

O-140-19

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. 3257360
BY ABERDEEN FOOTBALL CLUB PLC TO REGISTER:**

THE DONS DRAM

&

DONS DRAM

AS A SERIES OF TWO TRADE MARKS IN CLASS 33

AND

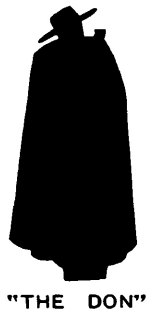
**IN THE MATTER OF OPPOSITION THERETO UNDER NO. 411341 BY
GEO. G. SANDEMAN SONS & CO., LIMITED**

BACKGROUND & PLEADINGS

1. On 18 September 2017, Aberdeen Football Club Plc (“the applicant”) applied to register **THE DONS DRAM** and **DONS DRAM** as a series of two trade marks for goods in class 33. The application was published for opposition purposes on 13 October 2017. The specification of goods for which registration was originally sought was revised following publication; the revised specification appears in paragraph 37 below.

2. The application has been opposed in full by Geo G. Sandeman Sons & Co., Limited (“the opponent”). The opposition is based upon sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”). In relation to its opposition based upon section 5(2)(b) of the Act, the opponent relies upon the following trade marks:

(1) United Kingdom no. 557975 for the trade mark shown below, which was applied for on 14 February 1935 and which is shown as registered on the official record. The opponent indicates that it relies upon all the goods for which the trade mark is registered i.e. “Wines and spirits”:



(2) United Kingdom no. 807282 for the trade mark **DON FINO**, which was applied for on 17 June 1960 and which is shown as registered on the official record. The

opponent indicates that it relies upon all the goods for which the trade mark is registered, i.e. “Fino Sherry Wine the produce of Spain.”

(3) European Union Trade Mark (“EUTM”) no. 11467867 for the trade mark shown below which was applied for on 4 January 2013 and which was entered in the register on 28 June 2013. The opponent indicates that it relies upon all the goods for which the trade mark is registered, i.e. “Alcoholic beverages (except beers), including wines, port wine, eau-de-vie, brandies and liqueurs”:

DON FINO



“Colours Claimed/Indication: Black, grey, green, red.”

(4) European Union Trade Mark (“EUTM”) no. 1626605 for the trade mark **DRY DON** which was applied for on 14 April 2000 and which was entered in the register on 7 August 2001. The opponent indicates that it relies upon all the goods for which the trade mark is registered, i.e. “Alcoholic beverages.”

3. Insofar as its objection based upon section 5(3) of the Act is concerned, the opponent relies solely upon UK no. 557975 (shown above). It states its trade mark enjoys a reputation in relation to all the goods upon which it relies, adding that it considers use of the application for all the goods for which registration is sought would be detrimental to the distinctive character and reputation of its trade mark. In addition to claiming that:

“the similarity between the [trade mark being relied upon] and the later trade mark is such that the relevant public will believe that they are used by the same undertaking or think that there is an economic connection between the users of the trade marks”,

the opponent states:

In relation to detriment to reputation:

“The Opponent has invested a significant sum in marketing and promotional activities within the UK to build up a reputation in its THE DON trade mark. Any connection made by consumers between the Opponent's established product range and the Applicant's goods is likely to cause detriment to the reputation of the Opponent's trade marks, particularly if the Applicant's products are of lower quality than the Opponent's products. As there is in fact no economic relationship between the Applicant and the Opponent, the Opponent does not have any ability to exercise quality control over the Applicant's product which could result in detriment to the Opponent's mark.”

In relation to detriment to distinctive character:

“Further, there is a risk of detriment to the distinctive character of the Opponent's THE DON mark as a result of an association with the Applicant's THE DONS DRAM/DONS DRAM mark. This has the potential to reduce the value of the trade mark and also to affect the purchasing decisions of consumers in the marketplace.”

4. In relation to its opposition based upon section 5(4)(a) of the Act, the opponent states that it has used the words THE DON and DON FINO throughout the UK since “at least” 1935 and 1960 respectively, in relation to sherry.

It further states:

“The opposed mark consists of the words THE DONS DRAM/DONS DRAM and therefore contains the identical verbal element 'DON' which we submit is the distinctive and dominant element of the respective marks. We particularly note that the word “fino” has a relevant meaning for sherry and 'dram' has a relevant meaning for alcoholic beverages.

The goods covered by the opposed mark in Class 33 are identical and/or highly similar to sherry. In view of the similarity between the marks and the identity/similarity of the goods applied for, the use of the Applicant's mark is likely to mislead the public into believing that they are purchasing goods of the Opponent or that there is a connection between the Applicant and the Opponent. Such would amount to passing off.”

5. The applicant filed a counterstatement in which it denies the basis of the opposition and puts the opponent to strict proof of its various claims. The applicant states:

“6. Furthermore, the applicant will provide evidence that the applicant has been affectionately referred to as THE DONS for almost a century and certainly before the opponent's trade marks were applied for. Founded in 1903, Aberdeen Football Club has competed in the Scottish Football Premiership in every year since they were promoted in 1905. The applicant is one of the best known Scottish Football Clubs in the UK and internationally, thanks to their record of being the only Scottish team to have won two European trophies and beating Real Madrid in the European Cup Winners Cup Final in 1983 as well as their association with previous famous managers and players including Alex Ferguson, Willie Miller, Alex Mcleish and Gordon Strachan. Aberdeen itself is Scotland's third most populous city and The Don is also the name of the river

which runs through the city. The name DONS or THE DONS is therefore already associated in the mind of the UK public with the applicant and as the goods covered by the contested application are restricted to whisky made in Scotland these connotations would immediately be brought to mind and would allow the public to readily distinguish the applicant's products from the Spanish sherry produced by the opponent.”

6. In these proceedings, the opponent is represented by Wildbore & Gibbons LLP and the applicant by Lincoln IP Limited. Both parties filed evidence; the applicant’s evidence was accompanied by written submissions. Whilst neither party asked to be heard, the opponent elected to file written submissions in lieu of attendance at a hearing. I shall refer to all these submissions, as necessary, later in this decision.

EVIDENCE

The opponent’s evidence

7. This consists of a witness statement from João Manuel Lima Engrácia Antunes, the opponent’s General Secretary. Mr Antunes explains that he “has a reasonable understanding of the English language...”.

8. He states that the House of Sandeman was founded in 1790 and:

“2. One of the company's iconic images is the 'Sandeman Don', which was one of the world's first ever brand images and the first major icon in the wine sector...”

9. The main points emerging from his statement are, in my view, as follows:

- The image of the Don was painted in 1928. I note that in its submissions, the applicant refers to this image as the “hat and caped” figure; I shall do the same;

- Exhibit JMLEA1, consists of, inter alia, what appears to be an undated Google image search for the words “THE DON” + “sherry”, which I assume was conducted in proximity to the date of Mr Antunes’ statement in June 2018. Although the images are very small, it is clear that a number relate to the opponent. Of this exhibit, Mr Antunes states:

“2...The abundance of images for or including the Sandeman Don...confirms that the Sandeman Don is commonly referred to as “THE DON”.

- The opponent began marketing its wines throughout the world in 1905 with marketing in the press. In 1965, the opponent began advertising on television, in a series of advertisements entitled “Find The Don and you will find Sandeman” (Mr Antunes does not state where these television advertisements were broadcast). A more modern portfolio, emphasising “a less traditional, younger Don”, was, he explains, launched in 1990;
- Mr Antunes states:

“4. The vast majority of Sandeman's wines feature an image of the Sandeman Don, which was first used as part of the marketing campaigns for Sandeman wines in the early 1930s. The image of the Sandeman Don has been consistently used on bottle labels and advertising since this time”;

- The opponent sells sherry under the brand name DON. The range includes DRY DON and DON FINO, both are used for a “premium sherry” which is sold at a higher price point than the opponent’s “classic” range of sherry;

- Exhibit JMLEA2, consists of what appears to be 45 undated pages, all but one of which (i.e. page 4, which appears to be from a 2015 edition of AF Wine Enthusiast) have been obtained from either the opponent's website or from what appears to be the website of SOGRAPE who, according to an article from www.telegraph.co.uk dated 29 July 2001 (provided as part of exhibit JMLEA9), own the opponent. The pages contain images of bottles, with the vast majority containing on their label, inter alia, an image of the hat and caped figure and, inter alia, the word SANDEMAN. The words "DON FINO" and "DRY DON" can be seen on various pages within the exhibit and, with a few exceptions, the "Type" of goods are described as "fortified wines" i.e. sherry and port;
- Exhibit JMLEA3, consists of an extract from the EUIPO website in relation to a further trade mark owned by the opponent i.e. EUTM no. 8675101 for the trade mark "THE DON", which was applied for on 10 November 2009, entered in the register on 11 June 2010 and which stands registered for "Alcoholic drinks (except beer, rum and other alcoholic drinks that include rum)" in class 33. Although this trade mark was filed prior to the application for registration, as it was not relied upon in the original pleadings and as no request has been made to amend the pleadings to rely upon it, I need say no more about it in this decision;
- Exhibits JMLEA4 and 5, consist of extracts obtained from Wikipedia (on 8 August 2016) and collinsdictionary.com (on 24 May 2018) in relation to the meanings of the words "Fino" and "Dram", respectively. I shall return to this evidence later in my decision;
- Exhibit JMLEA6, consists of two tables. The first, is what Mr Antunes describes as "volume of sales of DON FINO sherry in the UK and worldwide between 2010 and 2015" (expressed in 9-litre cases). There is, however, no indication whether these are wholesale or retail figures. If I understand the table correctly, it appears

to show that between 2010 and 2015 the opponent sold 209 9-litre cases in the UK at a value of €7732 and 12,303 9-litre cases in unspecified jurisdictions other than the UK at a value of €620,557;

- The second table is said to “list the volumes of sales of Sandeman port products, which all bear the Sandeman Don on the product packaging.” The table appears to show that in the period 2012 to 2017, the opponent sold 100,913 9-litre cases in the UK and 2,514,202 in unspecified jurisdictions other than the UK;
- Exhibit JMLEA7, consists of four invoices dated in May, October and December 2013 and November 2014, issued by the opponent to Sogrape UK Limited at an address in Reading. All of the invoices mention “CAJA 6/75 DON FINO V.I.” and are for the following amounts: £401.75, £449.96, £449.96 and £321.40. It also includes a table showing sales of the opponent’s port in the UK and in other (unspecified) jurisdictions between 2012 and 2017. The figures, which are shown in “(k €)”, appear to be as follows: UK - €4,886,000, non UK - €130,103,000;
- Exhibit JMLEA8, consists of what Mr Antunes describes as “historical advertisements for Sandeman products which feature the Sandeman Don”. The majority of the images (some of which are small and indistinct) were obtained from www.sandeman.com and bear printing dates in 2016. Although two can be dated (from 1952 and 1958), the majority cannot be dated and their origin is unexplained. Although one can discern the hat and caped figure and the word “SANDEMAN” in the majority of the advertisements provided, as far as I can tell, the word “DON” only appears on pages 6 and 7 of the exhibit;
- The exhibit also contains a table which Mr Antunes describes as listing “Sandeman's UK marketing investment in respect of Sandeman port products, which all bear the Sandeman Don on the product packaging.” The table provided shows annual totals between 2012 and 2017 in respect of “Coluna-Chave” under which there appears “DESP MKT LIQUIDA” (neither of which is explained).

Although the figures provided amount to approximately 514,353, there is no indication provided as to the currency in which these figures are expressed;

- Exhibit JMLEA9, is described as “examples of press coverage and online retailers for DON FINO sherry and references to THE DON and the Sandeman Don in the UK.” It contains the article I mentioned earlier i.e. from www.telegraph.co.uk dated 29 July 2001 entitled “Sogrape lines up Sandeman buy”. The article contains the following:

“SANDEMAN, the world’s leading brand of port, is to be bought by Sogrape...in a deal that will value the business at about £50m”;

And:

“Sandeman has become famous on sideboards across the country for the famous “Don” logo which features a mysterious silhouette dressed in a Portuguese student’s cape and wide-brimmed Spanish hat. The cape and the hat together represent Sandeman’s port and sherry businesses

The Sandeman Don first appeared on television screens in advertisements in 1965...”;

- The exhibit also contains: (i) an article from www.sherrynotes.com from 2015 which provides information on the opponent and includes the following: “...designed the very first iconic logo for a wine; the remarkable silhouette of **Don Sandeman**”; I am unable to tell if this is a website based in the UK, (ii) an article dated 9 November 2016 from www.the-buyer.net (which is said to be “connecting the premium on- trade”) entitled “Sandeman to excite premium on-trade with new look aged Tawnies.” Below a picture of the hat and caped figure, there appears inter alia, the following: “The Don: still very much part of the new look for

Sandeman (I note the article refers to prices in £) and (iii) an article dated 10 November 2016 from www.thedrinksbusiness.com entitled “Sandeman revamps tawny port range” and mentions “The labels draw on historic imagery and typography from the Port house’s archives and includes its well-known Sandeman “Don” on the bottle”;

- Finally, the exhibit contains pages obtained from www.simplywinesdirect.uk, www.shjones.com and www.slurp.co.uk on 11 and 12 July 2016, all of which are offering the opponent’s DON FINO sherry for sale (with prices expressed in £). The final two websites, contain references to “The iconic Sandeman Don...”;
- Exhibit JMLEA10, consists of two tables showing: (i) the awards won by the opponent’s DON FINO sherry between 2008 and 2010 (four of the five were, I note, in the EU, with two in the UK) and (ii) the numerous awards won by the opponent’s port between 2012 and 2017 in the UK, EU and worldwide.

The applicant’s evidence

10. This consists of a witness statement from Roy Johnston, the applicant’s Financial Controller and Company Secretary, a position he has held for some five years. His evidence, accompanied by thirteen exhibits, is to make good the claims made in the applicant’s counterstatement (shown in paragraph 5 above) regarding the applicant’s history and that it has been known as “The Dons” from at least 1909 (exhibit RJ3 to his statement refers). There is nothing in Mr Johnston’s statement which suggests the applicant has conducted a trade in the goods the subject of its application. In its submissions filed in lieu of a hearing, the opponent commented on Mr Johnston’s statement in the following terms:

“21. It is respectfully submitted that the witness statement of Mr Roy Johnson is something of a red herring in the context of these proceedings. That is to say, it

is irrelevant for the purposes of this opposition whether or not fans of Aberdeen Football Club refer to the club as "The Dons", as this does not mean that the name can therefore be used by the Applicant in any context (and, indeed, in respect of any goods or services) to the exclusion of the possibility of a likelihood of confusion with all third parties. This is particularly true when the name is used in connection with whisky goods which are so far removed from the commercial activities of a football club. For these reasons, Roy Johnson's witness statement has minimal probative value. "

I will return to Mr Johnston's evidence later in this decision.

11. That concludes my summary of the evidence filed to the extent I consider it necessary.

DECISION

12. The opposition is based upon sections 5(2)(b), 5(3) and 5(4)(a) of the Act which read as follows:

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

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

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

(3) A trade mark which 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 European Union trade mark or international trade mark (EC), in the European Union) 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.

(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented -

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or

(b)...

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an “earlier right” in relation to the trade mark.”

13. An earlier trade mark is defined in section 6 of the Act, which states:

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

(a) a registered trade mark, international trade mark (UK), 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.”

14. Under section 5(2)(b) of the Act, the opponent is relying upon the four trade marks shown in paragraph 2 above, all of which qualify as earlier trade marks under the above provisions. Given the interplay between the dates on which the opponent's trade marks were entered in the register and the publication date of the application for registration, with the exception of EUTM no. 11467867, the remaining registrations relied upon are all subject to the proof of use provisions contained in section 6A of the Act.

15. In its Notice of opposition, the opponent indicates that these trade marks had been used in relation to all of the goods for which they are registered and upon which they rely and, in its counterstatement, the applicant asks the opponent to make good those claims. The relevant sections of the Act read as follows:

“6A Raising of relative grounds in opposition proceedings in case of non-use

(1) This section applies where –

(a) an application for registration of a trade mark has been published,

(b) there is an earlier trade mark in relation to which the conditions set out in section 5(1),(2) or (3) obtain, and

(c) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication.

(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

(3) The use conditions are met if –

(a) within the period of five years ending with the date of publication of the application the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or

(b) the earlier trade mark has not been so used, but there are proper reasons for non-use.

(4) For these purposes –

(a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and

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

(5) In relation to a Community trade mark, any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Community.

(6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.

(7) Nothing in this section affects –

(a) the refusal of registration on the grounds mentioned in section 3 (absolute grounds for refusal) or section 5(4) (relative grounds of refusal on the basis of an earlier right), or

(b) the making of an application for a declaration of invalidity under section 47(2) (application on relative grounds where no consent to registration).”

Section 100 of the Act is also relevant and reads:

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

Proof of use

16. In reaching a conclusion, I must apply the same factors as I would if I were determining an application for revocation of a trade mark registration based on grounds of non-use; the relevant period for present purposes is the five-year period ending with the date of the publication of the application for registration i.e. 14 October 2012 to 13 October 2017. In *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Ecotive Limited*, [2016] EWHC 52, Arnold J. summarised the case law on genuine use of trade marks. He said:

“217. *The law with respect to genuine use* . In *Stichting BDO v BDO Unibank Inc* [2013] EWHC 418 (Ch), [2013] FSR 35 I set out at [51] a helpful summary by Anna Carboni sitting as the Appointed Person in *SANT AMBROEUS Trade Mark* [2010] RPC 28 at [42] of the jurisprudence of the CJEU in Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439 , Case C-259/02 *La Mer Technology Inc v Laboratoires Goemar SA* [2004] ECR I-1159 and Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759 (to which I added references to Case C-416/04 *P Sunrider Corp v Office for*

Harmonisation in the Internal Market (Trade Marks and Designs) [2006] ECR I-4237). I also referred at [52] to the judgment of the CJEU in Case C-149/11 *Leno Merken BV v Hagelkruis Beheer BV* [EU:C:2012:816], [2013] ETMR 16 on the question of the territorial extent of the use. Since then the CJEU has issued a reasoned Order in Case C-141/13 *P Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2014:2089] and that Order has been persuasively analysed by Professor Ruth Annand sitting as the Appointed Person in *SdS InvestCorp AG v Memory Opticians Ltd* (O/528/15).

218. An important preliminary point to which Prof Annand draws attention in her decision is that, whereas the English versions of Articles 10(1) and 12(1) of the Directive and Articles 15(1) and 51(1)(a) of the Regulation use the word “genuine”, other language versions use words which convey a somewhat different connotation: for example, “ernsthaft” (German), “efectivo” (Spanish), “sérieux” (French), “effettivo” (Italian), “normaal” (Dutch) and “sério/séria” (Portuguese). As the Court of Justice noted in *Ansul* at [35], there is a similar difference in language in what is now recital (9) of the Directive.

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

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

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

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

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

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

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the

market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34]; *Leno* at [29]-[30], [56].

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

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

17. As the opponent relies on EUTM no. 1626605, the comments of the CJEU in *Leno Merken BV v Hagelkruis Beheer BV*, Case C-149/11 are relevant. The Court noted that:

“36. It should, however, be observed that..... the territorial scope of the use is not a separate condition for genuine use but one of the factors determining genuine use, which must be included in the overall analysis and examined at the same time as other such factors. In that regard, the phrase ‘in the Community’ is intended to define the geographical market serving as the reference point for all consideration of whether a Community trade mark has been put to genuine use.”

And:

“50. Whilst there is admittedly some justification for thinking that a Community trade mark should – because it enjoys more extensive territorial protection than a national trade mark – be used in a larger area than the territory of a single Member State in order for the use to be regarded as ‘genuine use’, it cannot be ruled out that, in certain circumstances, the market for the goods or services for which a Community trade mark has been registered is in fact restricted to the territory of a single Member State. In such a case, use of the Community trade mark on that territory might satisfy the conditions both for genuine use of a Community trade mark and for genuine use of a national trade mark.”

And

“55. Since the assessment of whether the use of the trade mark is genuine is carried out by reference to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark serves to create or maintain market shares for the goods or services for which it was registered, it is impossible to determine a priori, and in the abstract, what territorial scope should be chosen in order to determine whether the use of the mark is genuine or not. A *de minimis* rule, which would not allow the national court to appraise all the circumstances of the dispute before it, cannot therefore be laid down (see, by analogy, the order in *La Mer Technology*, paragraphs 25 and 27, and the judgment in *Sunrider v OHIM*, paragraphs 72 and 77).”

The court held that:

“Article 15(1) of Regulation No 207/2009 of 26 February 2009 on the Community trade mark must be interpreted as meaning that the territorial borders of the Member States should be disregarded in the assessment of whether a trade

mark has been put to 'genuine use in the Community' within the meaning of that provision.

A Community trade mark is put to 'genuine use' within the meaning of Article 15(1) of Regulation No 207/2009 when it is used in accordance with its essential function and for the purpose of maintaining or creating market share within the European Community for the goods or services covered by it. It is for the referring court to assess whether the conditions are met in the main proceedings, taking account of all the relevant facts and circumstances, including the characteristics of the market concerned, the nature of the goods or services protected by the trade mark and the territorial extent and the scale of the use as well as its frequency and regularity."

18. In *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Ecotive Limited*, [2016] EWHC 52, Arnold J. reviewed the case law since the *Leno* case and concluded as follows:

"228. Since the decision of the Court of Justice in *Leno* there have been a number of decisions of OHIM Boards of Appeal, the General Court and national courts with respect to the question of the geographical extent of the use required for genuine use in the Community. It does not seem to me that a clear picture has yet emerged as to how the broad principles laid down in *Leno* are to be applied. It is sufficient for present purposes to refer by way of illustration to two cases which I am aware have attracted comment.

229. In Case T-278/13 *Now Wireless Ltd v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* the General Court upheld at [47] the finding of the Board of Appeal that there had been genuine use of the contested mark in relation to the services in issues in London and the Thames Valley. On that basis, the General Court dismissed the applicant's challenge to the Board of

Appeal's conclusion that there had been genuine use of the mark in the Community. At first blush, this appears to be a decision to the effect that use in rather less than the whole of one Member State is sufficient to constitute genuine use in the Community. On closer examination, however, it appears that the applicant's argument was not that use within London and the Thames Valley was not sufficient to constitute genuine use in the Community, but rather that the Board of Appeal was wrong to find that the mark had been used in those areas, and that it should have found that the mark had only been used in parts of London: see [42] and [54]-[58]. This stance may have been due to the fact that the applicant was based in Guildford, and thus a finding which still left open the possibility of conversion of the Community trade mark to a national trade mark may not have sufficed for its purposes.

230. In *The Sofa Workshop Ltd v Sofaworks Ltd* [2015] EWHC 1773 (IPEC), [2015] ETMR 37 at [25] His Honour Judge Hacon interpreted *Leno* as establishing that "genuine use in the Community will in general require use in more than one Member State" but "an exception to that general requirement arises where the market for the relevant goods or services is restricted to the territory of a single Member State". On this basis, he went on to hold at [33]-[40] that extensive use of the trade mark in the UK, and one sale in Denmark, was not sufficient to amount to genuine use in the Community. As I understand it, this decision is presently under appeal and it would therefore be inappropriate for me to comment on the merits of the decision. All I will say is that, while I find the thrust of Judge Hacon's analysis of *Leno* persuasive, I would not myself express the applicable principles in terms of a general rule and an exception to that general rule. Rather, I would prefer to say that the assessment is a multi-factorial one which includes the geographical extent of the use."

19. The GC restated its interpretation of *Leno Marken* in Case T-398/13, *TVR Automotive Ltd v OHIM* (see paragraph 57 of the judgment). This case concerned

national (rather than local) use of what was then known as a Community trade mark (now a European Union trade mark). Consequently, in trade mark opposition and cancellation proceedings the registrar continues to entertain the possibility that use of an EUTM in an area of the Union corresponding to the territory of one Member State may be sufficient to constitute genuine use of an EUTM. This applies even where there are no special factors, such as the market for the goods/services being limited to that area of the Union.

20. Whether the use shown is sufficient for this purpose will depend on whether there has been real commercial exploitation of the EUTM, in the course of trade, sufficient to create or maintain a market for the goods/services at issue in the Union during the relevant 5-year period. In making the required assessment I am required to consider all relevant factors, including:

- i) The scale and frequency of the use shown
- ii) The nature of the use shown
- iii) The goods and services for which use has been shown
- iv) The nature of those goods/services and the market(s) for them
- v) The geographical extent of the use shown.

21. In approaching the opponent's evidence, I start by reminding myself that of the three trade marks subject to proof of use, only 1626605 is an EUTM. In relation to UK nos. 557975 and 807282, it is of course, use in the UK that matters. I shall also bear in mind the comments of Mr Geoffrey Hobbs Q.C. as the Appointed Person in *Dosenbach-Ochsner Ag Schuhe Und Sport v Continental Shelf 128 Ltd*, Case BL 0/404/13 when he stated:

“21. The assessment of a witness statement for probative value necessarily focuses upon its sufficiency for the purpose of satisfying the decision taker with regard to whatever it is that falls to be determined, on the balance of

probabilities, in the particular context of the case at hand. As Mann J. observed in *Matsushita Electric Industrial Co. v. Comptroller- General of Patents* [2008] EWHC 2071 (Pat); [2008] R.P.C. 35:

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

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

22. In its submissions, the applicant states:

“4. None of the evidence submitted by the opponent shows use on goods outside fortified wines namely sherry and port. The opponent has not demonstrated use on "alcoholic beverages" in general. Any comparison of goods should proceed on the basis that the opponent has shown use in relation to sherry and port only.”

23. It goes on to make a range of criticisms of the opponent’s evidence, many of which are, in my view, justified. However, when considered as a totality, it is clear that the opponent has, for some time, been conducting a trade in relation to, as the applicant accepts, sherry and port.

UK no. 557975



24. I remind myself that in his statement, Mr Antunes comments in relation to exhibit JMLEA1, thus:

“2...The abundance of images for or including the Sandeman Don...confirms that the Sandeman Don is commonly referred to as “THE DON”.

25. In its submissions, the applicant states:

“10. Referring to exhibit JMLEA1 only 22 out of the 73 results display the 'hat and caped' figure and none of the images show use of the figure in conjunction with

the words THE DON. Furthermore, no information is provided about the source of these images; their context; when they date from; nor how frequently they have been visited.”

26. In my view, the two components in this trade mark are inextricably linked i.e. the words “THE DON” refer to the hat and caped figure which appears above them. If I understand it correctly, the opponent’s position appears to be that the use of the device component is, in effect, equivalent to the use of the word “THE DON”. While I accept there is some evidence indicating that the word “DON” is associated with the above device (see for example the evidence provided in exhibit JMLEA9), as far as I can tell, the applicant is correct. Absent very cogent evidence in support of what I understand the opponent’s position to be, I am not prepared to accept on the basis of the evidence provided that the opponent can rely upon this registration for its opposition based upon section 5(2)(b) of the Act.

UK no. 897282 – DON FINO

27. Although prior to the relevant period, I note that in 2008 the opponent’s DON FINO product won a number of awards in the United Kingdom (exhibit JMLEA10 refers). As to the use that has been made, if I have interpreted it correctly, the information contained in exhibit JMLEA6 appears to show that between 2010 and 2015, the opponent sold 209 nine-litre cases of DON FINO sherry in the UK amounting to some €7732. There is no indication whether these are wholesale or retail figures. In addition, the invoices provided in exhibit JMLEA7, indicate that between May 2013 and November 2014, the opponent sold £1620 of DON FINO sherry to Sogrape UK Limited. Although Sogrape owns the opponent (giving rise to a suspicion that these may represent internal sales), I note that in its submissions, the applicant refers to the transactions as being with a “distributor”. Given the relevant period in these proceedings, the figures from 2010 and 2011 are not relevant and only a month and a half of the 2012 figure can be relied upon. As there were no sales in the UK in 2015, the opponent can, at worst, rely upon the

figures from 2013-2015 i.e. 51 cases at a value of €1962 and, at best, that figure plus a small percentage of the 2012 figure, i.e. of 38 cases at a value of €1463.

28. As for the trade mark that has been used by the opponent, inter alia, there are the 2016 advertisements appearing in JMLEA9 from UK retailers in which the trade mark appears on the bottle in the form in which it is registered above the hat and caped figure and the word SANDEMAN. In *Colloseum Holdings AG v Levi Strauss & Co.*, Case C-12/12, which concerned the use of one mark with, or as part of, another mark, the CJEU found that:

“31. It is true that the ‘use’ through which a sign acquires a distinctive character under Article 7(3) of Regulation No 40/94 relates to the period before its registration as a trade mark, whereas ‘genuine use’, within the meaning of Article 15(1) of that regulation, relates to a five-year period following registration and, accordingly, ‘use’ within the meaning of Article 7(3) for the purpose of registration may not be relied on as such to establish ‘use’ within the meaning of Article 15(1) for the purpose of preserving the rights of the proprietor of the registered trade mark.

32. Nevertheless, as is apparent from paragraphs 27 to 30 of the judgment in *Nestlé*, the ‘use’ of a mark, in its literal sense, generally encompasses both its independent use and its use as part of another mark taken as a whole or in conjunction with that other mark.

33. As the German and United Kingdom Governments pointed out at the hearing before the Court, the criterion of use, which continues to be fundamental, cannot be assessed in the light of different considerations according to whether the issue to be decided is whether use is capable of giving rise to rights relating to a mark or of ensuring that such rights are preserved. If it is possible to acquire trade mark

protection for a sign through a specific use made of the sign, that same form of use must also be capable of ensuring that such protection is preserved.

34. Therefore, the requirements that apply to verification of the genuine use of a mark, within the meaning of Article 15(1) of Regulation No 40/94, are analogous to those concerning the acquisition by a sign of distinctive character through use for the purpose of its registration, within the meaning of Article 7(3) of the regulation.

35 Nevertheless, as pointed out by the German Government, the United Kingdom Government and the European Commission, a registered trade mark that is used only as part of a composite mark or in conjunction with another mark must continue to be perceived as indicative of the origin of the product at issue for that use to be covered by the term 'genuine use' within the meaning of Article 15(1)".
(emphasis added)

29. The trade mark is registered for "Fino Sherry Wine the produce of Spain" which appears to be the goods upon which it has been used.

30. In *Naazneen Investments Ltd v OHIM*, Case T-250/13 (upheld on appeal to the CJEU), the General Court ("GC") upheld a decision by the OHIM Board of Appeal that the sale of EUR 800 worth of non-alcoholic beverages under a mark over a 5-year period, which had been accepted was not purely to maintain the trade mark registration, was insufficient, in the economic sector concerned, for the purposes of maintaining or creating market share for the goods covered by that Community trade mark. The use was therefore not genuine use. The relevant part of the judgment of the GC is as follows:

"46. In the fifth place, the applicant argues that, in accordance with the case-law cited in paragraph 25 above, use of a trade mark is to be regarded as token if its sole purpose is to preserve the rights conferred by the registration of the mark. It claims that the Board of Appeal contradicted itself by stating, on the one hand, in

paragraph 31 of the contested decision, that the total amount of transactions over the relevant period seemed to be token, and by stating, on the other hand, in paragraph 42 of the contested decision, that it did not doubt the intention of the proprietor of the mark at issue to make real use of that mark in relation to the goods in question.

47. In this connection, suffice it to point out that the applicant's argument is based on an incorrect reading of the contested decision. The Board of Appeal used the term 'token' to describe the total amount of transactions, approximately EUR 800, and not to categorise the use of the mark at issue.

48. In the sixth place, the applicant claims that the Board of Appeal, by relying solely on the insufficient use made of the mark at issue, did not comply with the case-law according to which there is no quantitative threshold, determined a priori and in the abstract, that must be chosen in order to determine whether use is genuine. The Board of Appeal also failed to comply with the case-law according to which even minimal use may be sufficient in order to be deemed genuine.

49. According to the case-law, the turnover achieved and the volume of sales of the goods under the mark at issue cannot be assessed in absolute terms but must be assessed in relation to other relevant factors, such as the volume of commercial activity, the production or marketing capacities or the degree of diversification of the undertaking using the trade mark and the characteristics of the goods or services on the relevant market. As a result, use of the mark at issue need not always be quantitatively significant in order to be deemed genuine (see, to that effect, judgments in *VITAFRUIT*, cited in paragraph 25 above, EU:T:2004:225, paragraph 42, and *HIPOVITON*, cited in paragraph 27 above, EU:T:2004:223, paragraph 36). Even minimal use can therefore be sufficient in order to be deemed genuine, provided that it is warranted, in the economic sector concerned, to maintain or create market shares for the goods or services protected

by the mark. Consequently, it is not possible to determine a priori, and in the abstract, what quantitative threshold should be chosen in order to determine whether use is genuine. A de minimis rule, which would not allow OHIM or, on appeal, the General Court, to appraise all the circumstances of the dispute before it, cannot therefore be laid down (see, to that effect, order of 27 January 2004 in *La Mer Technology*, C-259/02, ECR, EU:C:2004:50, paragraphs 25 and 27, and judgment of 11 May 2006 in *Sunrider v OHIM*, C-416/04 P, ECR, EU:C:2006:310, paragraph 72).

50. In the present case, contrary to what the applicant claims, the Board of Appeal did not determine a minimum threshold 'a priori and in the abstract' so as to determine whether the use was genuine. In accordance with the case-law, it examined the volume of sales of the goods in question in relation to other factors, namely the economic sector concerned and the nature of the goods in question.

51. The Board of Appeal accordingly took the view that the market for the goods in question was of a significant size (paragraph 28 of the contested decision). It found also that the goods in question, namely non-alcoholic beverages, were for everyday use, were sold at a very reasonable price and that they were not expensive, luxury goods sold in limited numbers on a narrow market (paragraph 29 of the contested decision). Furthermore, it took the view that the total amount of transactions over the relevant period, an amount of EUR 800, seemed to be so token as to suggest, in the absence of supporting documents or convincing explanations to demonstrate otherwise, that use of the mark at issue could not be regarded as sufficient, in the economic sector concerned, for the purposes of maintaining or creating market shares for the goods covered by that mark (paragraph 31 of the contested decision).

52. It is therefore apparent, contrary to what the applicant claims, that it was in accordance with the case-law cited in paragraph 49 above that the Board of

Appeal took the view that, in the present case, minimal use was not sufficient to be deemed genuine.”

31. Even if the opponent’s trade mark had been in use for many years prior to the relevant period, it is use in the relevant period that is crucial. Sales in the UK of the opponent’s DON FINO product have, it appears, been on the decline since 2013, with no figures provided beyond 2014. Although I have been provided with no information on the size of the market for sherry in the UK and while my own experience suggests that sherry may not have been as popular in the relevant period as it once was, the market is still, in my view, likely to run into many millions of bottles each year.

32. Considered in that context, the opponent’s use as described above is not, in my view, sufficient, to maintain or create a market in the UK for sherry. The consequence of that conclusion is that the opponent cannot rely upon this registration for its opposition based upon section 5(2)(b) of the Act.

EUTM no. 1626605 - DRY DON

33. Although this trade mark appears in the undated pages provided as exhibit JMLEA2 and on page 7 of exhibit JMLEA8, as, inter alia, no figures have been provided of any goods sold under this trade mark in the relevant period (whether in the UK or elsewhere), the opponent cannot rely upon this registration for its opposition based upon section 5(2)(b) of the Act.

Conclusion in relation to proof of use

34. For the reasons I have explained above, the opponent cannot rely upon the three registrations mentioned for the purposes of section 5(2)(b) of the Act.

The remaining objection based upon section 5(2)(b)

35. However, as that conclusion does not apply to EUTM no. 11467867 (which is not subject to the proof of use provisions), it is on the basis of that trade mark I will conduct the comparison.

Section 5(2)(b) – case law

36. The following principles are gleaned from the decisions of the courts of the European Union in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P.

The principles:

- (a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;
- (b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

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

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

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

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

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

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

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

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

Comparison of goods

37. Proceeding on the basis indicated above, the competing goods are as follows:

Opponent's goods no. 11467867	Applicant's goods
Alcoholic beverages (except beers), including wines, port wine, eau-de-vie, brandies and liqueurs.	Whisky; scotch whisky; malt whisky; blended whisky; whisky based liqueurs; beverages made from or containing whisky; but insofar as whisky and whisky based liqueurs are concerned only Scotch whisky and Scotch whisky based liqueurs produced in Scotland.

38. In *Gérard Meric v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* case T-133/05, the GC stated:

“29 In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by the trade mark application (Case T-388/00 *Institut für Lernsysteme v OHIM – Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or when the goods designated by the trade mark application are included in a more general category designated by the earlier mark (Case T-104/01 *Oberhauser v OHIM – Petit Liberto (Fifties)* [2002] ECR II-4359, paragraphs 32 and 33; Case T-110/01 *Vedial v OHIM – France Distribution (HUBERT)* [2002] ECR II-5275, paragraphs 43 and 44; and Case T-10/03 *Koubi v OHIM – Flabesa (CONFORFLEX)* [2004] ECR II-719, paragraphs 41 and 42).”

39. As the term “alcoholic beverages” in the opponent’s specification encompasses all of the goods in the applicant’s specification, the competing goods are to be regarded as identical on the principle outlined in *Meric*.

The average consumer and the nature of the purchasing act

40. As the case law above indicates, it is necessary for me to determine who the average consumer is for the goods at issue. I must then determine the manner in which these goods are likely to be selected by the average consumer in the course of trade. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

“60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

41. The average consumer of the goods at issue is a member of the adult general public. Such goods are sold through a range of channels, including retail premises such as supermarkets and off-licences (where they are normally displayed on shelves) and on-line; in such circumstances, the goods will be obtained by self-selection. The goods are also sold in public houses and bars (where they will be displayed on, for example, bottles at the bar and where the trade mark will appear on drinks lists etc.). When the goods are sold in public houses and bars, there will be an oral component to the selection process. However, there is nothing to suggest that the goods are sold in such a manner as to preclude a visual inspection. Consequently, while the goods may be


ordered orally in public houses and bars, it is likely to be in the context of, for example, a visual inspection of the bottle at the bar or drinks lists prior to the order being placed. Considered overall, the selection process will, in my view, be a predominantly visual one, although aural considerations will play their part. As to the level of attention that will be paid, the cost of the goods is likely to be relatively low. Nonetheless, as the average consumer will wish to ensure they are selecting the correct size, type, strength and flavour of drink, I consider they will pay an average degree of attention to their selection.

Comparison of trade marks

42. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a trade mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the trade marks must be assessed by reference to the overall impressions created by them, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

“.....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

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

Opponent's trade mark no. 11467867	Applicant's trade marks
<p data-bbox="212 256 412 302">DON FINO</p>  <p data-bbox="188 611 773 705">"Colours Claimed/Indication: Black, grey, green, red."</p>	<p data-bbox="824 264 1094 296">THE DONS DRAM</p> <p data-bbox="824 390 1019 422">DONS DRAM</p>

44. In its Notice of opposition, the opponent stated:

“...The opponent's earlier mark consists of the words DON FINO with a figurative device. The mark applied for contains the identical verbal element 'DON' which we submit is the distinctive and dominant element of both parties being compared. We particularly note that the word 'fino' has a relevant meaning for sherry and 'dram' has a relevant meaning for alcoholic beverages. On this basis, we submit that the respective marks are similar to a high degree, including visual, aural and conceptual similarity...”

45. In its counterstatement, the applicant stated:

“The dominant and distinctive component of this earlier mark is the figurative element which consists of the silhouette of a man. The logo is located above the words DON FINO and stands out in size and position within the opponent's trade mark. The relevant consumer's eye would immediately be drawn to this fanciful logo, which is far larger in size than the words contained in the mark. As a result, this distinctive logo would not go unnoticed by the relevant public. Due to their size and position the words DON FINO, are relatively insignificant within the mark

as a whole. In any event it will be readily understood by the relevant public that the words DON FINO in the mark are clearly intended to reference the man shown in figurative element of the mark. In addition, it is noted that the earlier mark contains a colour claim of "black, grey, green and red", which emphasises the importance of the visual image of the earlier mark, which is entirely absent from the mark applied for. The dominant logo would allow the marks to be easily distinguished from each other. As a result, the mark shown above has considerable visual, phonetic and conceptual differences to the applicant's mark DONS DRAM/THE DONS DRAM..."

46. Both of the trade marks in the applicant's series of two are presented in block capital letters; they differ only to the extent that the first trade mark in the series contains the additional word "THE" as the first word. Irrespective of the presence of an apostrophe, the word "DONS" in both trade marks may be understood by the average consumer as a shortened form of the forename DONALD. However, as the average consumer is, in my view, likely to be familiar with the use of the term "DON" in the context of, inter alia, the head of a mafia family (collinsdictionary.com refers), they are equally likely to attribute the word that meaning.

47. As to the word "DRAM", exhibit JMLEA5 consists of a definition of this word obtained from collinsdictionary.com on 24 May 2018. Although from after the material date in these proceedings, the fact that "DRAM" is defined as, inter alia, a "small measure of whisky (mainly Scottish)" would, I have no doubt, have been a fact well known to the average consumer both at the material date and for many years prior to it. Although both trade marks in the series form a unit, given the non-distinctive nature of the word "THE" and, when considered in the context of the goods for which the applicant seeks registration, the obvious descriptive and non-distinctive nature of the word "DRAM", it is the presence of the distinctive word "DONS" that is likely to attract the majority of the average consumer's attention.

48. The opponent's trade mark consists of two components i.e. the words "DON FINO" presented in green in a slightly stylised but unremarkable script, below which appears the hat and caped figure presented in black, grey and red. The respective colours add very little if any distinctive character to the opponent's trade mark. Although the hat and caped figure is both distinctive and significant in the context of the trade mark as a whole, the fact that the words "DON FINO" appear at the top of the trade mark (rather than below as the applicant suggests), leads me to conclude that both components will make a roughly equal contribution to the overall impression the opponent's trade mark conveys.

49. As for the word "FINO", exhibit JMLEA4 consists of a definition of this word obtained from Wikipedia on 8 August 2016. In its submissions, the applicant states that this exhibit is "not in itself sufficient to show that the term "fino" is a commonly known term amongst the English speaking public in the UK". I begin by noting that collinsdictionary.com defines "fino" as "a very dry sherry". While I accept that the mere appearance of a word in a dictionary falls a long way short of establishing that the word is well-known amongst average consumers, that definition accords with my own understanding of the word and, more importantly will, I am satisfied, accord with the understanding of a significant number of average consumers of the goods at issue. However, if the average consumer does not accord the word "FINO" the above meaning, it is, I think, likely to regard it as a surname of uncertain foreign origin.

50. Considered overall, it is, in my view, the word "DON" and the hat and caped figure that will attract the consumer's attention or, in the alternative, the combination of the words "DON FINO" (i.e. the name of an individual) and the hat and caped figure.

Visual similarity

51. The hat and caped figure in the opponent's trade mark is completely alien to the applicant's trade marks. Although there is, inter alia, no visual similarity between the

words “FINO” and “DRAM”, given their positioning in the competing trade marks, their capacity to distinguish is reduced. Balancing the differences with the positioning of the component “DON”/“DONS” in the competing trade marks, results in what I regard as a medium degree of visual similarity between them.

Aural similarity

52. It is well established that when a trade mark consists of a combination of words and figurative components, it is by the word components the trade mark is most likely to be referred to. I think it is more likely than not that the opponent’s trade mark will be referred to by the three syllable combination “DON FI-NO”. Similarly, I think the applicant’s trade marks are most likely to be referred to by the two and three syllable combinations “DONS DRAM” and “THE DONS DRAM”, respectively. The fact that the word “DON” will be the first word articulated in the opponent’s trade mark and the positioning of the word “DONS” in the applicant’s trade marks, leads to a medium degree of aural similarity between them.

Conceptual similarity

53. The opponent’s trade mark is likely to be conceptualised as relating to either a DON involved in the sherry business (i.e. FINO) or to an individual named DON FINO (the DON in question being represented by the hat and caped figure).

54. As for the applicant’s trade marks, the applicant has provided evidence indicating that it has been known as “The Dons” since at least 1909. While I accept that it may be known in this manner by some average consumers who have an interest in football, I think it far more likely that the vast majority of those interested in football (let alone amongst those with no interest in football) would make no association between the applicant and the words “The Dons”.

55. The word “DRAM” will evoke the concept of a measure of whisky. Irrespective of the presence of apostrophes, the presence of the word “THE” in the first trade mark in the series is, I think, most likely to result in it evoking the concept of a DON (i.e. a mafia figure) than a shortening of the forename DONALD. The trade mark as a whole will evoke the concept of whisky from such a person. Although the second trade mark in the series is, I think, more likely to evoke the concept of whisky from a person called DONALD, it may also evoke the same concept as the first trade mark in the series. The competing trade marks are conceptually similar to the extent that they may all evoke the concept of a DON in the sense of a mafia figure and both contain words which relate to a type of and serving size of alcoholic beverage.

Distinctive character of the earlier trade mark

56. The distinctive character of a trade mark can be appraised only, first, by reference to the goods in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public – *Rewe Zentral AG v OHIM (LITE)* [2002] ETMR 91. In determining the distinctive character of a trade mark and, accordingly, in assessing whether it is highly distinctive, it is necessary to make an overall assessment of the greater or lesser capacity of the trade mark to identify the goods for which it has been registered as coming from a particular undertaking and thus to distinguish those goods from those of other undertakings - *Windsurfing Chiemsee v Huber and Attenberger* Joined Cases C-108/97 and C-109/97 [1999] ETMR 585.

57. I have already commented upon the opponent’s evidence in relation to the use it has made of its DON FINO trade mark in the UK earlier in this decision. Even though, for example, all of the use can be taken into account for the purposes of establishing an enhanced distinctive character (as opposed to just use in the relevant period), the quantum of use demonstrated is clearly insufficient to support such a claim, even in relation to sherry. Considered on that basis i.e. absent use, when considered as a whole, the opponent’s trade mark is possessed of an above average degree of inherent

distinctive character. It is, of course, only the distinctiveness of the component in conflict that matters; I shall return to this point below.

Likelihood of confusion

58. In determining whether there is a likelihood of confusion, a number of factors need to be borne in mind. The first 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. As I mentioned above, it is also necessary for me to keep in mind the distinctive character of the opponent's trade mark as the more distinctive it is, the greater the likelihood of confusion. I must also keep in mind the average consumer for the goods, the nature of the purchasing process and the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he has retained in his mind.

59. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one trade mark for the other, while indirect confusion is where the average consumer realises the trade marks are not the same but puts the similarity that exists between the trade marks and goods down to the responsible undertakings being the same or related.

60. In reaching a conclusion, I remind myself that (i) the competing goods are identical, (ii) whilst not forgetting aural considerations, the average consumer will select the goods by predominantly visual means whilst paying an average degree of attention during that process, (iii) the competing trade marks are visually and aurally similar to a medium degree and conceptually similar to the extent indicated. Finally, as I explained earlier, the words "DON FINO" are likely to make a roughly equal contribution to the overall impression the opponent's trade mark conveys.

61. In *Kurt Geiger v A-List Corporate Limited*, BL O-075-13, Mr Iain Purvis Q.C. as the Appointed Person pointed out that the level of ‘distinctive character’ is only likely to increase the likelihood of confusion to the extent that it resides in the element(s) of the marks that are identical or similar. He stated:

“38. The Hearing Officer cited *Sabel v Puma* at paragraph 50 of her decision for the proposition that ‘the more distinctive it is, either by inherent nature or by use, the greater the likelihood of confusion’. This is indeed what was said in *Sabel*. However, it is a far from complete statement which can lead to error if applied simplistically.

39. It is always important to bear in mind what it is about the earlier mark which gives it distinctive character. In particular, if distinctiveness is provided by an aspect of the mark which has no counterpart in the mark alleged to be confusingly similar, then the distinctiveness will not increase the likelihood of confusion at all. If anything it will reduce it.”

62. In other words, simply considering the level of distinctive character possessed by the earlier mark is not enough. It is important to ask “in what does the distinctive character of the earlier mark lie?” Only after that has been done can a proper assessment of the likelihood of confusion be carried out.

63. As I explained earlier, the words “DON FINO” may be construed by the average consumer in a number of ways. In *Soulcycle Inc v Matalan Ltd*, [2017] EWHC 496 (Ch), Mann J. approved the approach of the Hearing Officer at first instance in considering the reactions of average consumers who did, and did not, recognise the word SOUL within the mark SOULUXE. The judge said:

“27. I do not consider that the Hearing Officer made an error of principle in this respect. In considering the question of the effect of the mark within the class, by

reference to proportions who did not share the same view, he was following the same line as that pursued by Arnold J at first instance in *Interflora Inc v Marks and Spencer plc* [2013] EWHC 1291 (Ch) . Arnold J considered at some length whether there was a "single meaning rule" in trade mark law under which the court had to identify one, and one only, perception amongst the relevant class of average consumer, and judge confusion accordingly. At paragraph 213 he found there is no such rule and then set out his reasoning over the following paragraphs. Paragraph 224 set out important parts of his conclusion; the references to Lewison LJ is to that judge's judgment in an earlier case.

"224 ... Thirdly, Lewison LJ expressly accepts that a trade mark is distinctive if a significant proportion of the relevant public identify goods as originating from a particular undertaking because of the mark. Thus he accepts that there is no single meaning rule in the context of validity. As I have said, that is logically inconsistent with a single meaning rule when one comes to infringement. Fourthly, the reason why it is not necessarily sufficient for a finding of infringement that "some" consumers may be confused is that, as noted above, confusion on the part of the ill-informed or unobservant must be discounted. That is a rule about the standard to be applied, not a rule requiring the determination of a single meaning. If a significant proportion of the relevant class of consumers is confused, then it is likely that confusion extends beyond those who are ill-informed or unobservant. Fifthly, Lewison LJ does not refer to many of the authorities discussed above, no doubt because they were not cited. Nor does he discuss the nature of the test for the assessment of likelihood of confusion laid down by the Court of Justice. The legislative criterion is that "there exists a likelihood of confusion on the part of the public". As noted above, the Court of Justice has held that "the risk that the public might believe that the goods or services in question come from the same undertaking or, as the case may be, from economically-linked undertakings, constitutes a

likelihood of confusion". This is not a binary question: is the average consumer confused or is the average consumer not confused? Rather, it requires an assessment of whether it is likely that there is, or will be, confusion, applying the standard of perspicacity of the average consumer. It is clear from the case law that this does not mean likely in the sense of more probable than not. Rather, it means sufficiently likely to warrant the court's intervention. The fact that many consumers of whom the average consumer is representative would not be confused does not mean that the question whether there is a likelihood of confusion is to be answered in the negative if a significant number would be confused ." (my emphasis)

28. That justifies a consideration of confusion in relation to a proportion of the class of average consumer by reference to perceptions, in the manner in which the Hearing Officer went about the matter. It also justifies applying the same technique (where appropriate on the facts) to validity and infringement proceedings alike."

64. While the words "DON FINO" may be construed in a number of ways, the word "FINO" is, in my view, likely to be understood by a significant proportion of average consumers as indicating a characteristic of goods which fall within the opponent's specification i.e. sherry. In those circumstances, it is the word "DON" and the hat and caped figure it describes in which the distinctive character of the opponent's trade mark lies.

65. However, even proceeding on that basis, the various differences between the competing trade marks are, in my view, likely to be sufficient to avoid direct confusion. In *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10, Mr Iain Purvis Q.C., as the Appointed Person, explained the difference between direct and indirect confusion stating:

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: “The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark.”

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

67. In *Comic Enterprises Ltd v Twentieth Century Fox Film Corporation* [2016] EWCA Civ 41, Kitchin LJ considered the characteristics of the average consumer. Although this was an infringement case, the principles apply equally under 5(2):

“34 This court considered the characteristics of the average consumer at some length in *Interflora Inc v Marks and Spencer plc* [2015] EWCA Civ 1403 , [2014] FSR 10 from [107] to [130]. The following general points emerge further to those set out above:

- i) the average consumer is a hypothetical person or, as he has been called, a legal construct; he is a person who has been created to strike the

right balance between the various competing interests including, on the one hand, the need to protect consumers and, on the other hand, the promotion of free trade in an openly competitive market, and also to provide a standard, defined in EU law, which national courts may then apply;

ii) the average consumer is not a statistical test; the national court must exercise its own judgment in accordance with the principle of proportionality and the principles explained by the Court of Justice to determine the perceptions of the average consumer in any given case in the light of all the circumstances; the test provides the court with a perspective from which to assess the particular question it has to decide;

iii) in a case involving ordinary goods and services, the court may be able to put itself in the position of the average consumer without requiring evidence from consumers, still less expert evidence or a consumer survey. In such a case, the judge can make up his or her own mind about the particular issue he or she has to decide in the absence of evidence and using his or her own common sense and experience of the world. A judge may nevertheless decide that it is necessary to have recourse to an expert's opinion or a survey for the purpose of assisting the court to come to a conclusion as to whether there is a likelihood of deception;

iv) the issue of a trade mark's distinctiveness is intimately tied to the scope of the protection to which it is entitled. So, in assessing an allegation of infringement under Article 5(1)(b) of the Directive arising from the use of a similar sign, the court must take into account the distinctiveness of the trade mark, and there will be a greater likelihood of confusion where the trade mark has a highly distinctive character either per se or as a result of the use which has been made of it. It follows that the court must

necessarily have regard to the impact of the accused sign on the proportion of consumers to whom the trade mark is particularly distinctive;

v) if, having regard to the perceptions and expectations of the average consumer, the court concludes that a significant proportion of the relevant public is likely to be confused such as to warrant the intervention of the court then it may properly find infringement.”

68. The similarities between the competing trade marks results from the presence in them of the words “DON”/“DONS” with, in my view, the words “FINO” and “DRAM” likely to be construed by a significant proportion of average consumers as descriptors. That is likely, in my view, to result in indirect confusion, in which such an average consumer will assume that the goods of the applicant originate from the same undertaking who uses, inter alia, the word “DON” to indicate the origin of its goods and who, in use, varies its trade marks to include words which are either descriptive of, or non-distinctive for the goods concerned, i.e. “FINO” and “DRAM”. As a consequence of that conclusion, the opposition succeeds under section 5(2)(b) of the Act.

The objection based upon section 5(3) of the Act

69. The opponent bases its opposition on UK 557975 only. Having reached the conclusion I did in paragraph 26, it follows that on the basis of the evidence provided, I am not prepared to accept that the opponent has the necessary reputation in the trade mark relied upon. Without reputation, the opposition based upon section 5(3) of the Act falls at the first hurdle and is dismissed accordingly.

The objection based upon section 5(4)(a) of the Act

70. In *Discount Outlet v Feel Good UK*, [2017] EWHC 1400 IPEC, Her Honour Judge Melissa Clarke, sitting as a deputy Judge of the High Court, conveniently summarised the essential requirements of the law of passing off as follows:

“55. The elements necessary to reach a finding of passing off are the ‘classical trinity’ of that tort as described by Lord Oliver in the *Jif Lemon* case (*Reckitt & Colman Product v Borden* [1990] 1 WLR 491 HL, [1990] RPC 341, HL), namely goodwill or reputation; misrepresentation leading to deception or a likelihood of deception; and damage resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all three limbs.

56. In relation to deception, the court must assess whether “*a substantial number*” of the Claimants’ customers or potential customers are deceived, but it is not necessary to show that all or even most of them are deceived (per *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21).”

71. In *Advanced Perimeter Systems Limited v Multisys Computers Limited*, BL O-410-11, Mr Daniel Alexander QC as the Appointed Person considered the relevant date for the purposes of s.5(4)(a) of the Act and concluded as follows:

“39. In *Last Minute*, the GC stated:

‘50. First, there was goodwill or reputation attached to the services offered by LMN in the mind of the relevant public by association with their get-up. In an action for passing off, that reputation must be established at the date on which the defendant began to offer his goods or services (*Cadbury Schweppes v Pub Squash* (1981) R.P.C. 429).

51. However, according to Article 8(4) of Regulation No 40/94 the relevant date is not that date, but the date on which the application for a Community trade mark was filed, since it requires that an applicant seeking a declaration of invalidity has acquired rights over its non-registered national mark before the date of filing, in this case 11 March 2000.'

40. Paragraph 51 of that judgment and the context in which the decision was made on the facts could therefore be interpreted as saying that events prior to the filing date were irrelevant to whether, at that date, the use of the mark applied for was liable to be prevented for the purpose of Article 8(4) of the CTM Regulation. Indeed, in a recent case before the Registrar, *J Sainsbury plc v. Active: 4Life Ltd* O-393-10 [2011] ETMR 36 it was argued that *Last Minute* had effected a fundamental change in the approach required before the Registrar to the date for assessment in a s.5(4)(a) case. In my view, that would be to read too much into paragraph [51] of *Last Minute* and neither party has advanced that radical argument in this case. If the General Court had meant to say that the relevant authority should take no account of well-established principles of English law in deciding whether use of a mark could be prevented at the application date, it would have said so in clear terms. It is unlikely that this is what the General Court can have meant in the light of its observation a few paragraphs earlier at [49] that account had to be taken of national case law and judicial authorities. In my judgment, the better interpretation of *Last Minute*, is that the General Court was doing no more than emphasising that, in an Article 8(4) case, the *prima facie* date for determination of the opponent's goodwill was the date of the application. Thus interpreted, the approach of the General Court is no different from that of Floyd J in *Minimax*. However, given the consensus between the parties in this case, which I believe to be correct, that a date prior to the application date is relevant, it is not necessary to express a concluded view on that issue here.

41. There are at least three ways in which such use may have an impact. The underlying principles were summarised by Geoffrey Hobbs QC sitting as the Appointed Person in *Croom's TM* [2005] RPC 2 at [46] (omitting case references):

- (a) The right to protection conferred upon senior users at common law;
- (b) The common law rule that the legitimacy of the junior user's mark in issue must normally be determined as of the date of its inception;
- (c) The potential for co-existence to be permitted in accordance with equitable principles.

42. As to (b), it is well-established in English law in cases going back 30 years that the date for assessing whether a claimant has sufficient goodwill to maintain an action for passing off is the time of the first actual or threatened act of passing off: *J.C. Penney Inc. v. Penneys Ltd.* [1975] FSR 367; *Cadbury-Schweppes Pty Ltd v. The Pub Squash Co. Ltd* [1981] RPC 429 (PC); *Barnsley Brewery Company Ltd. v. RBNB* [1997] FSR 462; *Inter Lotto (UK) Ltd. v. Camelot Group plc* [2003] EWCA Civ 1132 [2004] 1 WLR 955: "date of commencement of the conduct complained of". If there was no right to prevent passing off at that date, ordinarily there will be no right to do so at the later date of application.

43. In *SWORDERS TM* O-212-06 Mr Alan James acting for the Registrar well summarised the position in s.5(4)(a) proceedings as follows:

'Strictly, the relevant date for assessing whether s.5(4)(a) applies is always the date of the application for registration or, if there is a priority date, that date: see Article 4 of Directive 89/104. However, where the applicant has used the mark before the date of the application it is necessary to consider what the position would have been at the date of the start of the behaviour complained about, and then to assess whether

the position would have been any different at the later date when the application was made.”

72. As there is no evidence the applicant has made any use of its trade marks in relation to the goods for which it seeks registration, the material date is the date of the application for registration i.e. 18 September 2017.

73. In *South Cone Incorporated v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership)* [2002] RPC 19 (HC), Pumfrey J. stated:

“27. There is one major problem in assessing a passing of claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case in which this ground of opposition is raised the registrar is entitled to be presented with evidence which at least raises a prima facie case that the opponent's reputation extends to the goods comprised in the applicant's specification of goods. The requirements of the objection itself are considerably more stringent than the enquiry under s.11 of the 1938 Act (see *Smith Hayden & Co. Ltd's Application (OVAX)* (1946) 63 R.P.C. 97 as qualified by *BALI Trade Mark [1969] R.P.C. 472*). Thus the evidence will include evidence from the trade as to reputation; evidence as to the manner in which the goods are traded or the services supplied; and so on.

28. Evidence of reputation comes primarily from the trade and the public, and will be supported by evidence of the extent of use. To be useful, the evidence must be directed to the relevant date. Once raised, the applicant must rebut the prima facie case. Obviously, he does not need to show that passing off will not occur, but he must produce sufficient cogent evidence to satisfy the hearing officer that it is not shown on the balance of probabilities that passing off will occur.”

74. However, in *Minimax GmbH & Co KG v Chubb Fire Limited* [2008] EWHC 1960 (Pat) Floyd J. (as he then was) stated that:

“[The above] observations are obviously intended as helpful guidelines as to the way in which a person relying on section 5(4)(a) can raise a case to be answered of passing off. I do not understand Pumfrey J to be laying down any absolute requirements as to the nature of evidence which needs to be filed in every case. The essential is that the evidence should show, at least prima facie, that the opponent's reputation extends to the goods comprised in the application in the applicant's specification of goods. It must also do so as of the relevant date, which is, at least in the first instance, the date of application.”

75. In *Hart v Relentless Records* [2002] EWHC 1984 (Ch), Jacob J. (as he then was) stated:

“62. In my view the law of passing off does not protect a goodwill of trivial extent. Before trade mark registration was introduced in 1875 there was a right of property created merely by putting a mark into use for a short while. It was an unregistered trade mark right. But the action for its infringement is now barred by s.2(2) of the Trade Marks Act 1994. The provision goes back to the very first registration Act of 1875, s.1. Prior to then you had a property right on which you could sue, once you had put the mark into use. Even then a little time was needed, see per Upjohn L.J. in BALI Trade Mark [1969] R.P.C. 472. The whole point of that case turned on the difference between what was needed to establish a common law trade mark and passing off claim. If a trivial goodwill is enough for the latter, then the difference between the two is vanishingly small. That cannot be the case. It is also noteworthy that before the relevant date of registration of the BALI mark (1938) the BALI mark had been used “but had not acquired any significant reputation” (the trial judge's finding). Again that shows one is looking for more than a minimal reputation.”

76. However, a small business which has more than a trivial goodwill can protect signs which are distinctive of that business under the law of passing off even though its reputation may be small. In *Stacey v 2020 Communications* [1991] FSR 49, Millett J. stated:

“There is also evidence that Mr. Stacey has an established reputation, although it may be on a small scale, in the name, and that that reputation preceded that of the defendant. There is, therefore, a serious question to be tried, and I have to dispose of this motion on the basis of the balance of convenience.”

77. The opponent bases its opposition on the words “THE DON” and “DON FINO”. For the reasons I have already explained, I am not satisfied that on the basis of the evidence provided, the opponent has the necessary goodwill in the words “THE DON” to get an objection under this heading off the ground and, as a consequence, it is dismissed.

78. The opponent’s evidence indicates that since 1960 it has conducted a business in relation to sherry using, inter alia, the words “DON FINO”; I also remind myself that in 2008 sherry sold, inter alia, under these words won a number of awards in the United Kingdom. However, the only sales figures I have been provided with for goods sold, inter alia, under these words is between 2010 and 2015 and amounts to €7732. Although arguable, when the opponent’s evidence is considered as a totality, I think that it is more likely than not that the use the opponent’s business had made of, inter alia, these words in relation to sherry would have been sufficient to create a protectable goodwill which was likely to be extant at the relevant date. In relation to the similarity in the competing signs at issue, I remind myself of my comments in relation to the comparison between the applicant’s trade marks and EUTM no. 11467867 (which also contains, inter alia, a device element).

79. Although I bear in mind the applicant's detailed comments in relation to what it considers to be the differences in the goods at issue (comments made in the context of the oppositions based upon section 5(2)(b) of the Act), Millet L.J.'s comments in *Harrods Limited v Harrodian School Limited* [1996] RPC 697 (CA) about the lack of a requirement for the parties to operate in a common field of activity are relevant. Although not identical, both parties either operate in, or wish to operate in, broadly speaking, the market for alcoholic beverages.

80. At the relevant date, a substantial number of the opponent's customers familiar with the words "DON FINO" will also, in my view, be aware of the descriptive meaning of the word "FINO". Given the presence of the non-distinctive word "THE" and descriptive word "DRAM" in the applicant's trade marks, a substantial number of such customers are, in my view, likely to assume that the opponent's business is now also conducting a trade in whisky related products, by reference to its "DON" trade mark.

81. In *Harrods Limited V Harrodian School Limited*, Millett L.J. described the requirements for damage in passing off cases like this:

"In the classic case of passing off, where the defendant represents his goods or business as the goods or business of the plaintiff, there is an obvious risk of damage to the plaintiff's business by substitution. Customers and potential customers will be lost to the plaintiff if they transfer their custom to the defendant in the belief that they are dealing with the plaintiff. But this is not the only kind of damage which may be caused to the plaintiff's goodwill by the deception of the public. Where the parties are not in competition with each other, the plaintiff's reputation and goodwill may be damaged without any corresponding gain to the defendant. In the *Lego* case, for example, a customer who was dissatisfied with the defendant's plastic irrigation equipment might be dissuaded from buying one of the plaintiff's plastic toy construction kits for his children if he believed that it

was made by the defendant. The danger in such a case is that the plaintiff loses control over his own reputation.”

82. In *Ewing v Buttercup Margarine Company, Limited*, [1917] 2 Ch. 1 (COA), Warrington L.J. stated:

“To induce the belief that my business is a branch of another man's business may do that other man damage in various ways. The quality of goods I sell, the kind of business I do, the credit or otherwise which I enjoy are all things which may injure the other man who is assumed wrongly to be associated with me.”

83. As in my view both types of damage are likely to be in play in these proceedings, the opposition based upon section 5(4)(a) of the Act succeeds. The fact that the applicant may have been known by some as “The Dons” since 1909 (in relation to its football related activities), does not, for the reasons I have already explained, assist the applicant.

Overall conclusion

84. The opposition based upon section 5(2)(b) of the Act in relation to UK nos. 557975 and 807282 and EUTM no. 1626605 has failed, as has the section 5(3) objection based upon UK no. 557975.

85. However, the opposition based upon sections 5(2)(b) and 5(4)(a) of the Act in relation to EUTM no. 11467867 and the words “DON FINO” respectively succeeds, and, subject to any successful appeal, the application will be refused.

Costs

86. As the opponent has been successful, it is entitled to a contribution towards its costs. Awards of costs in proceedings are governed by Annex A of Tribunal Practice Notice (“TPN”) 2 of 2016. Applying the guidance in that TPN, I award costs to the opponent on the following basis:

Filing the Notice of Opposition and reviewing the counterstatement:	£400
Preparing evidence and considering the applicant’s evidence:	£700
Written submissions:	£200
Official fee:	£200
Total:	£1500

87. I order Aberdeen Football Club Plc to pay to Geo G. Sandeman Sons & Co., Limited the sum of **£1500**. This sum is to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated 15 March 2019

C J BOWEN
For the Registrar