

O/337/19

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. UK00003316168 BY
THE BLACK SHEEP BREWERY PLC
TO REGISTER THE FOLLOWING MARK:**

BLACK SHEEP

IN CLASS 33

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 413810 BY
BARON PHILIPPE DE ROTHSCHILD S.A.**

BACKGROUND AND PLEADINGS

1. On 7 June 2018, The Black Sheep Brewery Plc (“the applicant”) applied to register the mark **BLACK SHEEP** in the UK. The application was published for opposition purposes on 22 June 2018 and is for the following goods:

Class 33 Alcoholic beverages (other than beers).

2. The application was opposed by Baron Philippe De Rothschild S.A. (“the opponent”). The opposition is based upon sections 5(2)(b) and 5(3) of the Trade Marks Act 1994 (“the Act”). The opponent relies on UK trade mark no. 835875 for the mark **MOUTON CADET**. The earlier mark was filed on 18 June 1962 and is registered for the following goods:

Class 33 Bordeaux wines.

3. Under section 5(2)(b) the opponent claims that there is a likelihood of confusion because the respective goods are identical, and the marks are similar because the translation of the opponent’s mark in English is YOUNG SHEEP.

4. Under section 5(3), the opponent claims a reputation in respect of all goods for which the earlier mark is registered. The opponent states:

“16. The Opponent has acquired a reputation in the European Union (including the United Kingdom) for their Earlier Trade Mark since at least as early as 1930.

17. The Earlier Trade Mark is relied upon for the purposes of Section 5(3) of the Act. The use of the Mark Applied For, without due cause, would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the Earlier Trade Mark.

18. The reputation of the Opponent would be tarnished by the presence of the Mark Applied For and the Opponent’s ability to attract business will be diluted by the Applicant’s use of its mark.

19. The similarity of the marks is such that the relevant public would believe that they are used by the same undertaking or that there is an economic connection between the respective users of the marks.

20. The use of the Mark Applied for is likely to be confusing and would inevitably erode the distinctiveness of the Earlier Trade Mark and therefore be detrimental to its distinctive character.

21. Detriment to the Earlier Trade Mark's distinctive character will occur as the mark's ability to identify the goods for which it is registered is weakened as a result of the later mark."

5. The applicant filed a counterstatement denying the grounds of opposition and putting the opponent to proof of use of its earlier mark.

6. The opponent is represented by Novagraaf UK and the applicant is represented by Urquhart-Dykes & Lord LLP. The opponent filed evidence in the form of the witness statement of Eric Bergman dated 6 February 2019 and the applicant filed written submissions dated 11 April 2019. Neither party requested a hearing and only the opponent filed written submissions in lieu. This decision is taken following a careful perusal of the papers.

EVIDENCE

The Opponent's Evidence

7. As noted above, the opponent's evidence consists of the witness statement of Eric Bergman, which is accompanied by 9 exhibits. Mr Bergman is the Deputy Managing Director at the opponent; a role he has held since he joined the company on 8 October 2012.

8. I do not propose to summarise the opponent's evidence in full, but I note the following key points from Mr Bergman's evidence:

a. MOUTON CADET is the opponent's main wine brand, which was launched in 1930 and was awarded a Bordeaux AOC classification in 1947.

b. Focus was placed on marketing MOUTON CADET in the 1950s and 1960s, with the wine entering the UK and US markets. After 1988, Mr Bergman states that MOUTON CADET became the biggest selling Bordeaux wine in the world.

c. More than 12million bottles of wine are now produced on an annual basis with an average price of £20 per bottle. The wines are now distributed to more than 150 countries worldwide, including the UK and the wider European Union.

d. MOUTON CADET has been sold in Harrods, Morrisons and online at Amazon¹. MOUTON CADET has also been an official sponsor of the Cannes International Film Festival since 1992.

e. The number of bottles sold in the UK was over 100,000 in 2014, 200,000 in 2015 and 250,000 in 2016. Invoices show that over 40,000 cases of MOUTON CADET wine was sold in the UK and Ireland between January 2013 and December 2018².

f. In 2012, the opponent secured a 7-year deal to supply MOUTON CADET wines to the European Golf Tour and has since become an official sponsor of the 2014 and 2018 Ryder Cup tournaments. Press articles covering these deals have referred to MOUTON CADET as "the world's leading Bordeaux AOC wine"³.

g. MOUTON CADET wine won an award for Best Wine Product in the Travel Retail Awards, which the opponent states is a UK-based award⁴.

¹ Exhibit BG01

² Exhibit BG02

³ Exhibit EB03

⁴ An article confirming the opponent's success in obtaining this award is provided at Exhibit EB08, which is dated 25 May 2018.

h. A December 2018 Report from Wine Intelligence⁵, which Mr Bergman states is an independent third party that carries out both independent and commissioned research provides the following statistics:

- i) MOUTON CADET was ranked 27th in terms of brand awareness in the UK, with 27% of people having heard of the brand in 2015, 31% in 2017 and 30% in 2018;
- ii) MOUTON CADET was ranked 29th in terms of brand purchase in the UK, with 3% of people having purchased the wine in 2015, 4% in 2017 and 3% in 2018;
- iii) MOUTON CADET was ranked 27th in terms of brand consideration in the UK, with 45% of people considering buying it in 2017 and 50% in 2018.
- iv) MOUTON CADET was ranked 23rd in terms of brand recommendation in the UK, with 28% of people saying they would recommend it in 2015 and 29% in 2017 and 2018;

Submissions

9. The opponent's evidence was accompanied by written submissions dated 11 February 2019. The applicant filed written submissions during the evidence rounds dated 11 April 2019 and the opponent filed written submissions in lieu dated 15 May 2019. Whilst I do not propose to summarise any of these submissions, I have taken them all into consideration and will refer to them below where necessary.

PRELIMINARY ISSUE

10. The applicant has questioned whether the opponent has standing to bring this opposition as it questions whether it is a legal entity entitled to hold property. For the avoidance of doubt, Mr Bergman explains that a French S.A is the equivalent of a

⁵ Exhibit EB09

public limited company in the UK. I am satisfied that this is correct and that the opponent is a legal entity capable of holding property and therefore entitled to bring this opposition.

DECISION

11. Section 5(2)(b) of the Act reads as follows:

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

(a)...

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

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

12. Section 5(3) of the Act states:

“5(3) A trade mark which -

(a) is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a 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 repute of the earlier trade mark.”

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

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

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

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

14. The trade mark upon which the opponent relies qualifies as an earlier trade mark under the above provisions.

Proof of Use

15. As noted above, the applicant put the opponent to proof of use of its earlier mark. In its written submissions, the applicant states:

“5. The Applicant hereby admits that the Opponent has proven genuine use of the MOUTON CADET trade mark for *Bordeaux wines* in class 33 in the relevant period. However, for reasons which will be given further below, the use is minimal in the United Kingdom and does not amount to a reputation.” [original emphasis]

16. I do not, therefore, need to consider the issue of proof of use any further and I will proceed on the basis that the opponent can rely upon all goods for which the earlier mark is registered.

Section 5(2)(b)

17. The following principles are gleaned from the decisions of the EU courts 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 great degree of similarity between the marks, and vice versa;

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

(i) mere association, in the strict sense that the later mark brings to mind the earlier mark, 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

18. The competing goods are as follows:

Opponent's Goods	Applicant's Goods
<u>Class 33</u> Bordeaux wines.	<u>Class 33</u> Alcoholic beverages (other than beers).

19. In *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T- 133/05, the General Court ("GC") stated that:

“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 trade mark application (Case T-388/00 *Institut for Lernsysteme v OHIM – Educational Services* (ELS) [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark.”

20. “Bordeaux wines” in the opponent’s specification falls within the broader category of “Alcoholic beverages (other than beers)” in the applicant’s specification. These goods can, therefore, be considered identical on the principle outlined in *Meric*.

The average consumer and the nature of the purchasing act

21. As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties’ goods. I must then determine the manner in which these goods are likely to be selected by the average consumer. 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.”

22. I have no submissions from the applicant on the identity of the average consumer and the nature of the purchasing act for the goods in issue. I accept the opponent’s submission that the average consumer for the goods in issue will be a member of the general public who is over the age of 18. I also accept the opponent’s submission that the cost of the goods is likely to be relatively low, but that a number of factors will still be taken into consideration during the selection process (flavour, strength etc.).

Consequently, I consider that an average degree of attention will be paid during the purchasing process.

23. The goods are most likely to be obtained from a retail outlet such as a supermarket or off-licence (or an online or catalogue equivalent) or from a bar or restaurant. In the case of a retail outlet, the goods are likely to be obtained by self-selection and so visual considerations will dominate the selection process. In the case of bars and restaurants, the goods are likely to be purchased following perusal of a drinks menu or viewing the products on a shelf behind a bar. Again, visual considerations will, therefore, dominate the selection process. However, I recognise that in retail outlets advice may be sought from a sales assistant and in bars and restaurants, orders may be placed orally. Consequently, I do not discount that there may also be an aural component to the purchase of the goods.

Comparison of trade marks

24. 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 the trade marks, 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.”

25. It would be wrong, therefore, to artificially dissect the trade marks, although it is necessary to take into account the distinctive and dominant components of the marks

and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

26. The respective trade marks are shown below:

Opponent's trade mark	Applicant's trade mark
MOUTON CADET	BLACK SHEEP

27. I have lengthy submissions from the parties on the similarity of the marks which I do not propose to summarise here. However, I have taken them into consideration and will refer to them below where appropriate.

28. The opponent's mark consists of the words MOUTON CADET. The overall impression of the mark lies in the combination of these words. The applicant's mark consists of the words BLACK SHEEP. The overall impression of the mark lies in the combination of these words.

29. Visually and aurally, there is no point of similarity between the parties' marks. They are made up of two entirely different words which create completely different visual and aural impacts. I consider the marks to be visually and aurally dissimilar.

30. The main point of contention between the parties is the conceptual similarity between the marks. It appears to me from the opponent's submissions, that its case is that there will be two categories of average consumer who will both recognise the conceptual similarities between the marks:

- a) Average consumers who do not speak French – for this group of consumers, the word MOUTON is similar to the English word MUTTON which is used to refer to meat from a sheep and so the connection will be recognisable.

b) Average consumers who can speak French – for this group of consumers the word MOUTON translates as SHEEP and the word CADET translates as YOUNG, so there is conceptual similarity for those people who speak French because they will recognise that both marks refer to sheep.

31. I will deal with these groups in turn. For the avoidance of doubt, the presence of a translation of the opponent's mark on the UK register does not assist it in demonstrating that there is a likelihood of confusion. The assessment to be undertaken for the purposes of these opposition proceedings is from the perspective of the average consumer. The average consumer will not refer to the Register to obtain a translation of a mark and so the presence of the translation on the Register does not impact upon the likelihood of confusion. Further, my comparison must be of the marks as registered and so the opponent's argument that use of the mark in combination with the sheep's head device (shown in the evidence) will increase the likelihood that people will recognise the meaning of its mark is flawed.

32. In reaching my conclusions about conceptual similarity, I have considered the case law cited by the opponent in which foreign language translations of trade marks have led to a finding of confusion. Whilst I bear these case in mind, I also agree with the applicant's submissions that these cases involved direct translations which distinguishes them from the present case. In any event, each case must be decided on its own merits.

33. I consider that non-French speaking average consumers will be in the majority, given that the average consumers for the goods in issue are members of the UK general public. Whilst I accept that this group of consumers may have some knowledge of the French language, I do not consider that it will extend far enough for them to readily identify the meaning of MOUTON CADET. In my view, this group of average consumers is far more likely to view these words as being from either the French language or an unidentified foreign language. I do not agree with the applicant that the word CADET will be considered to be an English word referring to trainees in the armed forces or emergency services in this context. Having identified the words as deriving from a foreign language, I do not consider that the average consumer will attribute any particular meaning to them. By contrast, the applicant's mark which will

convey the conceptual image of a sheep with black wool. The applicant's mark may also be recognised as having a dual meaning as it may be seen as a reference to a member of a group who is considered to be something of an outcast⁶.

34. Whilst I recognise that average consumers normally look for a meaning which they can attribute to a mark, I do not consider that the similarity of the words MOUTON and MUTTON will lead this group of average consumers to identify the opponent's mark as being a reference to a sheep. Firstly, given the category of goods involved, the name of different meat types is unlikely to be at the forefront of the average consumer's mind. Secondly, having identified the opponent's mark as a foreign language word, the average consumer is unlikely to search for similarity with English language words to identify a meaning. In any event, for a conceptual meaning to be relevant it must be immediately graspable by the average consumer⁷. A process which requires the average consumer to analyse the linguistic root of a French word to identify English words which may have a similar meaning, in my view, will not create a conceptual meaning which is immediately graspable.

35. For those average consumers who speak French, the opponent's mark will be understood to mean YOUNG SHEEP and the applicant's mark will be understood to mean BLACK SHEEP. The opponent's mark clearly conveys an image of youth; perhaps being a reference to a lamb. As noted above, the applicant's mark will convey a dual meaning. I consider the marks to be conceptually similar to a low to medium degree.

Distinctive character of the earlier mark

36. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated that:

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an

⁶ <https://www.collinsdictionary.com/dictionary/english/black-sheep>

⁷ *Ruiz Picasso v OHIM* [2006] E.C.R. 643; [2006] E.T.M.R. 29

overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-2779, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promotion of the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

37. Registered trade marks possess varying degrees of inherent distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the goods or services, to those with high inherent distinctive character, such as invented words which have no allusive qualities.

38. The opponent claims that its mark has a high degree of inherent distinctive character and that the distinctive character of its mark has been enhanced to a high degree through use. I will start with the inherent position. For those consumers who only see the words MOUTON CADET as foreign language words with no particular meaning then I agree with the opponent that the inherent distinctiveness of the mark would be high.

39. For those consumers who identify the translation of the opponent’s mark as YOUNG SHEEP, there will be a recognisable meaning which is conveyed, albeit one which is neither descriptive nor allusive of the goods in issue. I consider the earlier mark to be inherently distinctive to at least a medium degree.

40. The relevant market for assessing enhanced distinctive character is the UK market. Over 100,000 bottles of the opponent's wine were sold in the UK in 2014, with this number increasing to over 200,000 in 2015 and over 250,000 in 2016. The opponent's wines have achieved recognition through partnerships with events such as the Ryder Cup, European Golf Tour and the Cannes International Film Festival, which all attract visitors from the UK. The opponent's wine has been described as the World's Leading AOC Bordeaux. An article dated 25 May 2018 confirmed that the opponent's wine had won an UK award for Best Wine Product. The opponent has not provided market share figures for the UK, but the December 2018 Report from Wine Intelligence shows that they have consistently been ranked in the top 30 wine brands in the UK. I recognise that this report was published after the relevant period, however it records information from the years leading up to publication of the report and is, therefore, relevant. I note that the number of people who said that they would purchase the opponent's wine in the UK was quite low, but this must be counterbalanced with the number of people who said that they had heard of the brand which was 27% in 2015, 31% in 2017 and 30% in 2018. Taking the evidence as a whole into account, I consider that the opponent has demonstrated that the distinctive character of its mark has been enhanced to a high degree through use in the UK.

Likelihood of confusion

41. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other, while indirect confusion is where the average consumer realises the marks are not the same but puts the similarity that exists between the marks and the goods and services down to the responsible undertakings being the same or related. There is no scientific formula to apply in determining whether there is a likelihood of confusion; rather, it is a global assessment where 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 goods and services and vice versa. As I mentioned above, it is necessary for me to keep in mind the distinctive character of the opponent's trade mark, the average consumer for the goods and the nature of the purchasing process. In doing so, I must be alive to 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 that he has retained in his mind.

42. I have found that for average consumers who recognise the translation of the opponent's marks there will be a low to medium degree of conceptual similarity and visual and aural dissimilarity. For those average consumers who do not recognise the translation, there will be visual, aural and conceptual dissimilarity. I have found the earlier mark to have a high degree of distinctive character for both categories of consumer. I have identified the average consumer to be a member of the general public who is over the age of 18. I consider that the goods will be selected primarily by visual means (although I do not discount an aural component). I have concluded that the degree of attention paid during the purchasing process will be average. I have found the parties' goods to be identical.

43. For those consumers who recognise the opponent's mark as simply foreign language words with no particular meaning, then the marks will be visually, aurally and conceptually dissimilar. Some degree of similarity between the marks is essential under section 5(2)(b)⁸ and so there can be no likelihood of direct or indirect confusion for these consumers.

44. That leaves those average consumers who can speak French and are, therefore, able to identify the conceptual similarity between the marks. I bear in mind that it is not necessary for me to find that the majority of average consumers will be confused. If a significant proportion of the relevant public is likely to be confused, then this is sufficient⁹. However, if the most that can be said is that occasional confusion amongst a few average consumers cannot be ruled out, then this is not sufficient. Rather, I must determine whether there is a likelihood of confusion amongst a significant proportion of the public displaying the characteristics attributed to an average consumer of the goods in issue. As noted above, in my view, there will not be a significant proportion of average consumers who have sufficient knowledge of the French language to be able to successfully translate the opponent's mark. However, even if I am wrong, then

⁸ *Calvin Klein Trademark Trust v OHIM*, Case C-254/09 P

⁹ *Comic Enterprises Ltd v Twentieth Century Fox Film Corporation* [2016] EWCA Civ 41

I do not consider that the marks will be mistakenly recalled as each other. The purchasing process for the goods will be predominantly visual and the marks are visually dissimilar. Even bearing in mind the conceptual similarity for these consumers, they will recognise the difference between the applicant's mark BLACK SHEEP and the translation of the opponent's mark YOUNG SHEEP, particularly given the dual meaning of the applicant's mark. Further, they will not ignore the fact that one mark is in English and the other is in French. I do not consider that there is a likelihood of direct confusion.

45. It now falls to me to consider the likelihood of indirect confusion for those consumers who identify conceptual similarity between the marks. Indirect confusion was described in the following terms by Iain Purvis Q.C., sitting as the Appointed Person, in *L.A. Sugar Limited v By Back Beat Inc*, Case BL-O/375/10:

“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.”

46. Having recognised the differences between the marks, I can see no reason why the average consumer would believe that the marks originated from the same or economically linked undertakings. To my mind, neither mark is a logical extension of the other. The greater likelihood of confusion will be for those consumers who are familiar with the opponent's mark and therefore recognise its high degree of distinctive character. However, even for these consumers to be confused, they would have to conclude not only had the opponent chosen to use a variant mark, but it had also

chosen to translate its mark into English. I do not consider that there is a likelihood of indirect confusion.

Section 5(3)

47. I will go on to consider the opponent's opposition under section 5(3). The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, Case 252/07, *Intel*, Case C-408/01, *Addidas-Salomon*, Case C-487/07, *L'Oreal v Bellure* and Case C-323/09, *Marks and Spencer v Interflora*. The law appears to be as follows:

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

(b) The trade mark for which protection is sought must be known by a significant part of that relevant public; *General Motors*, paragraph 26.

(c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Saloman*, paragraph 29 and *Intel*, paragraph 63.

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

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

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

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

(h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact of the earlier mark; *L'Oreal v Bellure NV, paragraph 40*.

(i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora, paragraph 74 and the court's answer to question 1 in L'Oreal v Bellure*).

48. The conditions of section 5(3) are cumulative. Firstly, the opponent must show that its mark is similar to the proprietor's mark. Secondly, it must show that the earlier mark has achieved a level of knowledge/reputation amongst a significant part of the public. Thirdly, it must be established that the level of reputation and the similarities between

the marks will cause the public to make a link between them, in the sense of the earlier mark being brought to mind by the later mark. Fourthly, assuming that the first three conditions have been met, section 5(3) requires that one or more of the three types of damage claimed will occur. It is unnecessary for the purposes of section 5(3) that the goods be similar, although the relative distance between them is one of the factors which must be assessed in deciding whether the public will make a link between the marks. The relevant date for the assessment under section 5(3) is the date of the application - 7 June 2018.

49. As there must be a degree of similarity between the marks for a successful objection under section 5(3), the fact that there will be no similarity between the marks for those consumers who do not understand the French translation of the opponent's mark means that the opposition under this ground must fail at the first hurdle in respect of those consumers. However, I will go on to consider the remaining conditions for those consumers who do understand the translation.

Reputation

50. In determining whether the opponent has demonstrated a reputation for the goods in issue, it is necessary for me to consider whether its mark will be known by a significant part of the public concerned with the goods. In reaching this decision, I must take all of the evidence into account including "the market share held by the trade mark, the intensity, geographical extent and duration of use, and the size of the investment made by the undertakings in promoting it."¹⁰

51. Bearing in mind the number of sales, the partnerships with well-known events, the award won and the recognition amongst the public noted above, I am satisfied that the opponent has demonstrated that it has a reasonable reputation for Bordeaux wine in the UK.

¹⁰ *General Motors*, Case C-375/97

Link

52. As I noted above, my assessment of whether the public will make the required mental 'link' between the marks must take account of all relevant factors. The factors identified in *Intel* are:

The degree of similarity between the conflicting marks

For these consumers, the marks will be visually and aurally dissimilar and conceptually similar to a low to medium degree.

The nature of the goods or services for which the conflicting marks are registered, or proposed to be registered, including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public

The parties' goods are identical.

The strength of the earlier mark's reputation

I have found that the earlier mark has a reasonable reputation in the UK.

The degree of the earlier mark's distinctive character, whether inherent or acquired through use

I have found that the earlier mark has at least a medium degree of inherent distinctive character which has been enhanced to a high degree through use.

Whether there is a likelihood of confusion

I have found there to be no likelihood of confusion.

53. Notwithstanding the fact that the opponent has a reasonable reputation in the UK, the fact that there is no visual or aural similarity between the marks and only a low to

medium degree of conceptual similarity between the marks will prevent a link from being made by the relevant public. Even those consumers who recognise that the marks both refer to sheep will not ignore the fact that they are presented in different languages, which is unlikely to create a link in the minds of the relevant public. The opposition under section 5(3) must, therefore, fail.

Final Remarks

54. Even if I am wrong in my finding that consumers who do not speak French will not recognise a link between the English word MUTTON and the French word MOUTON, this would not have changed the outcome of my decision. The visual and aural differences between the marks, even where there is a low to medium degree of conceptual similarity between them, is not sufficient for a link to be formed in the mind of the relevant public or for there to be a likelihood of confusion for the average consumer.

CONCLUSION

55. The opposition is unsuccessful and the application will proceed to registration.

COSTS

56. The applicant has been successful and is entitled to a contribution towards its costs, based upon the scale published in Tribunal Practice Notice 2/2016. In the circumstances, I award the applicant the sum of **£750** as a contribution towards the costs of the proceedings. The sum is calculated as follows:

Preparing a statement and considering the opponent's statement	£250
Considering the opponent's evidence and preparing written submissions	£500
Total	£750

57. I therefore order Baron Philippe De Rothschild S.A. to pay The Black Sheep Brewery Plc the sum of £750. This sum should be paid within 14 days of the expiry of the appeal period or, if there is an appeal, within 14 days of the conclusion of the appeal proceedings.

Dated this 13th day of June 2019

S WILSON

For the Registrar