

O-201-14

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO 3024527
BY
BROTHERS DRINKS CO LTD
TO REGISTER THE TRADE MARK**

PERRO LOCO

IN CLASSES 32 AND 33

AND

**THE OPPOSITION THERETO
UNDER NO 60000032
BY
JEREMY HILL**

BACKGROUND

1. On 2 October 2013, Brothers Drinks Co Ltd (the applicant) applied to register the above trade mark in classes 32 and 33 of the Nice Classification system.¹ The specification stands as follows:

Class 32

Beers; mineral and aerated waters and other non-alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making drinks.

Class 33

Alcoholic drinks (except beers).

2. Following publication of the application, Jeremy Hill (the opponent) filed notice of opposition against the application, on 17 December 2013, under the fast track opposition procedure.

3. The opposition was brought under section 5(2)(b) of the Trade Marks Act 1994 (the Act). The opponent relies upon the UK mark 3015744, shown below:

Mark details and relevant dates	Goods relied on
Mark: Manzana Loca Filing date: 29 July 2013 Date of entry on the register: 22 November 2013	Class 33 Alcoholic beverages (except beers).

4. On 10 February 2014, the applicant filed a counter statement, denying the ground of opposition. Rule 6 of the Trade Marks (Fast Track Opposition) (Amendment) Rules 2013, S.I. 2013 2235, disapplies paragraphs 1-3 of Rule 20 of the Trade Mark Rules 2008, but provides that Rule 20(4) shall continue to apply. Rule 20(4) states that:

“(4) The registrar may, at any time, give leave to either party to file evidence upon such terms as the registrar thinks fit.”

5. The net effect of these changes is to require parties to seek leave in order to file evidence in fast track oppositions.

6. No leave was sought in respect of these proceedings.

¹ *International Classification of Goods and Services for the Purposes of the Registration of Marks under the Nice Agreement (15 June 1957, as revised and amended).*

7. Rule 62(5) (as amended) states that arguments in fast track proceedings shall be heard orally only if 1) the Office requests it or 2) either party to the proceedings requests it and the registrar considers that oral proceedings are necessary to deal with the case justly and at proportionate cost. Otherwise written arguments will be taken.

8. A hearing was neither requested nor considered necessary. The applicant filed written submissions, which I will refer to as necessary, below.

9. I give this decision following a review of all of the material before me.

DECISION

10. The opposition is brought under section 5(2)(b) of the Act which reads as follows:

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

11. An earlier trade mark is defined in section 6 of the Act, the relevant parts of which state:

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

(a) a registered trade mark, international trade mark (UK) or Community trade mark or international trade mark (EC) 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.

(2) References in this Act to an earlier trade mark include a trade mark in respect of which an application for registration has been made and which, if registered, would be an earlier trade mark by virtue of subsection (1)(a) or (b), subject to its being so registered.”

12. The opponent's mark is an earlier mark, which is not subject to proof of use because, at the date of publication of the application, it had not been registered for five years.²

Section 5(2)(b) case law

13. In his decision in *La Chemise Lacoste SA v Baker Street Clothing Ltd* - BL O/330/10 (approved by Arnold J in *Och-Ziff Management Europe Ltd v Och Capital LLP* [2011] FSR 11), the Appointed Person, Mr Geoffrey Hobbs QC, expressed the test under this section (by reference to the Court of Justice of the European Union (CJEU) cases mentioned) on the basis indicated below:

² See section 6A of the Act (added by virtue of the Trade Marks (Proof of Use, etc.) Regulations 2004: SI 2004/946) which came into force on 5th May 2004.

The CJEU cases

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; *Marca Mode CV v Adidas AG & Adidas Benelux BV* [2000] E.T.M.R. 723; *Matratzen Concord GmbH v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-6/01; *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH* C-120/04; *Shaker di L. Laudato & C. Sas v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* C-334/05 P.

The principles

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

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

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

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

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

(f) 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 of that mark;

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

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

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

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

(k) if the association between the marks 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.”

The average consumer and the nature of the purchasing act

14. In accordance with the above cited case law, I must determine who the average consumer is and also identify the nature of the purchasing process. The average consumer is reasonably well informed and reasonably circumspect and observant but with a level of attention likely to vary according to the category of goods. The attention paid is likely to vary depending on price and, to some extent, the nature of the goods and the frequency of the purchase.

15. The average consumer is a member of the general public.³ The goods are made available through a variety of trade channels. They may be bought in a supermarket or off licence, where the selection is likely to be made by the consumer from a shelf. They may also be bought from a website or mail-order catalogue, where the consumer will also select the goods visually. They may also be sold through bars, clubs and public houses, where the goods may be requested orally, from a member of staff. In considering this point I bear in mind the comments of the Court of First Instance (now the General Court) in *Simonds Farsons Cisk plc v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)*⁴ when it said:

“In that respect, as OHIM quite rightly observes, it must be noted that, even if bars and restaurants are not negligible distribution channels for the applicant’s goods, the bottles are generally displayed on shelves behind the counter in such a way that consumers are also able to inspect them visually. That is why, even if it is possible that the goods in question may also be sold by ordering them orally, that method cannot be regarded as their usual marketing channel. In addition, even though consumers can order a beverage without having examined those shelves in advance they are, in any event, in a position to make a visual inspection of the bottle which is served to them.”

16. Consequently, even though the purchase of these goods in a bar may involve an aural element, the selection will be made, primarily, from the display of goods on shelves, in fridges and on optics at the back of the bar. Accordingly, the purchase of such goods is primarily visual, though I do not discount an aural element. The level of attention paid to the purchase will vary depending on the nature of the goods. As a general rule the goods are fairly low value, reasonably frequent purchases. However, they also include single malt whisky, expensive/vintage wines and champagne which may give rise to a higher level of attention being paid. In any event the level of attention paid will be that necessary to achieve inter alia, the correct flavour, strength and variety. Accordingly, the average consumer will pay at least a reasonable level of attention.

³ For goods where the alcohol content exceeds 0.5% ABV the average consumer will be over 18 years of age.

⁴ T-3/04

Comparison of marks

17. The marks to be compared are as follows:

The opponent's mark	The applicant's mark
Manzana Loca	PERRO LOCO

18. In making a comparison between the marks, I must consider the respective marks' visual, aural and conceptual similarities with reference to the overall impressions created by them, bearing in mind their distinctive and dominant components⁵, but without engaging in an artificial dissection of the marks, because the average consumer normally perceives a mark as a whole and does not analyse its details.

19. The applicant's mark is made up of two words, each in title case. Neither word is stylised in any way and both are presented in plain black type.

20. The opponent's mark consists of two words, both presented in upper case. Neither of the words is stylised in any way.

21. With regard to the meaning of the words the opponent states:

"...the second word in both applications is likely to be understood as meaning 'crazy'. A primary purpose of the Manzana Loca brand name is to obtain leverage from the UK understanding of the Spanish word 'loco' or 'loca' meaning crazy."

22. However, I find that the words have no meaning to the average consumer in the UK who will consider them to be words of another language or invented words. The distinctiveness of both marks rests in the marks as wholes.

Visual similarities

23. In its statement of grounds the opponent submits:

"There are a number of visual similarities between the marks. First, both applications contain two words i.e. 'Manzana Loca' and 'Perro Loco'."

24. The applicant submits:

"12. The elements MANZANA and PERRO are both distinctive and must, therefore, be given equal if not greater distinctive weight to the LOCA/LOCO elements due to them being the initial elements in the marks. Visually, the word

⁵ *Sabel v Puma AG, para.23*

MANZANA consists of letters that are all created by straight lines and angles, whereas, the word PERRO consists mainly of letters with rounded aspects, this further adds to the visual differences between the marks. The fact that the initial elements of both marks have a different number of letters and do not contain any of the same letters also makes them completely different visually.

13. When taken in their entirety, the opponent's trade mark contains 12 characters (counting the space as a character) whilst the mark in the application only has 10. The initial elements of the marks are completely dissimilar visually as discussed in paragraph 12. The only similarity in the marks is that both the second elements consist of four letters and the first three are, 'LOC'. This is in no way sufficient to find visual similarity between the marks as it is a minimal element and contained within the centre of the marks."

25. The opponent draws my attention to the fact that the beginnings of words are more important. The general rule, that the average consumer tends to place most importance on the start of a word⁶, is exactly that - a general rule, to which an exception can be made depending on the circumstances of the case.⁷ In this case the first words of each of the marks are completely different, a fact which would certainly be noticed by the average consumer. They are of different lengths and share no common letters. The second words of the marks are 'LOCO' in the applicant's mark and 'LOCA' in the opponent's mark. The common letters LOC in both marks are the only shared element.

26. Taking all of these factors into account I find the marks to possess no, or only a very low degree of visual similarity.

Aural similarities

27. The applicant submits:

"The marks are aurally dissimilar. MANZANA LOCA consists of five syllables whereas PERRO LOCO only consists of four. The opponent's trade mark has a very distinctive and harsh sound with the letter, 'A' dominating most of the syllables. This is in contrast to the applicant's mark PERRO LOCO which has a much smoother cadence with a softer end dominated by the sound, "oh". There is, therefore, no aural similarity between the marks."

28. The opponent submits:

"There are a number of aural similarities between the marks. Both applications sound and indeed are in Spanish. In addition, the first word of both applications has a vowel at the end ("A" and "O"). The second word of both applications also sound very similar ("LOCA" and "LOCO") and have the same rhythm."

29. The applicant's mark consists of four syllables and will be pronounced PER-RO LO-CO (PEAR as in the fruit and RO as in ROW, LO as in LOW and CO as in COAT). The opponent's mark consists of five syllables and will be pronounced MAN-ZA-NA LO-CA (MAN as in MANNER, ZA as in the end of the word BONANZA, NA as in NASTY, LO as in

⁶ *Les Editions Albert Rene v OHIM, Case T-336/03*

⁷ *Castellani SpA v OHIM, T-149/06 ans Spa Monopole, Campagnie Fermiere de Spa SA/NV v OHIM, T-438/07*

LOW and CA as in CAPRICIOUS). The marks begin and end with different sounds and are different lengths. The first words share no common letters and no common elements of pronunciation. The only aural similarity is that the second word of each mark begins with 'LO' (pronounced LOW).

30. Taking all of these factors into account there is no, or only a very low degree of aural similarity between the marks.

Conceptual similarities

31. For a conceptual message to be relevant it must be capable of immediate grasp by the average consumer.⁸ The assessment must be made from the point of view of the average consumer.

32. In respect of the conceptual comparison the opponent submits:

“There is a further likelihood of confusion as the second word in both applications is likely to be understood as meaning ‘crazy’. A primary purpose of the Manzana Loca brand name is to obtain leverage from the UK understanding of the Spanish word ‘loco’ or ‘loca’ meaning ‘crazy’. This word is very familiar to and well-understood by the UK public by virtue of cultural references such as ‘Livin’ la Vida Loca’ by Ricky Martin, ‘Loco down in Acapulco’ by the Four Tops, ‘Loco’ by Enrique Iglesias, ‘Loco’ by The Fun Lovin’ Criminals, ‘loca People’ by Sak Noel and the long-running club night ‘Circo Loc’. Our advance publicity and marketing focuses on this meaning...It would seem that the Perro Loco brand also relies on the word ‘loco’ and how it is understood by the UK public.

...

Finally, there are conceptual similarities between the marks as both applications are in Spanish.”

33. The applicant submits:

“15. The opponent has claimed a conceptual similarity in that both marks consist of Spanish words and the second element is the Spanish for, ‘Crazy’. The assessment should be made in relation to the average consumer in the UK for whom the word LOCO in the applicant’s mark is an English word not a Spanish one. On the basis the opponent’s trade mark consists of two Spanish words whereas the applicant’s consists of a Spanish word followed by an English word.

16. As the elements MANZANA and PERRO will not be translated by the average consumer there exists no conceptual similarity between the two marks. Even if they were to be translated they are Spanish for, ‘Apple’ and ‘Dog’ respectively, which are conceptually dissimilar.”

34. The applicant’s mark consists of the words ‘Perro Loco’, which is Spanish and means mad or crazy dog in English.

⁸ This is highlighted in numerous judgments of the GC and the CJEU including *Ruiz Picasso v OHIM* [2006] e.c.r.-I-643; [2006] E.T.M.R. 29.

35. The opponent's mark consists of the words 'Manzana Loca' which is also Spanish and means mad or crazy apple in English. The assessment must be made from the point of view of the average consumer. The average consumer cannot be assumed to know the meaning of everything. In the *Chorkee* case (BL O-048-08), Anna Carboni, sitting as the Appointed Person, stated in relation to the word CHEROKEE:

"36...By accepting this as fact, without evidence, the Hearing Officer was effectively taking judicial notice of the position. Judicial notice may be taken of facts that are too notorious to be the subject of serious dispute. But care has to be taken not to assume that one's own personal experience, knowledge and assumptions are more widespread than they are.

37. I have no problem with the idea that judicial notice should be taken of the fact that the Cherokee Nation is a native American tribe. This is a matter that can easily be established from an encyclopedia or internet reference sites to which it is proper to refer. But I do not think that it is right to take judicial notice of the fact that the average consumer of clothing in the United Kingdom would be aware of this. I am far from satisfied that this is the case. No doubt, some people are aware that CHEROKEE is the name of a native American tribe (the Hearing Officer and myself included), but that is not sufficient to impute such knowledge to the average consumer of clothing (or casual clothing in the case of UK TM no. 1270418). The Cherokee Nation is not a common subject of news items; it is not, as far as I am aware, a common topic of study in schools in the United Kingdom; and I would need evidence to convince me, contrary to my own experience, that films and television shows about native Americans (which would have to mention the Cherokee by name to be relevant) have been the staple diet of either children or adults during the last couple of decades."

36. Similarly in this case, it would be a simple matter to look up the meanings of both of the parties' marks. However, in the absence of any evidence from the parties to the contrary, I am not able to take judicial notice of the fact that the average consumer for the goods at issue would know any of these meanings.

37. Whilst some may be familiar with both parties' marks being Spanish and may even identify the word LOCO as meaning crazy or mad, it is, in my view, highly unlikely that the average consumer of these goods in the UK would know that MANZANA means apple and PERRO means dog and LOCA also means mad. It is far more likely that they will simply be seen as words of foreign origin with no particular meaning such that the conceptual position is neutral.

38. It is worth noting though, that even if the average consumer does know these meanings - and I do not think that will be the case - the meanings of the words are different and the conceptual message given by the marks to the average consumer, by the marks as wholes, would be dissimilar.

Likelihood of confusion

39. Having assessed the similarity of the marks in these proceedings, I have concluded that they possess no, or only a very low level of visual and aural similarity, which is as a result of the common letters LOC at the start of each mark's second word. Conceptually the marks are either neutral on the basis that the average consumer would see the marks

as words from another language and will afford them no particular meaning or, if (and this is very unlikely) the average consumer is able to translate the words, they are conceptually different, one referring to an apple and the other to a dog.

40. Consequently, having reached these conclusions, in my view the differences between the parties' respective marks are such that, even where the goods are identical and are frequent, low priced purchases demanding a lower than average level of attention (which is not the case as I have concluded a reasonable level of attention will be paid to the purchase of the goods), the marks in their totality are sufficiently different that there is no likelihood of confusion, whether direct (where one mark is mistaken for the other) or indirect (where the average consumer believes the respective goods originate from the same or a linked undertaking).

Conclusion

41. The opposition fails under section 5(2)(b) of the Act:

Costs

42. The opposition having failed, the applicant, is entitled to a contribution towards its costs. I make the award on the following basis:

Preparing a statement and considering the other side's statement:	£200
Preparing submissions:	£300
Official fee:	£100
Total	£600

43. I order Jeremy Hill to pay Brothers Drinks Co Ltd the sum of £600. 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 7th day of May 2014

**Ms A Skilton
for the Registrar,
The Comptroller General**