precious stones; horological and chronometric instruments; rings (jewellery), earrings; cufflinks, bracelets (jewellery); brooches (jewellery); necklaces (jewellery);

				pins (jewellery); medals (jewellery); medallions (jewellery); watches, watch cases.
CTM 4559365		25.07.2005 / 07.08.2006	33	Cognac
2054574		23.01.1996 / 20.09.1996	33	Alcoholic beverages.

- b) The opponent states that its mark M858533 is similar to the mark in suit, as are the goods for which it is registered. They state that the applicant's mark includes a graphic device of a bent arm rising from a base and holding a battleaxe, known as the Dexter Arm. They state that the device is set above the other elements of the mark in suit and occupies over 50% of the vertical height of the mark. The opponent contends that the mark in suit therefore offends against Section 5(2)(b) of the Act.
- c) The opponent also contends that its two other marks are similar to the mark in suit albeit registered for dissimilar goods and so the mark in suit offends against Section 5(3) of the Act. They state that the mark in suit includes the Dexter arm above a number of other elements. They contend that the Dexter arm occupies over 50% of the vertical height of the mark and forms a very significant and striking part of the mark and is entirely independent of the other elements of the mark. The opponent contends that whilst there are differences in detail between the applicant's Dexter Arm and the opponent's Bras Arme device these are far outweighed by the similarities such that the overall impression given by both devices is the same. They claim to have used their Bras Arme for many years and to a substantial degree on cognac, such that the mark is well known and has a strong reputation. They accept that cognac and jewellery are different products but state that they are both luxury goods and it is usual for such goods to originate from the same or related undertakings. They contend that they are often sold in the same outlets such as duty free shops. The opponent is part of the LVMH Moët Hennessy luxury group which it states is the largest luxury goods conglomerate. The group consists of Louis Vuitton, Dior, Tag Huer, Chaumet and Fred, who, they claim, are all well known for watches. Use of the mark in suit would therefore take unfair advantage of the reputation of the opponent's Bras Arme as anyone familiar with the opponent's mark would assume a connection. It would provide an unfair advantage and dilute the opponent's mark.

d) The opponent also claims that its' mark HENNESSY with the Bras Arme device is famous worldwide and as such is entitled to protection under Article 6 bis of the Paris Convention.

5) On 3 May 2011, the applicant filed a counterstatement which denied the opponent's claims. The applicant sought to put the opponent to strict proof of use of its mark M858533 in relation to Class 14 goods. However, the date on which protection was conferred in the EU was 14 September 2006 and so the proof of use is not applicable. The applicant submits that if the opponent does have a reputation it would subsist solely in cognac and/or alcohol not jewellery. The applicant points out that the Dexter Arm part of its' mark has been used by the applicant since 1563.

6) Both sides filed evidence. Both parties seek an award of costs in their favour. Neither party wished to be heard although both provided written submissions which I shall refer to as and when required in my decision.

### **OPPONENT'S EVIDENCE**

7) The opponent filed a witness statement, dated 6 September 2011, by Yann Fillioux the Deputy Director, Taster Master Blender within the opponent. A position he has held for nineteen years. He states that he is authorised to make his statement and that he does so from his own knowledge and also from the records of the company. He states that his company was established in 1765 and began using its Bras Arme as a trade mark for its goods in 1856. He states that Hennessy cognac is the best selling cognac in the world selling over one million bottles in the UK in 2010 and nearly 60 million worldwide in 2010 to enjoy over 40% of the world market in cognac. He provides the following figures:

Year	Bottles sold in the UK	Bottles sold Worldwide	Promotional expenditure in the UK £
2000	471,324	37,263,252	948,000
2001	490,080	39,356,196	1,003,000
2002	584,064	41,734,248	1,284,000
2003	665,808	43,893,708	924,000
2004	645,684	46,429,956	818,000
2005	596,736	50,438,160	682,000
2006	649,764	55,301,964	838,000
2007	604,524	60,864,612	849,000
2008	599,388	57,717,996	559,000
2009	886,956	54,548,328	635,000
2010	1,008,660	59,796,768	899,000

8) Mr Fillioux states that Hennessy cognac is consistently recognised in business publications as among the World's top 100 brands. He states that the Bras Arme is a fundamental element of his company's branding and it is used consistently throughout the business and its products. He states that the Bras Arme mark has been used upon

jewellery items such as cuff links, watches and lapel pins and a variety of other promotional and gift items. He states that his company sponsors sporting events, the best known of which is the Hennessy Gold Cup horse race which has been sponsored since 1957. Mr Fillioux points out that his company is part of the Louis Vuitton Moët Hennessy Group (LVMH) which owns a number of prestigious brands such as, *inter alia*, Dior, De Beers and Dom Pérignon. He states that there is a clear linkage between the brands and that it is likely that a consumer with knowledge of the LVMH group of companies, when seeing a device similar to the Bras Armé on jewellery, will consider that the products are those of a company related to or associated with Hennessy through the LVMH group. He also provides the following exhibits:

- YF2: A copy of a booklet entitled “The Conquest of Time” which provides a brief history of the Hennessy brand which states that the Bras Armé has been used since 1856 in a number of iterations to the brands relied upon in the instant case. Also included in this exhibit is a copy of the UK Registry’s Journal No. 1295 dated August 1876 and which shows a number of marks applied for by the opponent. Again these are different to the marks relied upon in the instant case, and the Bras Armé is less distinctive in some, notably those where it is amongst a large vine device. Also included are copies of registration certificates from 1877.
- YF3: A copy of Business Week magazine dated September 2005 which contains a list of what the magazine states are the top 100 brands, Hennessy is listed at number 86. The magazine does appear to be sold in the UK, however the brands are worldwide brands, with no actual specific references to the UK. Also included is a copy of the Milward Brown Optimor list of the world’s most powerful luxury brands of 2010, with the opponent featuring at No.5. Lastly is a copy of the 2006-2009, “Power 100” reports by UK Intangible Business Agency into the world’s most powerful spirits and wine brands. He states his company is in the top ten for all the relevant categories.
- YF4: Examples of the opponent’s current product labels and examples of labelling and packaging from 1962 onwards (pages 83-126 inclusive). The Bras Armé is used prominently within the main label including the HENNESSY trade mark and also alone within the medallion label used on the product packaging, with the Bras Armé always placed above the HENNESSY trade mark when used on the product packaging. He states that many of the labels have the words “BRAS ARME” in close proximity to the device or surrounding the device. However only one, page 84, was dated (1962); although there were other undated instances on pages 86, 88, 89 & 91. He states that his company’s literature refers to the device element as does the book at exhibit YF6. He states that the mere existence of the term “BRAS ARME” to specifically refer to the device further enhances it as a trade mark and one that is recognised separately, in its own right, from the other trade marks of his company. It is clear that some of these relate to specific countries such as USA, Mexico and China. What is not certain is if any of these labels were used in the UK.

- YF5: Copies of a selection of UK magazine advertisements from 1962-1978. He states that the BRAS ARME features prominently within all the advertisements.
- YF6: A copy of a book entitled “Trademarked – A History of Well Known Brands” by David Newton. The opponent’s various trade marks are mentioned and the use of the Bras Arme is mentioned. Mr Fillioux states that this shows that the device is a well-known mark. Nothing in this article refers to any reputation in the UK specifically.
- YF7: This contains a copy of the POS catalogue for 2006 and shows use of the Bras Arme upon various gift and promotional items, including cuff links, watches umbrellas. I note that all these items also have the word HENNESSEY in very large print and the word COGNAC in smaller print with the Bras Arme device in a small circle between the two words and considerably smaller in size. The exception being a lapel badge and a key ring both of which have only the Bras Arme device upon them. I note that the prices are only shown in Euros. This would also appear to be an internal document as each item has a “recommended usage” which states e.g. “Consumer and trade gifts, Events and Press gifts”; “Consumer and trade gifts – sales force, Bar staff – Wholesalers”. I note that the solid silver cufflinks cost €6.80 and the watch €5.90, there are no instructions on how to order. It also contains a page from the Hennessey magazine (July 2006) which shows a jewellery tidy. It is not possible to see what if any brand is upon it.
- YF8: This shows an example of the livery used at the Hennessey Gold Cup. This shows a horse wearing a blanket with the Bras Arme, at the top, the words HENNESSY, COGNAC and GOLD CUP in large print and the year. By far the most striking item is the name HENNESSY.
- YF9: This shows photographs of Hennessey cognac bottles and various other brands within the group which have no relevance to the instant case.

## **APPLICANT’S EVIDENCE**

9) The applicant filed a witness statement, dated 10 November 2011, by James Deakin a Director of the applicant, a position he has held since 2004. He states that his company has been producing jewellery, silverware and cufflinks since 1876 under the mark in suit. He states:

“7. My Company’s mark as applied for is the result of an amalgamation of different elements of My Company’s branding over the years, which we felt should be brought in line to represent a consolidated brand for the future. My Company has traditionally sold to other high end jewellers in the trade and as a “manufacturing jeweller” we have not in the past sought to independently promote or register our brand. Even the packaging was not an area that displayed My Company’s mark as goods would have been re-packaged by the respective jewellers. On this basis,

there is little that can be provided by way of promotional materials which show use of My Company's mark since the date of first use in the UK."

10) Mr Deakin also provides the following exhibits:

- JD1: A brief history of the firm which contributes nothing of use to my decision.
- JD2: A report from the Bluemantle Pursuivant who states that from an heraldic point of view, the two marks are different. This does not assist my decision.
- JD3: An example of a gift bag, but there is no information as to when such an item was introduced.
- JD4: A photograph of a nameplate which has all the elements of the mark in suit upon it, but not exactly as set out in the mark applied for.

### **OPPONENT'S EVIDENCE IN REPLY**

11) The opponent filed a witness statement, dated 17 January 2012, by Christopher Gethin Lewis the opponent's Trade Mark Attorney. His statement and exhibits simply question the relevance of exhibit JD2. As I have already decided to disregard JD2 I do not need to summarise Mr Lewis' views.

12) That concludes my summary of the evidence filed, insofar as I consider it necessary.

### **DECISION**

13) I shall first consider the ground of opposition under Section 5(2)(b) of the Act which reads:

"5.-(2) A trade mark shall not be registered if because -

(a)....

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark."

14) An "earlier trade mark" is defined in section 6, the relevant part of which states:

"6.-(1) In this Act an "earlier trade mark" means -

- (a) a registered trade mark, international trade mark (UK) or Community trade mark which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks.”

15) The opponent is relying upon its trade mark M858533 which is clearly an earlier trade mark. Protection in the EU was conferred on 14 September 2006. Because of the interplay between the date the mark in suit was advertised (26 November 2010) and the protection date of the opponent’s mark, the Trade Marks (Proof of Use, etc) Regulations 2004, do not come into play.

16) In my consideration of a likelihood of confusion, I take into account the guidance from the settled case law provided by the Court of Justice of the European Union (CJEU) in *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77 and *Marca Mode CV v Adidas AG & Adidas Benelux BV* [2000] E.T.M.R. 723, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH* C-120/04 (MEDION) and *Shaker di L. Laudato & C. Sas v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* C-334/05 P (LIMONCELLO). In the recent case of *La Chemise Lacoste SA v Baker Street Clothing Ltd* [ALLIGATOR O/333/10] Mr Hobbs QC acting as the Appointed Person set out the test shown below which was endorsed by Arnold J. in *Och-Ziff Management Europe Ltd and Oz Management Lp v Och Capital LLP; Union Investment Management Ltd & Ochocki*, [2010] EWCH 2599 (Ch).

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

(b) the matter must be judged through the eyes of the average consumer of the goods/ services in question; who is deemed to be reasonably well informed and reasonably circumspect and observant - but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

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

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements; nevertheless, the overall impression conveyed to the public by a composite trade mark may, in certain circumstances, be dominated by one or more of its components;



(e) and beyond the usual case, where the overall impression created by a mark depends heavily on the dominant features of the mark, it is quite possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element in that mark;

(f) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa;

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

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

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

(j) if the association between the marks causes the public to wrongly believe that the respective goods or services come from the same or economically linked undertakings, there is a likelihood of confusion.

17) In essence the test under section 5(2)(b) is whether there are similarities in marks and goods which would combine to create a likelihood of confusion. In my consideration of whether there are similarities sufficient to show a likelihood of confusion I am guided by the judgments mentioned above. The likelihood of confusion must be appreciated globally and I need to address the degree of visual, aural and conceptual similarity between the marks, evaluating the importance to be attached to those different elements taking into account the degree of similarity in the goods, the category of goods in question and how they are marketed. Furthermore, I must compare the applicant's mark and the mark relied upon by the opponent on the basis of their inherent characteristics assuming normal and fair use of the marks on the goods in their specifications.



18) In the instant case the opponent has provided considerable evidence regarding use of the HENNESSY mark, however it is also clear from its evidence that it uses a number of variants of the marks shown in paragraph 4 above. All feature the word HENNESSY prominently, most also feature the device of the Bras Arme on the main label although its location and prominence have altered over the years and dependent upon the country where the goods are being sold. The Bras Arme is also used upon a number of neck labels, but its use and the words surrounding it also have varied over the years according to the country where the goods are sold. What the opponent has not done is to provide evidence of use of the mark it is relying upon under this section (M858533) in the UK over the period covered by the sales figures. I have no doubt that the name

“Hennessy” has significant reputation in the UK with regard to Cognac, however, I cannot say the same for the mark that the opponent seeks to rely upon or the device of the Bras Arme as the opponent simply has not provided any actual evidence of use in the UK in the relevant period. It has not shown any use on jewellery other than a single brochure with no details of any actual sales, and no promotional activity in regard of jewellery. As such it cannot therefore benefit from an enhanced reputation. In my opinion, the opponent’s mark, M858533, has a high degree of inherent distinctiveness as it does not appear to have any meaning in relation to the goods for which it is registered.

19) As the case law in paragraph 16 above indicates I must determine the average consumer for the goods of the parties. I must then determine the manner in which these goods are likely to be selected by the said average consumer. The goods of the two parties are jewellery. The average consumer would be those members of the general public who wish to purchase jewellery, which is effectively all of the population of the UK. Items of jewellery vary enormously in price from the cheap costume jewellery which, even in silver, sells for just a few pounds to multi million pound items with unique precious stones. Irrespective of cost the average consumer will take some time selecting a piece of jewellery, as certain metals can affect the skin. Overall, I believe that jewellery items will not be purchased or selected without considerable care. I must also take into account imperfect recollection, as usually the average consumer will not view the marks side by side.

20) The applicant is seeking a registration for “jewellery”. The opponent’s mark M858533 is also registered for jewellery and so the goods of the two parties are identical.

21) I now turn to consider the marks of the two parties. For ease of reference these are reproduced below:

Applicant’s Trade Mark	Opponent’s Trade Mark
	

22) The opponent contends:

- a) “Both marks contain a highly distinctive heraldic crest consisting of an arm, bent to the left, rising from a form of headwear and holding a poleaxe. In both marks the devices are prominent with the device in the application being at the top and constituting roughly half [sic]entire height of the mark. The device in the opponent’s registration is equally prominent by being central within the mark with the other elements formed around it.”
- b) “Whilst the marks include other matter it is the highly prominent and distinctive device elements in the marks that will be recognised by the average consumer and this creates a high level of visual similarity between the marks. The use of the device element by the applicant will lead the average consumer to incorrectly make an economic link between the companies which will therefore create confusion.”
- c) “As can be seen from paragraph 6 of the witness statement of Yann Fillioux and exhibits YF4 and YF6, the opponent’s device element is termed the “Bras Arme” and considerable marketing resources have been used in ensuring that this is recognised as a trade mark of the opponent. The name Bras Arme is regularly used alongside and when referring to the opponent’s device to the extent that the average consumer will be knowledgeable of this and will use the term Bras Arme to refer to any marks that use the bent arm and axe device including the device element within the applicant’s mark. As this term will be used to refer to the device elements of both marks, when taking into account other matter within the marks, this is still likely to lead to a moderate level of aural similarity between the marks.”
- d) “The marks also have conceptual similarities due to the inclusion of the device elements within them. In the UK a heraldic crest when used as, or part of, a trade mark, acts to denote a level of prestige especially when used on luxury, high value goods. The goods, being jewellery, fall into this category and therefore the device elements are providing a similar conceptual message to the average consumer which is heightened due to the high visual similarity between the devices. The other matter included within the marks does not provide any conceptual dissimilarity between the marks thereby making them, at least, conceptually moderately similar.
- e) “the opponent is part of the Louis Vuitton Moet Hennessy group (LVMH) of companies which includes well known jewellers such as Bulgari, De Beers, Chaumet, Dior and Fred. The average consumer, being relatively circumspect, is likely to know of LVMH and the connections between the opponent and the other companies within the LVMH group. The applicant’s use of the arm and axe device will confuse consumers into believing that the opponent is part of the LVMH group and therefore economically linked to the opponent.”

23) In considering the issues I take note of the comments in *Medion*:

- “30 However, beyond the usual case where the average consumer perceives a mark as a whole, and notwithstanding that the overall impression may be dominated by one or more components of a composite mark, it is quite possible that in a particular case an earlier mark used by a third party in a composite sign including the name of the company of the third party still has an independent distinctive role in the composite sign, without necessarily constituting the dominant element.
- 31 In such a case the overall impression produced by the composite sign may lead the public to believe that the goods or services at issue derive, at the very least, from companies which are linked economically, in which case the likelihood of confusion must be held to be established.
- 32 The finding that there is a likelihood of confusion should not be subject to the condition that the overall impression produced by the composite sign be dominated by the part of it which is represented by the earlier mark.
- 33 If such a condition were imposed, the owner of the earlier mark would be deprived of the exclusive right conferred by Article 5(1) of the directive even where the mark retained an independent distinctive role in the composite sign but that role was not dominant.”

24) I also take into account the comments in LIMONCELLO:

- “41 It is important to note that, according to the case-law of the Court, in the context of consideration of the likelihood of confusion, assessment of the similarity between two marks means more than taking just one component of a composite trade mark and comparing it with another mark. On the contrary, the comparison must be made by examining each of the marks in question as a whole, which does not mean that the overall impression conveyed to the relevant public by a composite trade mark may not, in certain circumstances, be dominated by one or more of its components (see order in *Matratzen Concord v OHIM*, paragraph 32; *Medion*, paragraph 29).
- 42 As the Advocate General pointed out in point 21 of her Opinion, it is only if all the other components of the mark are negligible that the assessment of the similarity can be carried out solely on the basis of the dominant element.”

25) Whilst I accept that the opponent’s mark contains a device element that is distinctive and shows an arm, clad in armour, holding an axe aloft, it is not the dominant element of the opponent’s mark, although I accept it is reasonably prominent in that it is in the centre of the mark. Further, I do not believe that the average consumer will, when viewing the opponent’s device element, consider that the slightly curved line at its base in any way denotes a form of headwear. The mark in suit has two devices. The first is a crown with an unclad arm holding an axe aloft emerging from the top, which some might

consider to be an elaborate decorative element of the crown. The other device element is the overlapping ovals with the letters “D” and “F” with an ampersand at the point where the ovals join.

26) Given the prominence of the word “Hennessy” in the opponent’s mark and the words “Deakin & Francis” in the mark in suit I find it difficult to accept the contention that “it is the highly prominent and distinctive device elements in the marks that will be recognised by the average consumer and this creates a high level of visual similarity between the marks”. To my mind the average consumer is far more likely to recognise the name element, as this is more easily verbalised, in each mark. The adage “words speak louder than devices” also springs to mind. The opponent’s contention here also conveniently overlooks the other device aspects of the mark in suit which are, in my opinion, as memorable as the arm device. A crown element is not easily overlooked, especially in the UK as it suggests/implies that the mark may have or had Royal patronage or connection.

27) The opponent contends that its evidence shows that it has reputation in its Bras Arme device and that the average consumer will be familiar with this term. To my mind the evidence, other than the contention of Mr Fillioux does not support such an assertion. That the opponent sells a huge number of bottles of cognac in the UK and worldwide is not in doubt. The issue is quite how the bottles sold in the UK are labelled, as there is scant evidence of which label/s the opponent has used in the UK and how it has been promoted in the last twenty years. Even had the opponent shown use of the device element on bottles of cognac in the UK, it would still have had to show why the average consumer would recognise the Bras Arme element, when in most instances the drink would be ordered verbally in a bar or restaurant and the name Hennessy would undoubtedly be used. This would still leave an issue regarding use of the mark in suit on jewellery in the UK, which is almost non-existent, and why the average jewellery purchaser would not use the most obvious element of the name “Hennessy” when referring to the jewellery brand.

28) I do not accept that the opponent’s device element would be viewed by the average UK consumer as an heraldic device. However even if it were I believe that there are considerable differences, and a degree of similarity, between an heraldic device of an armoured arm holding a battleaxe, and a crown with an bare arm holding a battleaxe. To my mind, the fact that the arm in the opponent’s mark is armed dates it in the 14<sup>th</sup> to 17<sup>th</sup> century, whereas the bare arm with a piece of leather or cloth around the wrist denotes a much earlier period, possibly Viking. This and the crown device in the mark in suit leads to significant conceptual differences.

29) The opponent’s contentions on paragraph 22(e) above do not have any weight. The idea that unspecified marks owned by companies which are connected to the opponent should be taken into account is clearly an erroneous position. This is before the issue of whether the average consumer would actually keep abreast of which companies are part of which global conglomerate.

30) It is clear from my comments in the above paragraphs that there is a relatively minor degree of similarity in that both marks have an arm holding a battleaxe. However, the visual differences far exceed any similarity, particularly given their word elements. Verbally the marks are not similar in any manner. And conceptually they have a degree of similarity but also differences. Taken overall, although there is a small amount of similarity between the marks these, are far outweighed by the very considerable differences.

31) When determining whether there is a likelihood of confusion I have to take a number of factors into consideration. There is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and vice versa. I must consider whether the opponent's trade mark has a distinctive nature, the average consumer for the goods, the nature of the purchasing process and the issue of imperfect recollection. I must also take into account that these goods will be chosen with considerable care. In the instant case the opponent's mark has a very high degree of inherent distinctiveness. To my mind, even when used on identical goods, the clear differences in the trade marks mean that there is no likelihood of confusion on the part of the public, or a likelihood of association with the earlier trade mark. The ground of opposition under Section 5(2)(b) fails.

32) I now turn to consider the ground of opposition under section 5(3) which reads:

“5.3 A trade mark which-

(a) is identical with or similar to an earlier trade mark shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a Community trade mark, in the European Community) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.”

33) The relevant principles can be gleaned from the case law of the Court of Justice of the European Union. In particular, cases *General Motors Corp v Yplon SA (Chevy)* [2000] RPC 572, *Adidas Salomon AG v Fitnessworld Trading Ltd.* [2004] ETMR 10, *Intel Corporation Inc v CPM United Kingdom Ltd* - [2009] RPC 15 and *L'Oreal SA and others v Bellure NV and others* - Case C-487/07. These cases show that:

(a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors*, paragraph 24.

(b) The trade mark for which protection is sought must be known by a significant part of that relevant public; *General Motors*, paragraph 26; but the reputation of the earlier mark may extend beyond the consumers for the goods and services for which it is registered; *Intel*, paragraph 51.

(c) It is necessary, but not sufficient, for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Saloman*, paragraph 29 and *Intel*, paragraph 63.

(d) Whether such a link exists must be assessed globally taking account all relevant factors, including the degree of similarity between the respective marks and between the respective goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark's reputation and distinctiveness; *Intel*, paragraph 42

(e) Although it is not a necessary factor, a link between the trade marks is necessarily established where the similarity between the marks causes the relevant public to believe that the goods/services marketed under the later mark come from the owner of the earlier mark, or from an economically connected undertaking; *Intel*, paragraph 57.

(f) Where a link is established, the owner of the earlier mark must also establish that it has resulted in the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel*, paragraph 68: whether this is the case must also be assessed globally, taking account of all the relevant factors; *Intel*, paragraph 79.

(g) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious likelihood that this will happen in future; *Intel*, paragraphs 76 and 77.

(h) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel*, paragraph 74.

(i) Detriment to the repute of the earlier mark is caused when the goods or services for which the later mark is used by the third party may be perceived by the public in such a way that the earlier trade mark's power of attraction is reduced; *L'Oreal*, paragraph 40.

(j) Unfair advantage covers, in particular, cases where a third party seeks to ride on the coat-tails of the senior mark in order to benefit from a transfer of the image of the earlier mark, or of the characteristics it projects to the goods/services identified by the later mark; *L'Oreal*, paragraph 41.

34) The opponent claims that it has used its Bras Arme device, registered under CTM 455936 and UK 2054574 on cognac for many years and that the device is well known and has a substantial reputation in the UK. On the basis of *Chevy I* I consider that the opponent needs to demonstrate that at the relevant date a significant part of the persons over 18 years of age in a substantial part of the UK knew of the trade mark of

the opponent. Absent public opinion survey I must take into account “the market share held by the trade mark, the intensity, geographical extent and duration of its use and the size of the investment made by the undertaking in promoting it “(*Chevy*). Taking into account that the relevant public is the drinking public - those over eighteen years of age who drink – and not a specific part of this public – absent evidence that there is a specific cognac drinking population – the opponent has to show its market share in relation to cognac or alcoholic beverages at large. The opponent has shown that it sells very large number of bottles of cognac in the UK and worldwide under its Hennessy mark. However, whilst the opponent has provided examples of labels used on the front of the bottles which features the Bras Armes device element, and also neck labels that include or consist solely of the device element, it is not clear that all bottles sold in the UK have had such labels upon them or the packaging that they are sometimes sold in. Apart from the statement of Mr Fillioux that the average consumer is aware of the device element there is no evidence that such a reputation exists. The sales figures do not relate solely to use of the device element, as the brand is clearly advertised as “Hennessy” cognac. The opposition under section 5(3) does not get over the first hurdle.

35) However, in case I am wrong about this I will go onto consider whether the average consumer would make the link between the opponent’s mark used on cognac and the applicant’s mark used on jewellery. The opponent contends that both are luxury goods and it is usual for such goods to originate from the same or related undertakings. The opponent contends that they are often sold in the same outlets, such as duty free shops, and that the opponent is part of a large luxury goods conglomerate which incorporates many brands. The opponent has not shown that it is usual for cognac, or alcohol in general, and jewellery to originate from the same undertaking. Apart from the single instance of duty free shops, they have offered no evidence that jewellery and cognac/alcohol are sold from the same outlets. Indeed my experience is that they are not. The fact that the opponent is part of a luxury conglomerate which incorporates many different brands is not relevant to my decision. To my mind the opponent has failed to show that the average consumer would make a link between the two marks, and so the opposition under section 5(3) also fails at the second hurdle.

36) Lastly, I turn to the reference to the Paris Convention in the statement of grounds. This is not a ground of opposition, as Section 56 of the Act reads:

“56.-(1) References in this Act to a trade mark which is entitled to protection under the Paris Convention or the WTO agreement as a well known trade mark are to a mark which is well-known in the United Kingdom as being the mark of a person who -

- (a) is a national of a Convention country, or
- (b) is domiciled in, or has a real and effective industrial or commercial establishment in, a Convention country,



whether or not that person carries on business, or has any goodwill, in the United Kingdom.

References to the proprietor of such a mark shall be construed accordingly.

(2) The proprietor of a trade mark which is entitled to protection under the Paris Convention or the WTO agreement as a well known trade mark is entitled to restrain by injunction the use in the United Kingdom of a trade mark which, or the essential part of which, is identical or similar to his mark, in relation to identical or similar goods or services, where the use is likely to cause confusion.

This right is subject to section 48 (effect of acquiescence by proprietor of earlier trade mark).

(3) Nothing in subsection (2) affects the continuation of any *bona fide* use of a trade mark begun before the commencement of this section.”

37) This merely sets out whether a party is entitled to seek protection, rather than being a ground of opposition in itself. However, a likelihood of confusion is a pre-requisite under this section and in view of my earlier findings in relation to the marks at issue, the opponent is in no stronger position under these provisions. An opposition with regard to Section 56 of the Act would also fail.

## **CONCLUSION**

38) The opposition has failed under all grounds of opposition.

## **COSTS**

39) The applicant has been successful and it is therefore entitled to a contribution towards its costs.

Preparing a statement and considering the other side's statement	£300
Preparing evidence	£1200
<b>TOTAL</b>	<b>£1500</b>

40) I order Societe Jas Hennessy & Co. to pay Deakin and Francis Limited the sum of £1500. This sum 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 1<sup>st</sup> day of June 2012**

**George W Salthouse  
For the Registrar,  
the Comptroller-General**