

O/0195/23

TRADE MARKS ACT 1994

**IN THE MATTER OF THE UK DESIGNATION OF
INTERNATIONAL REGISTRATION NO. 1588858**

IN THE NAME OF: M AG HOLDING VENTURES

FOR THE TRADE MARK:

LAKESIDE VALLEY

IN CLASSES 32 & 33

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 429762**

BY: THE FONTENAY HOTELGESELLSCHAFT MBH

Background and pleadings

1. On 20 January 2021, m AG Holding Ventures (“the applicant”) applied to protect International Registration (“IR”) no. 1588858 in the United Kingdom for the trade mark Lakeside Valley. The application was accepted and published in the Trade Marks Journal for opposition purposes on 1 October 2021 for the following goods:

Class 32: Non-alcoholic beverages; beers; non-alcoholic cocktails; mineral and aerated waters; fruit beverages; fruit juices; vegetable juices; lemonades; tonics.

Class 33 Alcoholic beverages (other than beer); spirits [beverages]; cocktails; liqueurs; sparkling wines; distilled spirits; spirits; wines; gin; whisky; rum; brandy; eaux-de-vie.

2. On 29 December 2021, The Fontenay Hotelgesellschaft mbH (“the opponent”) opposed the application on the basis of Section 5(2)(b) of the Trade Marks Act 1994 (“the Act”). This is on the basis of the following UK Trade Mark:

Trade mark no.	917911817 ¹
Trade Mark	Lakeside
Filing and Registration Date	Filing date: 4 June 2018 Registration date: 26 April 2019

3. The opponent relies upon the following goods:

Class 32: Beer and brewery products; Soft drinks; Preparations for making beverages; Flavoured carbonated beverages; Nut and soy based beverages;

¹ On 1 January 2021 the UK left the EU. Under Article 54 of the Withdrawal Agreement between the UK and the EU, the UK IPO created comparable trade marks for all right holders with an existing EU trade mark (“EUTM”). As a result of the opponent’s EUTM number 17911817 being registered before the end of the transition period, a comparable UKTM (the earlier mark) was created. Comparable trade marks are recorded on the UK trade marks register and retain their EU filing date. They are enforceable rights in the UK, consisting of the same sign, for the same goods or services.

Juices; Waters; Fruit drinks; Syrups for beverages; Mineral water [beverages]; Non-carbonated soft drinks.

Class 33: Alcoholic beverages (except beer); Preparations for making alcoholic beverages; Cider; Pre-mixed alcoholic beverages; Spirits and liquors; Wine; Fortified wines; Sparkling wines.

4. By virtue of its earlier filing date of 4 June 2018, the above registration constitutes an earlier mark within the meaning of section 6 of the Act.

5. The opponent submits that there is a likelihood of confusion because the applicant's registration is similar to the opponent's and the respective goods are identical or similar.

6. The applicant filed a counterstatement denying that the goods are similar and denying that there will be confusion between the same.

7. The opponent is represented by Boulton Wade Tennant LLP and the applicant is represented by IRLE MOSER RECHTSANWÄLTE PARTG. Neither party filed evidence in these proceedings. No hearing was requested but the opponent did file written submissions. Whilst I do not propose to summarise those submissions here, I will keep them in mind throughout.

8. Although the UK has left the EU, 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. This is why this decision continues to make reference to the trade mark case-law of EU courts.

Proof of Use

9. As the opponent's mark had been registered for less than 5 years at the filing date of the application in issue, it is not subject to proof of use pursuant to section 6A of the Act. The opponent can, therefore, rely upon all of the goods it has identified.

Decision

10. Section 5(2)(b) of the Act is 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”.

11. 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 the earlier mark to mind, is not sufficient;
- (j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;
- (k) if the association between the marks creates a risk that the public might believe that the respective goods or services come from the same or economically linked undertakings, there is a likelihood of confusion.

Comparison of goods

12. When making the comparison, all relevant factors relating to the goods in the specification should be taken into account. In *Canon*, the Court of Justice of the European Union (“CJEU”) stated at paragraph 23 of its judgment:

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

13. Guidance on this issue has also come from Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, where he identified the factors for assessing similarity as:

- a) The respective users of the respective goods or services;
- b) The physical nature of the goods or acts of services;
- c) The respective trade channels through which the goods or services reach the market;
- d) In the case of self-serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- e) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

14. The General Court (“GC”) confirmed in *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T-133/05, that, even if goods are not worded identically, they can still be considered identical if one term falls within the scope of another (or vice versa):

“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 fur 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”.

15. For the purposes of considering the issue of similarity of goods and services, it is permissible to consider groups of terms collectively where they are sufficiently comparable to be assessed in essentially the same way and for the same reasons (see *Separode Trade Mark* (BL O/399/10) and *BVBA Management, Training en Consultancy v. Benelux- Merkenbureau* [2007] ETMR 35 at paragraphs 30 to 38).

16. The goods to be compared are as follows:

Opponent’s goods	Applicant’s goods
Class 32: Beer and brewery products; Soft drinks; Preparations for making beverages; Flavoured carbonated beverages; Nut and soy based beverages; Juices; Waters; Fruit drinks; Syrups for beverages; Mineral water [beverages]; Non-carbonated soft drinks.	Class 32: Non-alcoholic beverages; beers; non-alcoholic cocktails; mineral and aerated waters; fruit beverages; fruit juices; vegetable juices; lemonades; tonics.
Class 33: Alcoholic beverages (except beer); Preparations for making alcoholic beverages; Cider; Pre-mixed alcoholic	Class 33: Alcoholic beverages (other than beer); spirits [beverages]; cocktails; liqueurs; sparkling wines;

beverages; Spirits and liquors; Wine; Fortified wines; Sparkling wines.	distilled spirits; spirits; wines; gin; whisky; rum; brandy; eaux-de-vie.
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Class 32 goods

17. The terms *beers*; *mineral waters* and *fruit beverages* in the applicant's specification all have identical counterparts in the opponent's specification.

18. I consider that the applicant's *fruit juices* and *vegetable juices* fall within the opponent's broader term *juices*. They are therefore identical based on the principle outlined in *Meric*.

19. The opponent's specification includes the term *waters*. I find that this would encompass the applicant's term *aerated waters*. On that basis, they are identical in line with *Meric*.

20. I consider the terms *lemonades* and *tonics* to both be different types of *flavoured carbonated beverages*. As such, they are identical in line with *Meric*.

21. To my mind, the term *soft drinks* is used to describe a non-alcoholic beverage. I therefore find this term to be identical to the applicant's *non-alcoholic beverages*.

22. I consider the applicant's term *non-alcoholic cocktails* to be a non-alcoholic mixed drink which would usually consist of ingredients such as syrups, juices and sodas. There is therefore an overlap in terms of nature with the opponent's *soft drinks* insofar as they are both typically sweet, non-alcoholic beverages. I also consider there to be an overlap in purpose, user and trade channels and a degree of competition between the same. Although soft drinks can be used as an ingredient in non-alcoholic cocktails, I do not consider this relationship between the goods would be to the extent where consumers would believe that the goods originate from the same undertaking² and as such, there is no complementary relationship to be found. Weighing up these factors, I consider these goods to have a high degree of similarity.

² *Boston Scientific Ltd v OHIM*, Case T-325/06

Class 33 goods

23. The terms *alcoholic beverages (other than beer); spirits; wines; sparkling wines* and *liqueurs* appear in both specifications and are self-evidently identical.

24. I consider the applicant's terms *distilled spirits; gin; whisky; rum; brandy* and *eaux-de-vie* are all encompassed by the applicant's term *spirits and liquors*. They are therefore identical in line with *Meric*.

25. Cocktails are mixed alcoholic drinks, typically consisting of ingredients such as spirits, liqueurs, juices, syrups and sodas. It is not uncommon to find pre-mixed cocktails in supermarkets or off-licences. On that basis, I consider the applicant's *cocktails* to be identical to the opponent's *pre-mixed alcoholic beverages*. If I am wrong on this, then I consider the term *cocktails* would fall within the opponent's broader term *Alcoholic beverages (except beer)* and as such, these goods would be identical in line with *Meric*.

The average consumer and the nature of the purchasing act

26. 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 the 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."

27. The average consumer for the contested goods will primarily comprise members of the general public, though in the case of the alcoholic beverages that will be an adult over the age of 18. There will also be some business users purchasing on behalf of a commercial undertaking. The goods will be available to the general public through trade channels such as shops and supermarkets (and their online equivalents) and will likely be self-selected by the consumer from shelves or chilled cabinets in shops. In these circumstances visual considerations are likely to dominate. I also consider that the goods would also be available in bars, public houses and cafes. In these circumstances, there may be an aural aspect to the selection process, such as requesting the goods from a member of staff however, visual considerations would still likely dominate as the goods would likely be displayed behind bars or on a menu³.

28. In terms of the general public, the level of attention paid during the purchasing process is likely to vary. The non-alcoholic beverages are fairly inexpensive and frequent purchases with consumers likely paying attention to factors such as flavour, nutritional value and dietary requirements during the selection process. I find that the level of attention paid during the selection process of these goods would be fairly low. The alcoholic beverages tend to be more expensive than their non-alcoholic counterparts and the average consumer is likely to consider the alcoholic content as well as taking care to select a certain type of alcoholic beverage such as a spirit or a wine. From this, I consider that these goods will be purchased with a medium degree of attention.

29. In respect of the business user the goods will be available via wholesale websites, catalogues, and stores. They will likely play at least a medium degree of attention when purchasing goods on behalf of a business. Whilst the visual considerations are also likely to dominate in these circumstances the goods may be ordered over the phone, and so I cannot completely discount the aural considerations in this respect either.

³ *Simonds Farsons Cisk plc v OHIM*, Case T-3/04

Comparison of marks

30. 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 Court of Justice of the European Union 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 relevant 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.”

31. 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 trade 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.

32. The marks to be compared are as follows:

Opponent's mark	Applicant's mark
Lakeside	Lakeside Valley

Overall impression

33. The opponent's mark consists solely of the word "Lakeside" presented in a standard typeface. In the absence of any additional components, the mark's overall impression resides solely in the word itself.

34. The applicant's mark consists of the words "Lakeside Valley" presented in a standard font. I consider the term "Lakeside" qualifies "Valley" as the term "Lakeside" would be regarded as denoting the name of or describing the "Valley", so the overall impression lies in the totality of those two words.

Visual comparison

35. The marks coincide by their use of the term "Lakeside". This element forms the entirety of the opponent's mark and is the first element of the applicant's mark. There is a point of difference created through the use of the word "Valley" in the applicant's mark which has no counterpart in the opponent's mark. Overall, I consider there to be a medium degree of visual similarity between the marks.

Aural comparison

36. The opponent's mark will be pronounced in two syllables using the usual English pronunciation of the word "Lakeside". The applicant's mark will also begin with the same two identical syllables, but also includes two further syllables which will be pronounced using the standard English pronunciation of the word "Valley". Considering these factors, I find the marks to be aurally similar to a medium degree.

Conceptual comparison

37. I consider that the word "Lakeside" refers to an area located by the side of a lake.⁴ It is my view that it is this concept that will be conveyed to a significant portion

⁴ [Lakeside definition and meaning | Collins English Dictionary \(collinsdictionary.com\)](https://www.collinsdictionary.com/en/english-english/dictionary/lakeside)

of consumers. In addition, However, I also consider that it may also be perceived by a further significant portion of consumers as referring to the name of a place.

38. When considering the conceptual message of the applicant's mark, I note that the GC in *Ella Valley Vineyards (Adulam) Ltd v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) T-32/10* stated:

43. Although, as the Board of Appeal stated, in the mark applied for the word 'ella' is larger than 'valley' and it is positioned above the latter, it must be held that the configuration of the mark applied for is such that those two words cannot be perceived separately. It must be held that the words 'ella' and 'valley' are both contained within the black rectangle and are written with the same font and the same colour. Thus, on account of the contiguity of those two words in the black rectangle, and their identical font and colour, and despite the difference in size, the relevant public will perceive the expression 'ella valley' as an indissociable whole. In that connection, it should be recalled that, according to settled case-law, the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details (Case C-532/10 P *adp Gauselmann v OHIM* [2011] ECR I-0000, paragraph 24 and the case-law cited).

44. Those considerations are even more relevant in the context of viticulture. In such a context, when purchasing a product, consumers are often presented with labels containing denominations consisting of an expression including a word followed by 'valley'. Furthermore, it must be stated that that fact was confirmed by the Board of Appeal itself when it mentioned, in paragraphs 16 to 19 of the contested decision, a series of indications of origin of wines such as, in particular, 'Napa Valley', 'Sonoma Valley' or 'Barrosa Valley'. Those numerous indications of origin clearly show that such denominations are common in the wine sector.

45. It follows from those considerations that, on reading 'ella valley', taken as a whole, the relevant consumer will tend to understand it as referring to a place name indicating the origin of the wine.

39. In view of the above, I consider the same to be true of the applicant's mark and the term "Lakeside" would be perceived as denoting the name of the "Valley" especially in the context of some of the applied for goods such as *wine* and *sparkling wine* where it is not uncommon to see a name or expression followed by the term "Valley". I also accept however, that to some consumers, the term "Lakeside Valley" would be understood as a valley located by the side of a lake. Both marks will evoke the concepts of outdoor geographical locations and owing to the common presence of the word "Lakeside", I consider there to be a medium degree of conceptual similarity between the marks.

Distinctive character of the earlier mark

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

41. 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, to those with high inherent distinctive character, such as invented words which have no allusive qualities. The distinctiveness of a mark can be enhanced by virtue of the use that has been made of it.

42. The opponent has not filed any evidence to support that the earlier marks distinctive character has been enhanced through use. Consequently, I have only the inherent position to consider.

43. The opponent’s mark consists solely of the word “Lakeside”, which as previously outlined, will be understood by the average consumer as a term denoting the area around a lake, or the name of a place. Whilst I have found this mark may be considered to indicate the name of a place, I do not find this renders the distinctiveness of the mark low. In this respect, I note the comments made by Thomas Mitchenson QC (as he then was) sitting as the Appointed Person in *NEWPORT COLLECTION vs DEYONGS LIMITED AB* Case O-223-16 which considered the likelihood of confusion between the marks NEWPORT vs NEWPORT CREEK, in which he said:

“23. I consider that NEWPORT for textile goods is a moderately distinctive mark. It is of course correct that there are a number of geographical locations called Newport, but as noted above there is no evidence of any link between these locations and textile goods, nor is there any other descriptive element in

the mark. No doubt the inhabitants of or near any of the locations called Newport are used to the word being used more usually in a descriptive sense, but for the population as a whole I do not consider that the average consumer would attribute a low level of distinctiveness just because Newport is a geographical term. There are many other geographical terms which would have much lower levels of inherent distinctiveness than NEWPORT generally or more particularly for goods in class 24.”

44. It is my view that as in the case above, whilst LAKESIDE may indicate a place name to the consumer, there is no evidence of any link between a location named LAKESIDE and the goods themselves. Further, where the LAKESIDE simply indicates an area at the side of a lake, it is not allusive to any of the goods in question. Accordingly, I find the mark has a medium level of inherent distinctiveness.

Likelihood of confusion

45. There is no simple formula for determining whether there is a likelihood of confusion. I must make a global assessment of the competing factors (*Sabel* at [22]), keeping in mind the interdependency between them (*Canon* at [17]) and considering the various factors from the perspective of the average consumer. In making my assessment, I must bear 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 that they have retained in their mind (*Lloyd Schuhfabrik* at [26]).

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

47. I have found the marks to be visually and aurally similar to a medium degree and conceptually similar to a medium degree. I have found the earlier mark to have a medium degree of inherent distinctive character. I identified the average consumer to

be a member of the general public or business users who will purchase the goods predominantly by visual means, though I do not discount an aural element to the purchase. I have concluded that a fairly low degree of attention will be paid during the purchasing process by the general public in respect of non-alcoholic beverages, but a medium degree of attention will be employed when purchasing alcoholic beverages. I concluded that a medium degree of attention would be paid in the case of business users. I have found the goods to be either highly similar or identical.

48. I first acknowledge that both marks share the identical word “Lakeside” with this being the sole element in the earlier mark and appearing at the beginning of the applicant’s mark, a position which is generally considered to have more impact.⁵ Moreover, I consider that when consumers are faced with the term “Lakeside”, this will provide them with a shared conceptual hook. The term “Valley” in the later mark may be misremembered especially by the average consumer who will pay a fairly low level of attention in respect of non-alcoholic beverages and a medium degree of attention when purchasing alcoholic beverages. Considering these factors along with the interdependency principle, I am of the view that there exists a likelihood of direct confusion between the respective marks.

49. I now go on to consider indirect confusion.

50. In *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10, Mr Iain Purvis Q.C., as the Appointed Person, explained that:

“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,

⁵ *El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02

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.)

51. These examples are not exhaustive but provide helpful focus.

52. In *Liverpool Gin Distillery Ltd & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207, Arnold LJ referred to the comments of James Mellor QC (as he then was), sitting as the Appointed Person in *Cheeky Italian Ltd v Sutaria* (O/219/16), where he said at [16] that “a finding of a likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion”. Arnold LJ agreed, pointing out that there must be a “proper basis” for concluding that there is a likelihood of indirect confusion where there is no likelihood of direct confusion.

53. I note the opponent’s assertions that the addendum to the applicant’s mark, namely “Valley”, will be perceived as a mere expansion of the opponent’s brand range.

Earlier in this decision, I considered that the opponent's mark "Lakeside" possessed a medium degree of distinctive character. Whilst I also noted that the term "Lakeside" would qualify the term "Valley", to indicate a valley named, or in a place named Lakeside, I do not consider this to be determinative in this instance. Considering the level of similarity between the marks and the similarity and identity between the goods, and keeping in mind the particular goods concerned, it is my view that if the consumer had previously come across the mark LAKESIDE in respect of wines for example, and subsequently came across the mark LAKESIDE VALLEY in respect of the same and noticed the differences between these marks, they would be likely to believe that both of the goods derive from the same economic undertaking, with the use of LAKESIDE VALLEY being attributed to a slightly different version of the product offered. I also consider in respect of the contested goods, that the use of LAKESIDE VALLEY may be considered to indicate a sub-brand of goods offered under the LAKESIDE mark. I find that it is not uncommon for undertakings to undergo a brand 're-fresh' or 'brand-revamp' from time to time to accommodate changes in marketing considerations, and I further consider that in the circumstances, LAKESIDE may be considered as a new shortened version of the earlier mark. I therefore consider that even where the consumer notices the differences between the marks, there will be a likelihood of indirect confusion between the same.

CONCLUSION

54. The opposition under section 5(2)(b) of the Act has succeeded in full. Subject to any successful appeal against my decision, the application will be refused in the UK.

COSTS

56. The opponent has been successful and is entitled to a contribution towards its costs. Awards of costs in proceedings commenced after 1 July 2016 are governed by Annex A of Tribunal Practice Notice ('TPN') 2 of 2016. Using that TPN as a guide, I award the opponent the sum of £700 as a contribution towards the cost of the proceedings. The sum is calculated as follows:

Official Fee:	£200
Preparing a statement and considering the other side's submissions:	£200
Filing submissions:	£300

57. I therefore order m AG Holding Ventures to pay the sum of £700 to The Fontenay Hotelgesellschaft mbH. 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 24th day of February 2023

Catrin Williams
For the Registrar