

O/627/22

TRADE MARKS ACT 1994

**IN THE MATTER OF
TRADE MARK APPLICATION NO. UK3561401
IN THE NAME OF MARINA AYTON
TO REGISTER AS A TRADE MARK**

Pink Diesel

IN CLASSES 32 AND 33

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER NUMBER OP424635
BY DIESEL FARM SOCIETÀ AGRICOLA S.r.l.**

BACKGROUND AND PLEADINGS

1. On 27 November 2020, Marina Ayton (“the applicant”) applied to register trade mark number UK3561401 for the mark “Pink Diesel” in the United Kingdom. The application was accepted and published for opposition purposes on 26 February 2021, in respect of the following goods:

Class 32: *Non-alcoholic wine.*

Class 33: *Wines; rose wine; alcoholic drinks; white wine red wine; sparkling wine.*

2. The application is opposed by Diesel Farm Società Agricola S.r.l. (“the opponent”). The opposition was filed on 25 May 2021 and is based upon Section 5(2)(b) of the Trade Marks Act 1994 (“the Act”). The opposition is directed against all of the goods in the application. The opponent relies upon the following European Union Trade Mark (“EUTM”)¹:

DIESEL FARM

EU Registration No. 003801859²

EU Filing date: 29 April 2004

EU Registration date: 19 August 2005

Registered in Classes 29, 30, 31 and 33

Relying on all goods in Class 33 only, namely:

Alcoholic beverages (other than beers).

¹ I note that the opponent originally filed form TM7 on the basis of the comparable right UK903801859. This was amended to the corresponding EUTM following the official letter dated 10 June 2021, whereby the Registry confirmed that as the opposed application was filed prior to IP Completion Day, it was not possible to rely on the UK comparable mark as an earlier right in these proceedings.

² Although the UK has left the EU and the transition period has now expired, EUTMs and International Marks which have designated the EU for protection are still relevant in these proceedings given the impact of the transitional provisions of The Trade Marks (Amendment etc.) (EU Exit) Regulations 2019 – please see Tribunal Practice Notice 2/2020 for further information.

3. In its statement of grounds, the opponent submits that the applicant's goods are identical and/or similar to those for which the opponent's mark is registered. Further, both marks contain the distinctive word "Diesel", albeit combined with another word in each case, and thus consumers are likely to be confused into thinking that the applicant's mark is that of the opponent, or that it has been authorised by, or is otherwise connected with, the opponent.

4. The applicant filed a counterstatement denying the claims. It denies that there is sufficient similarity between the marks and submits that the overall impression conveyed by the respective marks is completely different. It further denies that the word "DIESEL" on its own "is a very strong mark" as stated by the opponent and it puts the opponent to proof of this. The applicant neither accepts nor denies any similarity between the respective goods, but it denies there is any likelihood of confusion between the marks under section 5(2)(b).

5. Both parties filed written submissions which will not be summarised, but will be referred to as and where appropriate during this decision. Both parties filed evidence, which will be summarised to the extent considered necessary. Neither party requested a hearing, therefore this decision is taken following careful consideration of the papers.

6. In these proceedings, the opponent is represented by Murgitroyd & Company and the applicant is represented by Lewis Silkin LLP.

EVIDENCE

Opponent's Evidence

7. The opponent's evidence consists of a witness statement, dated 18 October 2021, by Alessi Arianna Roberta, who is the Legal Representative of Diesel Farm Società Agricola S.r.l. Attached are nine exhibits, labelled **Exhibit DF1** to **Exhibit DF9** respectively.

8. The main purpose of the evidence is to demonstrate that the earlier mark has been put to genuine use in the EU during the relevant period.

Applicant's Evidence

9. The applicant's evidence consists of two witness statements, both dated 26 January 2022.

10. The first witness statement is by Marina Ayton, who is the founder of the company Pink Diesel Limited. Attached are two exhibits, labelled **ANNEX MA1** and **ANNEX MA2** respectively. The main purpose of the evidence is to demonstrate that the Pink Diesel mark is being used without confusion with the opponent's trade mark registrations for DIESEL.³

11. The second witness statement is by Steven Jennings of Lewis Silkin LLP, who is the representative of the applicant. Attached are seven exhibits, labelled **ANNEX SJ1** and **ANNEX SJ7** respectively. Mr Jennings witness statement is with regard to the evidence submitted by the opponent. I note that Mr Jennings has made mention that the issue of whether the opponent has sufficient genuine use should be in relation to use in the United Kingdom. However, as the earlier mark is a EUTM, the relevant territory in which use must be shown is the EU, which during the relevant period included the UK alongside the other Member States.

12. I have read and considered all of the evidence of both parties and I will refer to the relevant parts at the appropriate points in the decision.

DECISION

13. Although the UK has left the European Union, section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Act relied on in these proceedings are derived from an EU Directive. That is why this decision continues to refer to EU trade mark law.

³ See paragraph 6 of the witness statement of Ms Ayton.

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

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

(a) a registered trade mark, international trade mark (UK), European Union 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,

...”

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

16. The opponent’s trade mark completed the registration process more than five years before the application date of the contested mark, and, as a result, is subject to the provisions on use under Section 6A of the Act. The applicant has required the opponent to provide proof of use of the mark for all the goods on which it relies, as listed under paragraph 2 of this decision.

Proof of Use

17. Proceedings were started on 25 May 2021, and at that time, the relevant statutory provisions under Section 6A of the Act were as follows⁴:

“(1) This section applies where –

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

⁴ See Tribunal Practice Notice (“TPN”) 2/2020 End of Transition Period – impact on tribunal proceedings.

(b) there is an earlier trade mark of a kind falling within section 6(1)(a), (b) or (ba) 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 relevant period.

(1A) In this section “the relevant period” means the period of 5 years ending with the date of the application for registration mentioned in subsection (1)(a) or (where applicable) the date of the priority claimed for that application.

(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 relevant period 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 (the “variant form”) differing in elements which do not alter the distinctive character of the mark in the form in which it was registered (regardless of whether or not the trade mark in the variant form is also registered in the name of the proprietor), 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) – (5A) [Repealed]

(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.”

18. Section 100 of the Act states that:

“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”.

19. The relevant period during which genuine use must be shown is the five years ending with the date of the application for registration, which was 27 November 2020. The relevant period is 28 November 2015 to 27 November 2020. As the opponent’s mark is an EUTM, the territory in which use must be shown is the EU: see *Leno Merken BV v Hagelkruis Beheer BV*, Case C-149/11, paragraphs 36, 50 and 55.

20. The case law on genuine use was summarised by Arnold J (as he then was) in *Walton International Limited v Verweij Fashion BV* [2018] EWHC 1608 (Ch):

“114.....The CJEU has considered what amounts to “genuine use” of a trade mark in a series of cases: Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, *La Mer* (cited above), Case C-416/04 P *Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237, Case C-442/07 *Verein Radetsky-Order v Bunderversammlung Kamaradschaft ‘Feldmarschall Radetsky’* [2008] ECR I-9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759, Case C-149/11 *Leno Merken BV v Hagelkruis Beheer BV* [EU:C:2012:816], [2013] ETMR 16, Case C-609/11 P *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR, 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 Case C-689/15 *W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse* [EU:C:2017:434], [2017] Bus LR 1795.

115. The principles established by these cases may be summarised 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]; *Leno* at [29]; *Centrotherm* at [71]; *Reber* 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]; *Leno* at [29]; *Centrotherm* at [71]. Accordingly, affixing of a trade mark on goods as a label of quality is not genuine use unless it guarantees, additionally and simultaneously, to consumers that those goods come from a single undertaking under the control of which the goods are manufactured and which is responsible for their quality: *Gözze* at [43]-[51].

(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] and [22]. 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]; *Reber* at [29].

(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]; *Leno* at [29]-[30], [56]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34].

(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] and [76]-[77]; *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].”

Form of the mark

21. The opponent has provided evidence to support that the earlier mark has been put to genuine use by way of Exhibits DF1 – DF9. The mark is registered as a plain word mark “DIESEL FARM”. The mark is frequently shown within the evidence in plain

word, particularly in the descriptions of the goods being offered for sale. It is also used in a stylised font as well as in combination with other matter.

22. Section 46(2) of the Act states that:

“... use of a trade mark includes use in a form (“the variant form”) differing in elements which do not alter the distinctive character of the mark in the form in which it is registered...”

23. In *Colloseum Holdings AG v Levi Strauss & Co*, Case C-12/12, the Court of Justice of the European Union (“CJEU”) held that:

“32. ... 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.

...

35. Nevertheless, ... 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)”.

24. Where the issue is whether the use of a mark in a different form, rather than with, or as part of, another mark, constitutes genuine use of the mark as registered, the decision of Mr Richard Arnold QC (as he then was), sitting as the Appointed Person, in *Nirvana Trade Mark*, BL O/262/06, is relevant. He said:

"33. The first question [in a case of this kind] is what sign was presented as the trade mark on the goods and in the marketing materials during the relevant period...

34. The second question is whether that sign differs from the registered trade mark in elements which do not alter the latter’s distinctive character. As can be

seen from the discussion above, this second question breaks down in the sub-questions, (a) what is the distinctive character of the registered trade mark, (b) what are the differences between the mark used and the registered trade mark and (c) do the differences identified in (b) alter the distinctive character identified in (a)? An affirmative answer to the second question does not depend upon the average consumer not registering the differences at all."

25. Before I turn to consider the evidence in detail, I shall first consider the forms in which the mark has been used within the evidence and decide which of these constitute acceptable variants.

26. The first variant appears in publicity material contained in Exhibit DF1 where it is shown in a stylised font:



27. The distinctive character of the registered mark rests in the words "DIESEL FARM. I note that where a trade mark is extremely simple, even minor alterations to the mark may render it as distinct to the mark as registered⁵. To my mind, the mark as presented above falls within the parameters of fair and notional use. Even where the average consumer notices the change in font, I consider that use of the mark in the stylised form shown above does not alter the distinctive character of the mark as registered and as such is an acceptable variant.

28. The second variant is also found in Exhibit DF1 and appears at the base of the wine bottle with the stylised words "Diesel Farm" sitting central to and directly above the descriptive words "Marostica – Italia" which are presented in the same stylised font:

⁵ *Adidas AG v EUIPO* Case T-307/17



29. While there are additional elements positioned prominently above the mark, such as the image of the bunch of grapes and the description of the grape type, I consider that the average consumer will recognise the provider of the goods to be “Diesel Farm”.

30. The third variant appears on invoices included within Exhibit DF3. The stylised words “Marostica – Italia” are positioned below the stylised words “Diesel Farm” with a device element of what appears to be an artistic impression of a bunch of grapes and the letters/numerals RR 55, sitting directly below the wording:



31. In both the second and third variants, while the stylisation and the additional elements contribute somewhat to the distinctive character of the sign, in my view, the relevant consumer is more likely to identify and recall the Diesel Farm element as being indicative of commercial origin. Consistent with the case law cited above, I do not consider that either variant alters the distinctive character of the mark as registered, and so would be acceptable use of the mark.

Use of the mark

32. Whether the use shown is sufficient to constitute genuine use will depend on whether there has been real commercial exploitation of the mark, in the course of trade, sufficient to create or maintain a market for the goods at issue in the EU during the relevant five-year period. In making my assessment, I must consider all relevant factors, including:

- the scale and frequency of the use shown;
- the nature of the use shown;
- the goods for which use has been shown;
- the nature of those goods and the market(s) for them; and
- the geographical extent of the use shown.

33. The opponent has claimed that use has been made of all of its goods as relied upon for the opposition under Section 5(2)(b). I must consider whether, or the extent to which, the evidence shows genuine use of the earlier mark in relation to the goods relied upon as registered in Class 33, being “*Alcoholic beverages (other than beers)*”.

34. In her witness statement, Ms Roberta states that it has been possible for UK customers to purchase wines online from third party websites since 2017, and directly from the company’s own website since 2020. The earlier trade mark is registered for goods in Classes 29, 30, 31 and 33, although it is only goods in Class 33 being relied upon in these proceedings. In the witness statement, Ms Roberta states the turnover under the DIESEL FARM brand between 2016 and 2020 is as follows:

Year	£
2020	4,677.02
2019	3,561.44
2018	7,191.04
2017	8,499.35
2016	920.81

35. Exhibits DF1 and DF2 show the various wines under the DIESEL FARM trade mark which are advertised for sale through the websites shop.dieselfarm.com, drinksandco.co.uk, and tannico.co.uk, with the goods priced in either euros or pounds sterling. The exhibits show that the sites were accessed on 14/09/2021 and 12/08/21, respectively, presumably for the purpose of providing evidence of use. However, the exhibits do not actually show that the wines were offered for sale during the relevant period, or the target audience of the advertisements, although I note that the two third-party sites are UK domains. Neither is there anything to substantiate the number of visitors to any of the websites.

36. Ms Roberta states that Diesel Farm's goods have a regular customer base within the UK. The invoices shown by way of Exhibit DF3 are headed as DIESEL FARM SOCIETA' AGRICOLA SRL, with 36 of the 38 invoices being dated within the relevant period. The majority of the invoices are written in Italian with part of the text also written in English. Some of the goods listed on the invoices can be cross referenced against the wines shown for sale in Exhibits DF1 and DF2. The customer destinations shown on the invoices all appear to be in the UK. The value of the individual invoices, which are spread across the relevant five year period, range from €24.04 to €2,738.00. I note the applicant's submissions that many of the invoices include transportation costs in the total payable amounts, and some of the invoices also include the sale of olive oil in those amounts, which is not relied upon in these proceedings. However, the goods are itemised individually, allowing a calculation of sales of the relevant goods to be made.

37. I note that there are various reviews of the DIESEL FARM wine, as mentioned in the witness statement and as demonstrated under Exhibit DF4, which are shown as being accessed on 13/08/2021. While there have been more than 2,000 ratings for the opponent's wines on www.vivino.com, the reviews are also undated. I would expect at least some of these reviews to have been posted within the relevant period, however, it is not known the extent to which these ratings are significant.

38. Ms Roberta has listed some of the awards won by DIESEL FARM wines and refers to Exhibit DF5 to further demonstrate these awards. However, of the 19 awards listed,

only 7 show dates in 2019 and 2020, the remainder being either undated or dated as 2021 (being outside the relevant period).

39. Exhibit DF6 comprises 12 invoices for costs in relation to participation in competitions and festivals in the relevant territory, including the UK, Belgium and Italy. Of these, 7 invoices are dated between 23/02/2017 – 7/02/2020 and as such fall within the relevant period, 5 of which are shown in euros to a total spend of €4,388 and 2 of the 7 invoices are costed in pounds sterling to a total of £588. The remaining 5 invoices are either dated outside the relevant period, or cannot be considered as they are written in Italian with no translation provided.

40. I note the references to Diesel Farm within the various press articles and interviews by third parties which comprise Exhibit DF7, including an article by Francesca Manuzzi for MFFashion.com, dated 08/05/2018, which features an interview with Diesel fashion brand founder and entrepreneur, Renzo Rosso who owns the vineyard which produces Diesel Farm wines; and an article in fashion magazine HARPER'S BAZAAR, dated Mar 21, 2017, which reviews the best fashion and celebrity wines, and where three of the wines produced by Diesel Farm have been rated.

41. The 8 invoices contained within Exhibit DF8 relate to expenditure for the production of business cards, brochures and the like. The majority of invoices are written in Italian with translations provided. Discounting one invoice which is clearly directed at attracting customers in the Chinese market, the combined spend on these invoices totals €7,335.60, although the target territory of the marketing materials is unknown.

42. Where there is no use of the mark in respect of the goods as registered, within the relevant period, it follows there has been no genuine use of the mark. In *Dosenbach-Ochsner Ag Schuhe Und Sport v Continental Shelf 128 Ltd*, Case BL 0/404/13, Mr Geoffrey Hobbs Q.C. as the Appointed Person stated that:

“ 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.”

43. In *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*, BL O/345/10, Mr Geoffrey Hobbs Q.C. as the Appointed Person summed up the law as being:

“In the present state of the law, fair protection is to be achieved by identifying and defining not the particular examples of goods or services for which there has been genuine use but the particular categories of goods or services they should realistically be taken to exemplify. For that purpose the terminology of the resulting specification should accord with the perceptions of the average consumer of the goods or services concerned.”

44. In *Property Renaissance Ltd (t/a Titanic Spa) v Stanley Dock Hotel Ltd (t/a Titanic Hotel Liverpool) & Ors* [2016] EWHC 3103 (Ch), Mr Justice Carr summed up the law relating to partial revocation as follows (at [47]):

“iii) Where the trade mark proprietor has made genuine use of the mark in respect of some goods or services covered by the general wording of the specification, and not others, it is necessary for the court to arrive at a fair specification in the circumstance, which may require amendment; *Thomas Pink Ltd v Victoria's Secret UK Ltd* [2014] EWHC 2631 (Ch) (“Thomas Pink”) at [52].

iv) In cases of partial revocation, pursuant to section 46(5) of the Trade Marks Act 1994, the question is how would the average consumer fairly describe the services in relation to which the trade mark has been used; *Thomas Pink* at [53].

v) It is not the task of the court to describe the use made by the trade mark proprietor in the narrowest possible terms unless that is what the average consumer would do. For example, in *Pan World Brands v Tripp Ltd* (Extreme

Trade Mark) [2008] RPC 2 it was held that use in relation to holdalls justified a registration for luggage generally; *Thomas Pink* at [53].

vi) A trade mark proprietor should not be allowed to monopolise the use of a trade mark in relation to a general category of goods or services simply because he has used it in relation to a few. Conversely, a proprietor cannot reasonably be expected to use a mark in relation to all possible variations of the particular goods or services covered by the registration. *Maier v Asos Plc* [2015] EWCA Civ 220 ("Asos") at [56] and [60].

vii) In some cases, it may be possible to identify subcategories of goods or services within a general term which are capable of being viewed independently. In such cases, use in relation to only one subcategory will not constitute use in relation to all other subcategories. On the other hand, protection must not be cut down to those precise goods or services in relation to which the mark has been used. This would be to strip the proprietor of protection for all goods or services which the average consumer would consider to belong to the same group or category as those for which the mark has been used and which are not in substance different from them; *Mundipharma AG v OHIM* (Case T-256/04) ECR II-449; EU:T:2007:46."

45. I note that in her witness statement, Ms Roberta states that "DIESEL FARM" was first used in the UK on red wine in 2001 and has continued to be used on similar goods ever since⁶. The evidence filed by way of the exhibits demonstrates some commercial use of the mark in relation to various types of wine, including red, white, rosé and sparkling wines (spumante) of various vintages.⁷ In my view, the average consumer would fairly describe the opponent's goods as being wines. I can find no evidence of use in relation to the applicant's Class 33 goods at large, being "*Alcoholic beverages (other than beers)*", beyond the wines already referred to.

⁶ Paragraph 2 of witness statement dated 18 October 2021.

⁷ I note that the evidence also shows use of the mark in relation to olive oil, however, these goods are not relied upon in these proceedings.

46. Consequently, I find that the only goods in Class 33 to be considered are “Wines”. I now turn to consider whether, or the extent to which, the evidence shows genuine use of the earlier mark in relation to those goods under Section 5(2)(b).

Genuine use

47. In its written submissions, the applicant challenges the witness statement and the accompanying exhibits of the opponent. The applicant has provided its own analysis of the opponent’s evidence and exhibits, and it states that in the opponent’s witness statement, there are a number of matters which are claimed to be facts which are disputed by the applicant.⁸

48. An assessment of genuine use is a global assessment, which includes looking at the evidential picture as a whole, not whether each individual piece of evidence shows use by itself. It is possible for an accumulation of evidence to show use, even if individual items of evidence would on their own be insufficient proof: see *New Yorker SHK Jeans GmbH & Co. KG v OHIM*, Case T- 415/09, paragraph 53. I bear in mind that use of the mark need not always be quantitatively significant for it to be deemed genuine.⁹

49. Case law does not specify particular types of documentation that must be adduced in evidence. When considering the evidence, I am entitled “to be sceptical of a case of use if, notwithstanding the ease with which it could have been convincingly demonstrated, the material actually provided is inconclusive”: (see *PLYMOUTH LIFE CENTRE*, BL O/236/13, paragraph 22).

50. The figures shown earlier in this decision under paragraph 34 do not provide a breakdown to show what percentage of the turnover relates to wines, compared to what percentage is in relation to the remaining goods for which the mark is registered, being those goods in Classes 29, 30, and 31. However, the figures are supported by the 36 invoices dated within the relevant period in Exhibit DF3. In the witness

⁸ See paragraph 5 of the applicant’s submissions in lieu, dated 5 May 2022.

⁹ *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72] and [76]-[77]; *Leno* at [55].

statement of Mr Jennings on behalf of the applicant, he submits that a number of these invoices are to and from Diesel related entities. He suggests that the goods were used for either entertainment purposes or were gifted at low cost value to related companies and individuals, rather than being genuine purchases made by members of the public. The opponent's own evidence outlined above shows the link between the Diesel fashion brand owner and Diesel Farm, and the invoices show that sale of the goods were to related entities. However, Mr Jennings has merely intimated what he perceives to be the use of the goods at issue, rather than providing evidence to corroborate that such use was not genuine.

51. The opponent acknowledges that the sale of the goods has been modest, but submits that the mark has been put to genuine use in the UK.¹⁰ However, it also states that wines sold under the DIESEL FARM mark form around 2% of the UK wine market, although supporting evidence of this has not been provided. This statement is disputed by the applicant, who submits that the sales figures provided do not evidence this. In his witness statement, Mr Jennings submits that the UK wine market is valued at around £13 billion, 2% of which would be £276,780,000. This is supported by Annex SJ7, being a webpage from Statista Market Forecast showing revenue in the UK wine segment in 2021. The turnover figures provided by Ms Roberta show that sales peaked at £8,499.35 in 2017, and overall they amount to less than £25,000.00 over a five year period, which appears to be significantly less than 2% of the entire UK wine market.

52. While there is no *de minimis* rule, proven commercial use of the mark may not automatically be deemed to constitute genuine use. The evidence indicates that there has been some use of the mark DIESEL FARM on wines within the relevant period and within the relevant territory. The only evidence I have relating to the size of the UK wine market is the unconfirmed information provided by Mr Jennings which he states is from a reliable independent centre for statistics. Further, I have no statistics to compare the turnover against the size of the wine market in the relevant territory of the EU. However, I would expect that market to be substantial, and at face value, the turnover figures provided by Ms Roberta do not seem to add up.

¹⁰ See paragraph 14 of the Opponent's submissions in lieu, dated 31 March 2022.

53. Aside from the invoices relating to the production of the Diesel Farm brochure and business cards and the invoices relating to the associated costs of participation in the various competitions and festivals, the combined total for both sets of invoices being around €12,000 over a 3 year period, no figures have been provided to show either annual or total advertising spend during the relevant period in direct relation to the wines offered under the mark in the relevant territory. In spite of the brochure dated Christmas 2018 provided by way of Exhibit DF9, which evidences wines labelled under the Diesel Farm sign, there is nothing to show how or where the goods were actively marketed and sold.

54. Having considered the evidence as a whole, it is my view that while some commercial use of the mark in relation to wines has been shown, the combination of evidence is inconclusive to prove genuine use. To my mind, the opponent has not demonstrated real commercial exploitation of the earlier mark. I therefore consider the evidence provided to be insufficient to allow me to find that there has been genuine use on any of the goods on which the opponent relies within the relevant period and within the relevant territory of the EU.

55. Consequently, the earlier mark cannot be relied upon in these proceedings and so the opposition under Section 5(2)(b) fails.

My approach

56. The net effect of my findings is that the opponent fails at the first hurdle in that genuine use has not been established, and that consequently, the contested mark may proceed to registration for all of its goods.

57. However, I am mindful that if I am wrong in this, and my findings on genuine use were to be successfully appealed, there would be no first instance decision on the 5(2)(b) ground to be considered.

58. Consequently, for the sake of completeness, I will now turn to consider the opposition under section 5(2)(b). Bearing in mind case-law concerning fair

specifications, I am satisfied that use would be fairly described as being in relation to “Wines” and I will make my contingent considerations on this basis.

Section 5(2)(b)

59. Section 5(2)(b) is relied on and 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”.

60. I am guided by the following principles which 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 Office for Harmonisation in the Internal Market (Trade Marks and Designs) (“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:

(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 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

61. In light of my earlier findings on genuine use and a fair specification, the goods to be compared are:

Opponent's goods	Applicant's goods
<p data-bbox="220 745 352 779"><u>Class 33</u></p> <p data-bbox="220 853 312 887"><i>Wines.</i></p>	<p data-bbox="815 745 948 779"><u>Class 32</u></p> <p data-bbox="815 853 1074 887"><i>Non-alcoholic wine.</i></p> <p data-bbox="815 960 948 994"><u>Class 33</u></p> <p data-bbox="815 1014 1350 1099"><i>Wines; rose wine; alcoholic drinks; white wine red wine; sparkling wine.</i></p>

62. In *Gérard Meric v OHIM*, Case T-133/05, the GC stated that:

“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 für 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”.¹¹

63. In *Canon*, Case C-39/97, the Court of Justice of the European Union (“CJEU”) stated that:

“In assessing the similarity of the goods or services concerned, as the French

¹¹ Paragraph 29

and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary”.¹²

64. Additionally, the factors for assessing similarity between goods and services identified in *British Sugar Plc v James Robertson & Sons Limited* (“*Treat*”) [1996] R.P.C. 281 include an assessment of the channels of trade of the respective goods or services.

65. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods. In *Boston Scientific Ltd v OHIM*, Case T-325/06, the General Court (“GC”) stated that “complementary” means:

“...there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking”.¹³

66. For the purposes of considering the issue of similarity of goods, it is permissible to consider groups of terms collectively where appropriate. In *Separode Trade Mark*, BL O-399-10, Mr Geoffrey Hobbs QC, sitting as the Appointed Person, said:

“The determination must be made with reference to each of the different species of goods listed in the opposed application for registration; if and to the extent that the list includes goods which are sufficiently comparable to be assessable for registration in essentially the same way for essentially the same reasons, the decision taker may address them collectively in his or her decision.”¹⁴

¹² Paragraph 23

¹³ Paragraph 82

¹⁴ Paragraph 5

Class 32

67. There will be an overlap in the intended purpose of the applicant's "*Non-alcoholic wine*" with the opponents' "*Wines*" inasmuch that the purpose of both is as a liquid refreshment. The goods share the same method of use, i.e. oral consumption, and they share the same channels of trade, and are likely to be positioned in close proximity, although not necessarily side by side. Although I do not consider them to be complementary, the respective goods may be in competition with each other, with the consumer making an informed choice between alcoholic wine or an alternative non-alcoholic wine. I do not consider it unreasonable that the average consumer would expect the same or economically linked undertakings to produce wines that are both non-alcoholic as well as wines that contain alcoholic content. Taking all of the above into account, I consider the applicant's "*Non-alcoholic wine*" to be similar to a medium degree to the opponent's "*Wines*".

Class 33

68. The applicant's "*Wines; rose wine; white wine red wine; sparkling wine*" are self-evidently identical to the opponent's "*Wines*".

69. The applicant's broad term "*alcoholic drinks*" clearly encompasses the opponent's "*Wines*". Applying the principle set out in *Meric*, I therefore find the competing goods to be identical.

The average consumer and the nature of the purchasing act

70. 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. (as he was then) described the average consumer in these terms:

"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 word “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median”.¹⁵

71. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer*, Case C-342/97.

72. In its written submissions, the opponent submits that whilst those ordering for commercial purposes may demonstrate a higher level of attention compared to the public at large, a large proportion of the average consumer would be ordinary consumers of alcohol who rely on a base level of knowledge of the goods.

73. The goods at issue are both alcoholic drinks and non-alcoholic wine. Insofar as the alcoholic drinks are concerned, the average consumer will be the adult (over 18) member of the general public, and will include connoisseurs alongside ‘pleasure drinkers’ whose knowledge will be more rudimentary, both of whom may purchase the goods for consumption at home or in a social setting such as a bar or restaurant. The goods will also be purchased by buyers for venues such as public bars and restaurants.

74. The goods are sold through a range of channels including wholesale outlets and retail outlets such as supermarkets and off-licences, as well as through specialist suppliers and online. In bricks and mortar stores, the goods will be sold on shelves where they will be viewed and self-selected by the consumer. A similar process will apply to websites, where the consumer will select the goods having viewed an image displayed on a webpage. The goods will also be sold in restaurants, bars and public houses, where they are likely to be displayed behind the counter or listed on a drinks menu. Considered overall, the selection process is predominantly visual, although I do not discount aural considerations, particularly in bars and restaurants, where the

¹⁵ Paragraph 60

goods may also be selected and requested verbally. I bear in mind the comments of the GC in *Simonds Farsons Cisk plc v OHIM*, Case T-3/04, who said:

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

75. The value of the goods, which are not considered to be an everyday purchase, but are likely to be purchased on a semi-regular basis by the general public, will vary in price, and will include expensive vintage wines which may give rise to an elevated degree of attention being paid, but are generally considered to be relatively inexpensive. In my view, neither alcoholic nor non-alcoholic drinks are highly considered purchases. Overall, I consider that the average consumer will pay a medium level of attention during the selection process, basing their selection on the type of beverage and personal taste, as well as the cost of the product and the occasion for which it is being purchased.

Comparison of marks

76. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a 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 marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The CJEU stated in *Bimbo SA v OHIM* Case C-591/12P, 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.”¹⁶

77. 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.

78. The respective trade marks are shown below:

Opponent's trade mark	Applicant's trade mark
DIESEL FARM	Pink Diesel

79. The opponent submits that the applicant's mark wholly subsumes the earlier mark. It submits that the distinctive element of both marks is the word DIESEL, and that the competing marks are visually, phonetically and conceptually highly similar. It further submits that the distinctive element of the applicant's mark is visually, aurally and conceptually identical to the whole of the opponent's mark.¹⁷

80. The applicant admits that the competing marks have some visual and aural similarity because they both contain the word "DIESEL", but states that the word occurs in different positions in each of the marks and therefore it performs a different role in each. Further, it submits that the words "PINK" and "FARM" have no similarity at all, and that the marks are conceptually totally different.¹⁸

¹⁶ Paragraph 34

¹⁷ See paragraphs 7 -11 of the opponent's submissions dated 14 October 2021.

¹⁸ See paragraphs 22 -27 of the applicant's submission's in lieu, dated 5 May 2022.

Overall impression

81. The opponent's mark consists of the plain words "DIESEL FARM", presented in capitals in a standard font. There are no other elements that contribute to the overall impression of the mark, which rests in the combination of the words.

82. The applicant's mark consists of two words, "Pink" and "Diesel", presented in title case in a standard font. There are no other elements that contribute to the overall impression of the mark. Neither word dominates and therefore the overall impression conveyed by the mark rests in the combination of the words it comprises.

Visual comparison

83. Both marks are made up of two words, which have the word "DIESEL" in common, although the position of the word within the marks is different in each, being the first word of the opponent's mark and the last word of the applicant's mark. This difference creates a visual disparity between the marks. I do not consider the difference in capitalisation/title case is relevant to the visual impact, as the registration of a word mark gives protection irrespective of capitalisation: see *Bentley Motors Limited v Bentley 1962 Limited*, BL O/158/17. However, each mark contains an additional word which is not present in the other mark. Considering the marks as a whole, I find there to be no more than a medium degree of visual similarity between them.

Aural comparison

84. The common element of the competing marks is the word "DIESEL", which will be pronounced identically in both, as two syllables, DEE-ZEL. I consider that each of the marks will be pronounced in its entirety. The word "FARM" in the opponent's mark will be pronounced as one syllable, the whole mark being articulated as three syllables, DEE-ZEL FARM. The word "PINK" in the applicant's mark will be pronounced as one syllable, the whole mark being articulated as three syllables, PINK DEE-ZEL. Considering the marks as a whole, I find there to be no more than a medium degree of aural similarity between them.

Conceptual comparison

85. With regard to conceptual comparison, in *Luciano Sandrone v European Union Intellectual Property Office (EUIPO)*, Case T-268/18, the GC held:

“... In that regard, it must be borne in mind that the purpose of the conceptual comparison is to compare the ‘concepts’ that the signs at issue convey. The term ‘concept’ means, according to the definition given, for example, by the Larousse dictionary, a ‘general and abstract idea used to denote a specific or abstract thought which enables a person to associate with that thought the various perceptions which that person has of it and to organise knowledge about it.”¹⁹

86. Both marks are made up of two ordinary, dictionary defined words. I consider that the average consumer would recognise the common word “DIESEL” to be a form of oil or fuel used in motor vehicles and machinery. While there is an overlap in concept of the competing marks by way of the word “DIESEL”, in both cases, I consider that the two words that make up each of the respective marks form a unit: the applicant’s mark refers to diesel itself which is qualified as being pink; and while although unusual, the opponent’s mark vaguely alludes to a place where diesel is the main commodity or where it may be stored i.e. a diesel farm, and in this case, it is the word diesel which qualifies the subsequent word farm. Consequently, I find the marks to be conceptually similar to a low degree.

Distinctive character of the earlier mark

87. 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.

¹⁹ Paragraph 8.

88. 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 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-0000, 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 promoting 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).”

89. Registered trade marks can possess varying degrees of inherent distinctive character, being low where they are allusive or suggestive of a character of the goods, whereas invented words usually have the highest degree of distinctive character.

90. The earlier mark comprises two ordinary, dictionary defined words, which in my view, together form a unit. As considered earlier in paragraph 86 of this decision, the mark alludes to a place where diesel may be stored. It does not, however, describe the goods for which the mark has been registered. Therefore, I find the earlier mark to be inherently distinctive to a medium degree.

91. The distinctiveness of a mark can be enhanced by virtue of the use made of it. The opponent has not claimed that its mark has enhanced distinctiveness, however, evidence in relation to the genuine use of the mark has been filed, although the opponent admits that sales have been modest. Although the evidence shows the goods under the mark being advertised for sale through UK websites, and further evidence includes brochures for wines branded “DIESEL FARM”, there is nothing to corroborate actual visitor numbers to those websites, neither does the evidence show the number of brochures produced or where and to who they were circulated. The sales figures provided are unclear: they do not clearly show turnover in relation to wine and while there are invoices showing sale of “DIESEL FARM” wines in the UK, given the modest amount of sales, I am not persuaded by the opponent’s claims that they hold a 2% market share of the UK wine industry, a claim that has not been supported by the evidence provided.

92. It is the UK consumer who is relevant in the assessment of enhanced distinctiveness. Having assessed the evidence in relation to the UK market, I do not find that the distinctiveness of the opponent’s mark has been enhanced through use.

Likelihood of confusion

93. There is no simple formula for determining whether there is a likelihood of confusion. A number of factors need to be borne in mind.

94. It is clear then that I must make a global assessment of the competing factors (*Sabel* at [22]), keeping in mind the interdependency between them 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 (*Canon* at [17]). In making my assessment, I must consider the various factors from the perspective of the average consumer, bearing in mind 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 (*Lloyd Schuhfabrik* at [26]).

95. There are two types of possible confusion: direct, where the average consumer mistakes one mark for the other, or indirect, where the average consumer recognises that the marks are different, but assumes that the goods are the responsibility of the same or connected undertakings. The distinction between these was explained by Mr Iain Purvis Q.C., sitting as the Appointed Person, in *L.A. Sugar Limited v Back Beat Inc*, Case BL-O/375/10. He said:

“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.

17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

(a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right (“26 RED TESCO” would no doubt be such a case).

(b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as “LITE”, “EXPRESS”, “WORLDWIDE”, “MINI” etc.).

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension (“FAT FACE” to “BRAT FACE” for example).”

96. The above are examples only which are intended to be illustrative of the general approach. These examples are not exhaustive but provide helpful focus.

97. Earlier in this decision, I found that:

- the applicant’s goods in Class 32 are similar to the opponent’s goods to a medium degree, while the Class 33 goods are identical;
- the average consumer will pay a medium level of attention during the selection process, and will select the goods at issue by predominantly visual means, although aural considerations cannot be discounted;
- The competing trade marks are visually and aurally similar to no more than a medium degree and are conceptually similar to a low degree;
- The earlier mark is inherently distinctive to a medium degree.

98. In the witness statement of Ms Ayton, she states that through the evidence, the applicant seeks to demonstrate that the respective marks are being used without confusion. However absence of evidence of confusion does not necessarily mean an absence of actual confusion, as stated by Kitchen L.J. in *Roger Maier and Another v ASOS* [2015] EWCA Civ 220:

“80.the likelihood of confusion must be assessed globally taking into account all relevant factors and having regard to the matters set out in *Specsavers* at paragraph [52] and repeated above. If the mark and the sign have both been used and there has been actual confusion between them, this may be powerful evidence that their similarity is such that there exists a likelihood of confusion. But conversely, the absence of actual confusion despite side by side use may be powerful evidence that they are not

sufficiently similar to give rise to a likelihood of confusion. This may not always be so, however. The reason for the absence of confusion may be that the mark has only been used to a limited extent or in relation to only some of the goods or services for which it is registered, or in such a way that there has been no possibility of the one being taken for the other. So there may, in truth, have been limited opportunity for real confusion to occur.”

99. Considering the visual nature of the selection process, while allowing that the average consumer may be reliant on the imperfect picture of them they have kept in their mind, I consider it unlikely that they would mistake one mark for the other. In my view, the average consumer will notice and recall the visual, aural and conceptual differences between the marks. I find this to be the case even where the respective goods are identical. I therefore find that there is no likelihood of direct confusion.

100. Taking into account the previously outlined guidance of Mr Iain Purvis Q.C. in *L.A. Sugar*, I will now consider whether there might be a likelihood of indirect confusion. In *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17, Mr James Mellor Q.C. (as he then was), 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.

101. In *Liverpool Gin Distillery Ltd and others v Sazerac Brands, LLC and others* [2021] EWCA Civ 1207, the Court of Appeal dismissed an appeal against a ruling of the High Court that trade marks for the words EAGLE RARE registered for whisky and bourbon whiskey were infringed by the launch of a bourbon whiskey under the sign "American Eagle". In his decision, Lord Justice Arnold stated that:

“13. As James Mellor QC sitting as the Appointed Person pointed out in *Cheeky Italian Ltd v Sutaria* (O/219/16) at [16] "a finding of a likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion". Mr Mellor went on to say that, if there is no likelihood of direct confusion, "one needs a reasonably special set of circumstances for a finding of a likelihood of indirect confusion". I would prefer to say that there must

be a proper basis for concluding that there is a likelihood of indirect confusion given that there is no likelihood of direct confusion.”

102. Keeping in mind the global assessment of the competing factors, it is my view that it is unlikely that the average consumer would perceive the competing goods as originating from the same or linked commercial undertakings. The word “diesel” is distinctive for the goods and features in both marks, but the combination in each case creates a mark which is sufficiently different to the other to mean that even if one mark brings the other to mind, it will not be sufficient to cause confusion. I therefore find no likelihood of indirect confusion.

103. The opposition under section 5(2)(b) fails.

Conclusion

104. The opposition by Diesel Farm Società Agricola S.r.l. has failed. Subject to any successful appeal, the application by Marina Ayton may proceed to registration.

Costs

105. The applicant has been successful, and is therefore entitled to a contribution towards its costs based upon the scale published in Tribunal Practice Notice (“TPN”) 2/2016. As the evidence submitted by the applicant (i.e. the witness statement and accompanying exhibits of Ms Ayton demonstrating that the respective marks are being used without confusion,²⁰ and examples of third party marks containing the word “DIESEL”²¹) has had no bearing on my assessment, I have made no award for it. Applying the guidance in the TPN, I award the applicant the sum of £1,200, which is calculated as follows:

Considering the notice of opposition and preparing a counterstatement: £200

²⁰ See paragraph 98 of this decision.

²¹ See *Zero Industry Srl v OHIM*, Case T-400/06, para 73.

Preparing evidence and considering the other party's evidence: £600

Preparing written submissions in lieu of a hearing: £400

Total: £1,200

106. I therefore order Diesel Farm Società Agricola S.r.l. to pay Marina Ayton the sum of £1,200. The above sum should be paid within twenty-one days of the expiry of the appeal period or, if there is an appeal, within twenty-one days of the conclusion of the appeal proceedings.

Dated this 25th day of July 2022

**Suzanne Hitchings
For the Registrar,
the Comptroller-General**