

O/0365/23

TRADE MARKS ACT 1994

CONSOLIDATED PROCEEDINGS

IN THE MATTER OF APPLICATIONS NOS. UK00003643420 AND

UK00003643417

BY BREWDOG PLC

TO REGISTER THE TRADE MARKS:

HAWKES SLIM CIDER

AND

HAWKES PINEAPPLE PUNCH

IN CLASSES 32 AND 33

AND

THE OPPOSITIONS THERETO UNDER NOS. 427902 AND 429283

BY HAWKSHEAD BREWERY LTD

Background and pleadings

1. On 18 May 2021 BrewDog plc (“the applicant”) applied to register the trade marks shown below:

i. **UK00003643420 (the 420 mark)**

HAWKES SLIM CIDER

ii. **UK00003643417 (the 417 mark)**

HAWKES PINEAPPLE PUNCH

2. The applications were accepted and published in the Trade Marks Journal on 30 July 2021 and 17 September 2021, respectively. In both cases, registration is sought for the same list of goods in classes 32 and 33, namely:

Class 32: *Non-alcoholic beverages; non-alcoholic cider; beers; mineral and aerated waters and other non-alcoholic beverages; fruit beverages and fruit juices; syrups and other preparations for making beverages; ale; real ale; lager; stout; porter; flavoured beers; ginger beer; malt beer; apple beer; beer wort; extracts of hops for making beer.*

Class 33: *Alcoholic beverages [except beers]; cider; flavoured ciders; beer-flavoured cider; spirits; liqueurs; distilled beverages; pre-mixed alcoholic beverages, other than beer-based; pre-mixed alcoholic cocktails.*

3. Hawkshead Brewery Ltd (the opponent) opposed both applications on 01 November 2021 (the 420 mark) and 16 December 2021 (the 417 mark), based upon Sections 3(3)(b), 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”).

4. Under Sections 5(2)(b) and 5(3), the opponent relies on the two trade marks set out below:

UK00003348684 (the first earlier mark)

HAWKSHEAD

Filing date: 26 October 2018; Registration date: 26 April 2019

Class 32: *Beers, ales, lagers; non-alcoholic beverages; de-alcoholised beverages; tonic waters; fruit juices; waters.*

Class 33: *Alcoholic beverages (except beers); spirits; gin; vodka; rum; whisky.*

UK00002305911 (the second earlier mark)

HAWKSHEAD BREWERY

Filing date: 22 July 2002; Registration date: 03 January 2003

Class 32: *Beers.*

5. The opponent's marks have filing dates that are earlier than the filing dates of the contested applications and, therefore, they are earlier marks, in accordance with Section 6 of the Act. Only the second earlier mark had completed its registration process more than five years before the filing date of the contested marks and is therefore subject to the proof of use provisions contained in Section 6A of the Act. Since the use provisions at Section 6A of the Act do not apply to the first earlier mark, the opponent can rely on this mark for all of the goods it has identified in its notice of opposition without demonstrating that it has used it.

6. Under Section 5(2)(b), the opponent claims that there is a likelihood of confusion because of the similarity of the marks and the identity/similarity of the goods. It also refers to a previous decision (BL-O-232-21) involving the same parties where it was found that the marks 'HAWKSHEAD' and 'HAWKES' were confusingly similar.

7. Under Section 5(3), the opponent claims that the first earlier mark has a reputation for spirits and the second earlier mark has a reputation for the goods relied upon, i.e. beers, and states that use of the applicant's marks would, without due cause, take unfair advantage of or be detrimental to the distinctive character or repute of the earlier marks.

8. Under Section 5(4)(a), the opponent relies on the signs 'HAWKSHEAD', 'HAWKS HEAD' and 'HAWKSHEAD BREWERY' and claims to have used them throughout the

UK for *spirits* (since 2002), *beers* (since August 2016) and *beers; spirits; provision of food and drink; bar and restaurant services; brewery tours* (since 2002), respectively. It is said that the opponent has established goodwill through extensive use of the signs and that use of the contested marks would be a misrepresentation likely to cause damage to that goodwill. The opponent also points out that in the previous decision (BL-O-232-21), the Hearing Officer held that the opponent had goodwill in the sign 'HAWKSHEAD' and that use of the mark 'HAWKES' in respect of goods in classes 32 and 33 is liable to constitute passing off.

9. Lastly, under Section 3(3)(b) the opponent claims that the contested marks are of such a nature as to deceive the public. In the opposition against the 420 mark, the opponent states that since the average consumers are likely to perceive the words 'SLIM CIDER' in the mark 'HAWKES SLIM CIDER' as indicating that the goods offered under the mark are low calorie ciders, where the mark is used by the applicant in relation to goods other than ciders, it is liable to deceive the public as to the nature of the goods.

10. In the opposition against the 417 mark, the opponent states that since the average consumers are likely to perceive the words 'PINEAPPLE PUNCH' in the mark 'HAWKES PINEAPPLE PUNCH' as indicating that the goods offered under the mark are pre-mixed fruit-based alcoholic beverages, where the mark is used by the applicant in relation to goods other than pineapple-flavoured pre-mixed alcoholic cocktails, it is liable to deceive the public as to the nature of the goods.

12. The opposition under this ground is directed against the following goods:

The 420 application:

Class 32: *Non-alcoholic beverages; beers; mineral and aerated waters and other non-alcoholic beverages; fruit beverages and fruit juices; syrups and other preparations for making beverages; ale; real ale; lager; stout; porter; flavoured beers; ginger beer; malt beer; apple beer; beer wort; extracts of hops for making beer.*

Class 33: *spirits; liqueurs; distilled beverages; pre-mixed alcoholic beverages, other than beer-based; pre-mixed alcoholic cocktails.*

The 417 application:

Class 32: *Non-alcoholic beverages; non-alcoholic cider; beers; mineral and aerated waters and other non-alcoholic beverages; ale; real ale; lager; stout; porter; flavoured beers; ginger beer; malt beer; apple beer; beer wort; extracts of hops for making beer.*

Class 33: *cider; flavoured ciders; beer-flavoured cider; spirits; liqueurs; distilled beverages.*

13. The applicant filed a defence and counterstatement, denying all the grounds and putting the opponent to proof of use, goodwill and reputation.

14. Both parties filed evidence during the evidence rounds. The applicant also filed submissions dated 3 October 2022. I shall refer to the evidence and submissions to the extent that I consider necessary.

15. The opponent is represented by J A Kemp LLP and the applicant by Lawrie IP Limited. Neither party asked to be heard, nor did they file submissions in lieu.

EU Law

16. 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 Trade Marks 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.

The evidence

17. The opponent's evidence-in-chief consists of two witness statements, one by John James Taig Kennedy, who is a director of the opponent's company, and one by Andrew James Fish, who is a Chartered Trade Mark Attorney and a solicitor at J A Kemp LLP, the opponent's representative. Mr Kennedy's witness statement is dated 18 July 2022 and is accompanied by seven exhibits (JJTK1-JJTK7). Mr Fish's witness statement is dated 10 June 2022 and is accompanied by one exhibit (JAF1). Mr Fish also provided a second witness statement in reply to the applicant's evidence, dated 30 November 2022 and accompanied by two exhibits (JAF1-JAF2).

18. The applicant's evidence-in-chief is provided by Sharon Mackison of Lawrie IP Limited, the applicant's representative. Ms Mackison's witness statement is dated 3 October 2022 and is accompanied by four exhibits (SM01-SM04).

My approach to the proof of use

19. In the present opposition, the opponent relies on two earlier marks. As I have said above, the first earlier mark is not subject to proof of use, however, the second earlier mark is.¹ The first and the second earlier marks coincide in the verbal element 'HAWKSHEAD'; the second earlier mark also contains the additional word 'BREWERY' but this element only makes the mark further removed from the contested marks. In addition, the specification of the first earlier mark is broader than that of the second earlier mark. It is therefore obvious that the first earlier mark (which is not subject to proof of use) represents the opponent's best case in terms of both marks and goods; consequently, I will carry out my assessment of the likelihood of confusion based on that mark.

DECISION

Section 5(2)(b)

¹ Although the applicant put the opponent to proof of use in relation to both earlier marks, the request in relation to the first earlier mark is invalid because it is not subject to proof of use.

20. Section 5(2)(b) of the Act is as follows:

“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”.

21. Section 5A of the Act is as follows:

“5A Where grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the trade mark is applied for, the application is to be refused in relation to those goods and services only.”

22. 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.

(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

23. When making the comparison, all relevant factors relating to the goods and services in the specifications should be taken into account. In *Canon Kabushiki Kaisha*, the Court of Justice of the European Union (CJEU) stated that:

“23. 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 complementary.”

24. Guidance on this issue was also given by Jacob J (as he then was) in *British Sugar Plc v James Robertson & Sons Limited (“Treat”)* [1996] RPC 281. At [296], he identified the following relevant factors:

- (a) The respective uses of the respective goods or services;
- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;
- (d) The respective trade channels through which the goods or services reach the market;
- (e) 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;

(f) 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.

25. The General Court (GC) confirmed in *Gérard Meric v OHIM*, Case T-133/05, paragraph 29, 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:

“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”.

26. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU held that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods or services. The GC clarified the meaning of “complementary” goods or services in *Boston Scientific Ltd v OHIM*, Case T-325/06, at paragraph 82:

“[...] 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.”

27. The goods to be compared are as follows:

The applicant’s goods	The opponent’s goods
<p>Class 32: <i>Non-alcoholic beverages; non-alcoholic cider; beers; mineral and aerated waters and other non-alcoholic beverages; fruit beverages and fruit</i></p>	<p>Class 32: <i>Beers, ales, lagers; non-alcoholic beverages; de-alcoholised beverages; tonic waters; fruit juices; waters.</i></p>

<p><i>juices; syrups and other preparations for making beverages; ale; real ale; lager; stout; porter; flavoured beers; ginger beer; malt beer; apple beer; beer wort; extracts of hops for making beer.</i></p> <p>Class 33: <i>Alcoholic beverages [except beers]; cider; flavoured ciders; beer-flavoured cider; spirits; liqueurs; distilled beverages; pre-mixed alcoholic beverages, other than beer-based; pre-mixed alcoholic cocktails.</i></p>	<p>Class 33: <i>Alcoholic beverages (except beers); spirits; gin; vodka; rum; whisky.</i></p>
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28. In its written submissions, the applicant admits that the following goods in the applications are identical to the goods covered by the first earlier mark:

Class 32: *Non-alcoholic beverages; non-alcoholic cider; beers; mineral and aerated waters and other non-alcoholic beverages; fruit beverages and fruit juices; ale; real ale; lager; stout; porter; flavoured beers; ginger beer; malt beer; apple beer.*

Class 33: *Alcoholic beverages [except beers]; cider; flavoured ciders; beer-flavoured cider; spirits; liqueurs; distilled beverages; pre-mixed alcoholic beverages, other than beer-based; pre-mixed alcoholic cocktails.*

29. This leaves *syrups and other preparations for making beverages; beer wort; extracts of hops for making beer* in class 32.

30. *Syrups and other preparations for making beverages.* The closest clash that I can see is with the opponent's *non-alcoholic beverages*. The contested *syrups and other preparations for making beverages* are used to make beverages and are typically diluted to create still or carbonated drinks. As they are not finished drink products, the nature of these goods differs from that of the opponent's *non-alcoholic beverages*. However, there is a degree of overlap when one considers that the ultimate purpose

of the contested beverage-making preparations is to provide a beverage, similarly to the opponent's *non-alcoholic beverages*. The respective goods have a different method of use: the opponent's goods are finished products which will be consumed by mouth, while some form of process is required before the contested goods are consumed. The goods will reach consumers through the same trade channels such as supermarkets and other retail outlets and will be found in close proximity to each other. Although the contested goods may be used to create beverages, they are not complementary in the sense that they are important or indispensable to one another in such a way that consumers would assume that they are from the same commercial undertaking. There is, however, a degree of competition, to the extent that consumers may select the opponent's finished product or purchase the contested goods in order to make the drink themselves. Overall, I consider that the goods are similar to between a low a medium degree.

31. *Beer wort; extracts of hops for making beer.* The contested *beer wort* refers to infusions of beer that, when fermented, become beer; it is the liquid extracted from the mashing process. The contested *extracts of hops for making beer* are used primarily as flavourings and stabilising agents in beer, to which they impart a bitter, tangy flavour. Both sets of goods are ingredients and additives used in the production of beers. Although the contested goods target mainly producers of beer rather than the general public, such goods are likely to also be made available in the form of homemade beer brewing kits, in which they form the main ingredients, and, thus, there is a possible overlap in producers, distribution channels and relevant public. The purpose of beer wort and hop extracts is to make beer and is, therefore, different from that of beers, which are intended to be drunk. Their nature and method of use are also different. Whilst the contested hop extracts and beer wort are not alternatives to the opponent's drinks, they play a part in the production of beer which could serve as alternatives to the opponent's finished product, so there is a limited degree of competition. Overall, these goods are similar to a low to medium degree.

Average consumer

32. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. 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. 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 then was) 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.”

33. The average consumer of the parties' goods in classes 32 and 33 is a member of the general public, who, for the alcoholic goods at issue, is over the age of 18. The cost of the goods is likely to vary but even for those at the lowest end of the cost scale, the average consumer may wish to ensure that they are selecting a preferred type, strength, or flavour, before committing to the purchase. I find that a medium degree of attention will likely to be paid during the purchase of the goods.

34. The goods will be selected from the shelves of supermarket/off-license where the visual aspect will dominate the selection process. However, even when the goods are requested orally in bars and restaurants, the average consumer is likely to encounter the marks visually before placing their order by way of bottles and cans on shelves/fridges behind the bar or on spirit optics, for example. Consequently, whilst I do not discount aural considerations, the purchasing process will be mainly a visual one.

Comparison of marks

35. 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 at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

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

36. 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. The respective marks are shown below:

The applicant's marks	The opponent's mark
HAWKES SLIM CIDER (the 420 mark)	HAWKSHEAD
HAWKES PINEAPPLE PUNCH (the 417 mark)	

Overall impression

37. In its written submissions the applicant states:

“The registered marks and any related rights are restricted to the mark HAWKSHEAD and HAWKSHEAD BREWERY respectively as a whole. The marks cannot be artificially dissected to leave the 'HAWKS' element as a standalone feature. The HAWKS element stands together with -HEAD suffix and with the -HEAD BREWERY suffix and additional word as a whole, and consumers would perceive it as such, without analysing the details. The Opponent submits that “the dominant and distinctive element of the opposed mark is the word HAWKES. This is on the basis that the words 'SLIM CIDER'/ 'PINEAPPLE PUNCH' are descriptive/non- distinctive.” This point is denied by the Applicant. Rather, it is submitted that the Applicant's marks would be viewed as a whole. In this case, the average consumer will view the earlier marks HAWKSHEAD as a whole and will not dissect it, and they will also view the HAWKSHEAD BREWERY mark as a whole consisting of more than one word. The Applicant's HAWKES SLIM CIDER and HAWKES PINEAPPLE PUNCH marks are therefore easily distinguishable on a visual basis from the Opponent's registered marks”.

38. The overall impression of the opponent's mark lies in the word 'HAWKSHEAD'. Although 'HAWKSHEAD' is presented as one word, I think the average consumer will perceive it as a conjoining of the two words 'HAWKS' and 'HEAD', which have been combined to evoke the composite idea of the head of a hawk, with the letter 'S' being perceived as the possessive form of the word 'hawk', i.e. hawk's head. Both elements contribute to the overall impression of the mark, however, the word 'HAWKS' is more dominant than the word 'HEAD' because (a) it is positioned at the beginning of the mark and the beginnings of words tend to have more visual and aural impact than the ends² and (b) given the meaning resulting from the combination of the words - which will be taken to denote the head of a bird called hawk - the element 'HEAD' is conceptually subordinate to the element 'HAWKS'.

39. The applicant's 420 mark consists of the word 'HAWKES SLIM CIDER'. I agree with the opponent that in the context of goods which are cider, or could notionally cover cider, the most distinctive element of the mark is the word 'HAWKES' because the

² *El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02

words 'SLIM CIDER' will be understood as descriptive in nature and referring to a characteristic of the goods, namely that of being low-calorie cider. This is also true in my view in the context of goods which are not cider, because (a) the word 'HAWKES' is placed at the beginning of the mark and beginnings of marks are, generally, more focused upon, (b) the word 'HAWKES' has no meaning in relation to the contested goods and it is distinctive to a medium degree, (c) whilst the average consumer is more likely to perceive the mark 'HAWKES SLIM CIDER' as a single unit when it is used in relation to goods which are not cider (as opposed to attributing trade mark significance to the word 'HAWKES' alone and perceiving the words 'SLIM CIDER' as entirely descriptive when the mark is used in relation to cider), as a totality, the applied-for mark 'HAWKES SLIM CIDER' is still likely to be understood as denoting an undertaking called 'HAWKES' who produced low-calorie cider, so the word 'HAWKES' is still the main identifier of the origin of the goods.

40. The 417 mark consists of the words 'HAWKES PINEAPPLE PUNCH'. In this case, all of the applied-for goods could be pineapple-flavoured and the most distinctive element of the mark is the word 'HAWKES' because the words 'PINEAPPLE PUNCH' will be understood as descriptive in nature and referring to a characteristic of the goods, namely that of being pineapple flavoured.

Visual similarity

HAWKSHEAD versus HAWKES SLIM CIDER

41. Comparing the opponent's 'HAWKSHEAD' mark with the contested 'HAWKES SLIM CIDER' mark, the marks coincide in the distinctive verbal element 'HAWK' but differ in that in the applied-for mark the letters 'ES' are added to the end of the word, whilst in the opponent's mark the word is followed by the letters 'SHEAD'. The applied-for mark also contains the additional words 'SLIM CIDER' which act as a point of difference having no counterpart in the opponent's mark. Taking into account that the common and most distinctive element is placed at the beginning of the marks, that the initial part of word marks attracts the attention of the consumers more than the following parts, and that the words 'SLIM CIDER' are weak in distinctiveness and have therefore, less impact, I consider the marks to be visually similar to a medium degree.

HAWKSHEAD versus HAWKES PINEAPPLE PUNCH

42. Similar considerations apply to the mark 'HAWKES PINEAPPLE PUNCH'. The marks are visually similar to a medium degree.

Aural similarity

43. Aurally, the marks coincide in the element 'HAWKES' (in the applied-for marks) and 'HAWKS' (in the opponent's mark) which will be pronounced identically. The marks differ in the pronunciation of the other word elements, namely the word 'HEAD' (in the opponent's mark) and the words 'SLIM CIDER' and 'PINEAPPLE PUNCH' (in the applied-for marks). Overall, the marks are aurally similar to a medium degree.

Conceptual similarity

44. Conceptually, I refer to my previous findings concerning the semantic content conveyed by the opponent's mark. I also find that although the letters 'ES' have been added to the element 'HAWK' in the applied-for marks, the word 'HAWKES' will still evoke the concept of a bird of prey and the average consumer will most likely misread it or perceive it as a misspelling of 'HAWK' (if, indeed, the average consumer is aware that the correct spelling of the word 'HAWK' is without a 'E').

45. In its written submissions the applicant states that the marks are conceptually different because Hawkshead is a geographical location in the Lake District. In this connection the applicant relies on Ms Mackison's evidence which provides some information on the town of Hawkshead. According to the applicant, the opponent's mark "*would not invoke the concept of a hawk or bird but rather the timeless feel of the very historic and picturesque village of Hawkshead reputed for its own notable world-famous residents and their impact on English literature and culture*".

46. The evidence provided by Ms Mackison is as follows:

- A Wikipedia page concerning the village of Hawkshead. It states that "*Hawkshead is a village and civil parish in Cumbria, England, which attracts*

*tourists to the South Lakeland area”, that the village “contains one primary school but no secondary school and four public houses” and that it has a total population of 1,704. According to the Wikipedia page “in the 18th and 19th centuries, Hawkshead became a village of local importance. William Wordsworth (afterwards poet laureate) was educated at Hawkshead Grammar School, whilst Beatrix Potter lived nearby as did William Heelis, a local solicitor, in the early 20th century. With the formation of the Lake District National Park in 1951, tourism grew in importance, though traditional fanning still goes on around the village. Hawkshead has a timeless atmosphere and consists of a characterful warren of alleys, overhanging gables and a series of mediaeval squares. It is eloquently described in William Wordsworth’s poem The Prelude”;*³

- Webpages from the National Trust website regarding the Beatrix Potter Gallery hosted at Hawkshead where her husband, who was a solicitor, had his office;⁴
- Webpages from the website www.peterrabbit.com about Beatrix Potter and her children books;⁵
- Webpages from the website ww.lakedistrict.gov.uk. Ms Mackison points out that the Lake District attracted 19.7 million visitors in 2017.⁶

47. I start by saying that the average consumer of the goods at issue is a member of the general public who seeks to purchase alcoholic and non-alcoholic beverages, and preparation for making beverages. Whilst William Wordsworth may have attended Hawkshead Grammar School, and Helen Beatrix Potter’s husband may have had an office in Hawkshead, considering that William Wordsworth was a poet who attended Hawkshead Grammar School between 1778 and 1787 and Helen Beatrix Potter is a writer of children books born in 1866, I doubt that these facts are common knowledge in the UK. Even if this information is referenced on Wikipedia or on other internet pages, it does not establish that the average UK consumer will be aware of these historic facts or that Hawkshead has become a well-known location in the UK because (1) it is located within the Lake District, which is a touristic destination or (2) it has

³ SM01

⁴ SM02

⁵ SM02

⁶ SM03

hosted a Beatrix Potter Gallery or (3) it was a place where William Wordsworth attended grammar school and it is mentioned in one of his work. There is no evidence that William Wordsworth and Helen Beatrix Potter are well-known to the UK public at large, but in any event, even if they were famous, that does not mean that Hawkshead is a well-known location because of the connection they had with the village. The applicant further states:

“Notwithstanding the clear conceptual meaning of the Opponent's marks, even if the town Hawkshead is not known to the relevant consumer, it is submitted that the Opponent's marks would not inevitably evoke the concept of a hawk, a bird of prey and its head. The term HAWKSHEAD is registered and used by the Opponent as a single stand-alone term, such that it is not possible to ascertain the phrase 'hawk's head' from the mark. The apostrophe required to render this meaning claimed by the Opponent is noticeably absent. As noted in the earlier Opposition decision referred to by the Opponent, other consumers may assume, without any specific knowledge to that effect, that "HAWKSHEAD" is a place, given that "head" is often used to indicate a geographical location, such as a headland or the head of a valley. It is further noted that both the Applicant and the Opponent's branding is entirely absent of any artwork, indicia or stylisation which would imply the concept of a bird of prey. If either party were intending to convey the concept of a hawk in any way, it is submitted that there would be imagery used in the overall branding to emphasise this association or concept. Rather, it is noted that the imagery provided by the Opponent to date in the Exhibits to the Witness Statement of John James Taig Kennedy in Exhibits SRI, SR2 and SR3 clearly show imagery which further serves to emphasise the geographical origin of Opponent including, but not limited to:

- *its main logo being of hills and lakes throughout;*
- *beer names such as its core products 'Windermere Pale' and 'Lakeland Gold', as well as other names emphasising the nature of their geographical origin;*
- *the tagline 'Beer from the Lakes'”*

48. I reject the applicant's arguments. Firstly, the opponent has filed evidence⁷ showing products displaying the mark 'HAWKSHEAD' in conjunction with the image of the head of a bird representing a hawk. Secondly, even if the opponent was based in the Lake District and the inhabitants of or near the location called 'Hawkshead' would recognise the name as indicative of a place, for the UK population as a whole, that would not be the case. Thirdly, matter used with, but extraneous to, the earlier mark itself (which do not appear on the register) should not be included in assessing the likelihood of confusion with a later mark. In *J.W.Spear & Sons Ltd and Others v Zynga Inc.* [2015] EWCA Civ 290, Floyd L.J. stated:

"46. Mr Silverleaf submitted that, in the light of this guidance, the proposition stated by Jacob LJ in *L'Oreal* can no longer be regarded as representing the law. He starts by recognising that acquired distinctiveness of a trade mark has long been required to be taken into account when considering the likelihood of confusion. He goes on to submit that *Specsavers* in the CJEU has made it clear that the acquired distinctiveness to which regard may properly be had included not only matter appearing on the register, but also matter which could only be discerned by use. The colour, on which reliance could be placed in *Specsavers*, was matter extraneous to the mark as it appeared on the register. It followed that if something appears routinely and uniformly in immediate association with the mark when used by the proprietor, it should be taken into account as part of the relevant context.

47. I am unable to accept these submissions. The CJEU's ruling does not go far enough for Mr Silverleaf's purposes. The matter not discernible from the register in *Specsavers* was the colour in which a mark registered in black and white was used. It is true that in one sense the colour in which a mark is used can be described as "extraneous matter", given that the mark is registered in black and white. But at [37] of its judgment the court speaks of colour as affecting "*how the average consumer of the goods at issue perceives that trade mark*" and in [38] of "*the use which has been made of it [i.e. the trade mark] in that colour or combination of colours*". By contrast Mr Silverleaf's

⁷ Mr Fish's second witness statement

submission asks us to take into account matter which has been routinely and uniformly used "*in association with the mark*". Nothing in the court's ruling requires one to go that far. The matters on which Mr Silverleaf wishes to rely are not matters which affect the average consumer's perception of the mark itself."

49. Lastly, the fact that the component 'HAWKS' and 'HEAD' are conjoined and there is no apostrophe between the letter 'K' and the letter 'S', does not prevent the average consumer from detecting these elements, which means that the component 'HAWKS' retains an independent distinctive role within the earlier mark.

50. I therefore concur with the finding of the Hearing Officer in the decision BL-O-232-21, that whilst some consumers may be aware that Hawkshead is a place, a significant proportion of consumers will not. For those consumers who will perceive the opponent's mark as a reference to a geographical location, there is a conceptual difference between the marks, because the applicant's mark will not be perceived as a place. However, for those consumers who do not know of Hawkshead, there is a degree of conceptual similarity between the marks, insofar as they are likely to understand the opponent's mark as meaning "hawk's head" (despite the absence of an apostrophe) and the first part of applicant's marks as a reference to the same bird, i.e. a 'hawk'. The 'HEAD' element is missing from the applied-for marks, giving rise to a difference. The same goes for the words 'SLIM CIDER' and 'PINEAPPLE PUNCH' (in the applied-for marks), although these elements are either descriptive or weakly distinctive. Since the concept of a bird called a hawk is the main identifying concept in the respective marks, I consider the marks to be conceptually similar to a high degree.

Distinctive character of earlier mark

51. 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).”

52. Registered trade marks possess various degrees of inherent distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the goods or services, to those with high inherent distinctive character, such as invented words which have no allusive qualities. The distinctiveness of a mark can be enhanced by virtue of the use made of it.

53. I will begin by assessing the inherent distinctiveness of the earlier mark. The earlier mark consists of the word ‘HAWKSHEAD’. For the group of consumers who will perceive ‘HAWKSHEAD’ as the conjoining of the two words ‘HAWKS’ and ‘HEAD’ the mark is neither descriptive nor allusive of the goods in classes 32 and 33 covered by the registration. It therefore enjoys a medium degree of inherent distinctiveness in respect of those goods. This also applies to the group of consumers who will perceive ‘HAWKSHEAD’ as a location, because the name has no association with the goods for which the mark is protected⁸ and is therefore distinctive to a medium degree.

⁸ NEWPORT CREEK TRADE MARK, BL-O-223-16

54. I will now consider whether the distinctiveness of the earlier marks has been enhanced through use.

55. Mr Kennedy states that the opponent first started to use the marks 'HAWKSHEAD' and 'HAWKSHEAD BREWERY' in 2002 and that the marks have been used in relation to beers, since that date. The first beer produced by the opponent in 2002 was Hawkshead Bitter, and since then more than 85 different types of beers have been produced under the 'HAWKSHEAD' and 'HAWKSHEAD BREWERY' marks. In addition to online sales of the opponent's goods at www.hawksheadbrewery.co.uk, the opponent's beers are sold nationwide in the UK, and are available nationally in Morrisons, Co-op, Tesco and Asda. The opponent's products are sold in over 900 outlets throughout the UK. From 2010 to 2021, the total turnover for products sold under the opponent's marks exceeded £22 million, equating to production of over 115,000 hectolitres of product. For the period 2016 - 2021, annual turnover figures for products sold under the marks 'HAWKSHEAD' and 'HAWKS HEAD' are as follows:

Year	Turnover (GBP)
2016	£2,534,000
2017 (18 month period for YE change)	£3,398,000
2018	£2,914,000
2019	£3,047,000
2020	£2,709,000
2021	£2,816,000

56. The opponent advertises the products via social media, print and broadcast media. The opponent has accounts on Facebook, Instagram and Twitter, with over 9,000 followers on Facebook, over 11,000 on Instagram, and over 20,000 followers on Twitter. Advertising spend for the period 2016-2021 amounted to £55,000. The opponent has been awarded many industry awards, from CAMRA (Campaign for Real Ale), SIBA (Society of Independent Brewers), and other industry bodies.⁹

⁹ JJTK4

57. The opponent's turnover figures are not huge, but are not negligible either, amounting to a total of approximately £17million in the six-year period 2016-2021, with annual sales ranging from £2.3million and £3million. Although turnover is not the only element that have to be analysed in order to establish whether the use of the mark has enhanced its distinctiveness, the rest of the evidence does not point in that direction. There is no indication of the opponent's market share in the relevant market, but even considering the relevant market to be that of beer in the UK (beer being the only product in relation to which the mark has been used), I expect the beer market to be very large, and an annual turnover of £2.3 - £3million looks like a small proportion of the market concerned. There is no indication of how the sales are geographically spread and the marketing spend is small, amounting to £55,000 over a period of six years (2016-2021), which is less than £10,000 a year (on average). Further, whilst Mr Kennedy presented evidence showing some level of advertising including (a) examples of webpages from the opponent's website at www.hawksheadbrewery.co.uk, (b) examples of labels and copies of adverts which are said were run in the years 2014-2021, and (c) a list of awards won by the opponent between 2002 and 2019, as the Hearing Officer noted in the previous decision, there nothing to suggest national marketing campaigns or press interest which shows any particular intensity of use. Overall, I am not persuaded that the distinctiveness of the mark has been enhanced through the use made of it.

Likelihood of confusion

58. There is no scientific formula to apply in determining whether there is a likelihood of confusion; rather, it is a global assessment where a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective marks may be offset by a greater degree of similarity between the respective goods and services and vice versa. As I mentioned above, it is necessary for me to keep in mind the distinctive character of the earlier mark, the average consumer for goods and services and the nature of the purchasing process. In doing so, I must be alive to the fact that the average consumer rarely has the opportunity to make direct comparisons between marks and must instead rely upon the imperfect picture of them that they have retained in their mind.

59. Confusion can be direct or indirect. The difference between these two types of confusion was explained in *L.A. Sugar Trade Mark*, BL O/375/10, where 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, 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).”

60. Earlier in this decision I found that:

- most of the competing goods in class 32 and 33 are identical, whilst some are similar to a low to medium degree;
- the relevant consumers of the goods at issue will be a member of the general public;
- the purchasing process will be predominantly visual although I do not discount aural considerations and the goods will be selected with a medium degree of attention;
- the earlier mark and the contested marks are visually and aurally similar to a medium degree. Conceptually, for those consumers who will perceive the opponent's mark as a reference to a geographical location, the marks are conceptually different because the applicant's mark will not be perceived as a place. However, for those consumers who do not know of Hawkshead, the marks are conceptual similar to a high degree insofar as they share the concept of the bird of prey called hawk;
- the earlier mark is inherently distinctive to a medium degree, but the evidence filed is insufficient to establish that the distinctiveness of the mark has been enhanced through use.

61. As part of the opponent's case, Mr Kennedy also introduced an extract from a witness statement of Steve Ricketts of 18 November 2019 which was filed in connection with the earlier opposition proceedings mentioned above. It concurs, Mr Kennedy says, with his experience that it is not uncommon for trade marks covering goods in classes 32 and 33 to be abbreviated to the first element or syllable of the whole trade mark. In support of this claim, Mr Kennedy produces a Wikipedia page which shows that the owner of the brand Budweiser uses the brand variation BUD in a number of brand extensions in conjunction with descriptive suffixes, such as BUD Light.¹⁰ Mr Kennedy also refers to the trade mark JACK DANIELS which, he says, is routinely referred to by consumers as simply JACK, particularly when used in conjunction with drinks mixers, such as "Jack and Coke" or "Jack and lime" and produces extracts showing Twitter users referring to both "Jack and Coke" and "Jack

¹⁰ JJTK5

and lime".¹¹ This evidence is not sufficiently specific to establish the existence of a common practice in the market concerned, so will say no more about it.

62. I have considered this case carefully and I have spent time reading the previous decision (BL-O-232-21). In that case the applied-for mark was 'HAWKES' and main earlier mark which was selected for the purpose of the comparison was 'HAWKSHEAD'. In this case, the earlier mark is the same, but the applicant's marks contain the additional words 'SLIM CIDER' and 'PINEAPPLE PUNCH' which, I have found, are either descriptive of the goods concerned or weak in distinctiveness.

63. When deciding on the likelihood of confusion, the previous Hearing Officer said that it was a "borderline" case. This, I assume, may be the reason why the applicant having been refused registration for the mark 'HAWKES' filed the applications at issue, in the hope, it seems to me, that the additional elements of the new applications would be sufficient to take the marks just on the right side of the line. However, I am not sure that if this case (or the previous one) is borderline, it is a very borderline one, in the sense that there is a reasonable prospect of finding that there would be no confusion. Whilst I do not think that this is a case that is arguable on the basis of direct confusion, because it is unlikely that consumers would mistake 'HAWKSHEAD' for 'HAWKES SLIM CIDER' and 'HAWKES PINEAPPLE PUNCH' or vice versa, the changes apported by the applicant to the newly applied marks are not in my view sufficient to tip the balance against a finding of indirect confusion. I bear in mind that I am not bound by the decision of the Hearing Officer in the previous case and that the contested marks are not identical to the ones that have been previously refused, however, taking all of the relevant factors into account, my conclusion is that there is a likelihood of indirect confusion in relation to both marks, at least for the group of consumers who will not perceive the earlier mark as a geographical location. For this group of consumers, who represents in my view a significant proportion of the relevant public, the word 'HAWKSHEAD' is not a real single word indicating a place but are two ordinary words that have been conjoined, i.e. 'HAWKS' and 'HEAD'. The fact that the comparison to be made is between the later marks 'HAWKES SLIM CIDER' and 'HAWKES PINEAPPLE PUNCH' and the earlier mark 'HAWKSHEAD' as a whole,

¹¹ JJTK6

does not prevent the conclusion that the average consumers will see 'HAWKSHEAD' as two separate words and will perceive the distinctive and dominant element 'HAWK'/'HAWKS' as fulfilling a trade mark function within the mark 'HAWKSHEAD' as a whole. It follows that when encountering the word 'HAWKES' in the applied for marks, the average consumer is likely to misread it or mistake it for the earlier 'HAWKS' and believe that they are related brands. The fact that the element 'HEAD' in the earlier mark is also distinctive, does not mean that there cannot be likelihood of confusion. Once it is accepted (as I do) that the concept of a hawk is the main identifying concept of the earlier mark and that the average consumer is likely to perceive the word 'HAWKS' in the earlier 'HAWKSHEAD' mark as indicative of origin, the average consumer is likely to conclude that the marks 'HAWKES SLIM CIDER' and 'HAWKES PINEAPPLE PUNCH' are similar marks used by the same (or an economically connected) undertaking. There is a likelihood of indirect confusion in relation to all of the contested goods, including those which I found to be similar to a low to medium degree.

64. The opposition under Section 5(2)(b) succeeds in its entirety.

Section 5(3)

65. Section 5(3) states:

“(3) A trade mark which-

(a) is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark”.

66. Section 5(3A) states:

“(3A) Subsection (3) applies irrespective of whether the goods and services for which the trade mark is to be registered are identical with, similar to or not similar to those for which the earlier trade mark is protected”.

67. The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, Case 252/07, *Intel*, Case C-408/01, *Adidas-Salomon*, Case C-487/07, *L’Oreal v Bellure* and Case C-323/09, *Marks and Spencer v Interflora* and Case C383/12P, *Environmental Manufacturing LLP v OHIM*. The law appears to be as follows.

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

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

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

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

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

(f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; *Intel, paragraphs 76 and 77* and *Environmental Manufacturing, paragraph 34*.

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

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

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

68. The relevant date for the assessment under Section 5(3) is the filing date of the applications at issue, being 18 May 2021.

Reputation

69. In *General Motors*, Case C-375/97, the CJEU held that:

“25. It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined.

26. The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.

27. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.

28. Territorially, the condition is fulfilled when, in the terms of Article 5(2) of the Directive, the trade mark has a reputation ‘in the Member State’. In the absence of any definition of the Community provision in this respect, a trade mark cannot be required to have a reputation ‘throughout’ the territory of the Member State. It is sufficient for it to exist in a substantial part of it.”

70. Under its Section 5(3) ground, the opponent relies on the same registrations as it did under its Section 5(2)(b) ground and claims to have obtained a reputation for spirits (in relation to the first earlier mark) and beers (in relation to the second earlier mark).

71. For similar reasons to those which I have outlined above when discussing the relevance of the evidence for the purpose of establishing enhanced distinctiveness, I find that the evidence is insufficient to show that the opponent’s earlier mark had gained a reputation amongst a substantial part of the relevant public at the relevant date. The ground under Section 5(3) falls at the first hurdle and is dismissed accordingly.

Section 5(4)(a)

72. Section 5(4)(a) states:

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

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, where the condition in subsection (4A) is met,

(aa) [...]

(b) [...]

(c)

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

73. Subsection (4A) of Section 5 states:

“(4A) The condition mentioned in subsection (4)(a) is that the rights to the unregistered trade mark or other sign were acquired prior to the date of application for registration of the trade mark or date of the priority claimed for that application.”

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

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

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

Goodwill

75. In *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 (HOL):

"What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start."

76. The relevant date for the assessment under Section 5(4)(a) is normally the filing date of the applications at issue, being 18 May 2021. As the applicant has not filed evidence of use that is the only date I must consider.

77. Under Section 5(4)(a) the opponent relies on the signs 'HAWKSHEAD', 'HAWKS HEAD' and 'HAWKSHEAD BREWERY' and claims to have used them throughout the UK for *spirits* (since 2002), *beers* (since August 2016) and *beers; spirits; provision of food and drink; bar and restaurant services; brewery tours* (since 2002), respectively.

78. Based on the evidence filed by the opponent, which I have summarised above, I am satisfied that at the relevant date the opponent had a protectable goodwill in a business producing beer. There is no evidence of the opponent using the signs in relation to any other goods or services. The evidence shows use of the sign 'HAWKSHEAD' presented as one word, as well as 'HAWKS HEAD' presented as two separate words, so I am satisfied that both signs were distinctive of the opponent's goodwill at the relevant date. The evidence also shows use of the signs 'HAWKSHEAD

BREWERY' but this does not add anything to the opponent's case as the word 'BREWERY' is descriptive in relation to beers and, if anything, it creates an additional difference in comparison with the applied-for marks.

Misrepresentation

79. In *Neutrogena Corporation and Another v Golden Limited and Another* [1996] RPC 473, Morritt L.J. stated that:

“There is no dispute as to what the correct legal principle is. As stated by *Lord Oliver of Aylmerton in Reckitt & Colman Products Ltd. v. Borden Inc.* [1990] R.P.C. 341 at page 407 the question on the issue of deception or confusion is

“is it, on a balance of probabilities, likely that, if the appellants are not restrained as they have been, a substantial number of members of the public will be misled into purchasing the defendants' [product] in the belief that it is the respondents'[product]”

80. In this case, whilst some of the goods in the contested applications are identical to the opponent's *beers*, the applications also cover other types of beverages, both alcoholic and not alcoholic. In *Harrods Limited v Harrodian School Limited* [1996] RPC 697 (CA), Millet L.J. made the following findings about the lack of a requirement for the parties to operate in a common field of activity, and about the additional burden of establishing misrepresentation and damage when they do not:

“There is no requirement that the defendant should be carrying on a business which competes with that of the plaintiff or which would compete with any natural extension of the plaintiff's business. The expression “common field of activity” was coined by *Wynn-Parry J. in McCulloch v. May* (1948) 65 R.P.C. 58, when he dismissed the plaintiff's claim for want of this factor. This was contrary to numerous previous authorities (see, for example, *Eastman Photographic Materials Co. Ltd. v. John Griffiths Cycle Corporation Ltd.* (1898) 15 R.P.C. 105 (cameras and bicycles); *Walter v. Ashton* [1902] 2 Ch. 282 (The Times newspaper and bicycles) and is now discredited. In the *Advocaat* case

Lord Diplock expressly recognised that an action for passing off would lie although “the plaintiff and the defendant were not competing traders in the same line of business”. In the *Lego case Falconer J.* acted on evidence that the public had been deceived into thinking that the plaintiffs, who were manufacturers of plastic toy construction kits, had diversified into the manufacture of plastic irrigation equipment for the domestic garden. What the plaintiff in an action for passing off must prove is not the existence of a common field of activity but likely confusion among the common customers of the parties.

The absence of a common field of activity, therefore, is not fatal; but it is not irrelevant either. In deciding whether there is a likelihood of confusion, it is an important and highly relevant consideration

‘...whether there is any kind of association, or could be in the minds of the public any kind of association, between the field of activities of the plaintiff and the field of activities of the defendant’:

Annabel's (Berkeley Square) Ltd. v. G. Schock (trading as Annabel's Escort Agency) [1972] R.P.C. 838 at page 844 per Russell L.J.

In the *Lego case Falconer J.* likewise held that the proximity of the defendant's field of activity to that of the plaintiff was a factor to be taken into account when deciding whether the defendant's conduct would cause the necessary confusion.

Where the plaintiff's business name is a household name the degree of overlap between the fields of activity of the parties' respective businesses may often be a less important consideration in assessing whether there is likely to be confusion, but in my opinion it is always a relevant factor to be taken into account.

Where there is no or only a tenuous degree of overlap between the parties' respective fields of activity the burden of proving the likelihood of confusion and resulting damage is a heavy one. In *Stringfellow v. McCain Foods (G.B.) Ltd.*

[1984] R.P.C. 501 Slade L.J. said (at page 535) that the further removed from one another the respective fields of activities, the less likely was it that any member of the public could reasonably be confused into thinking that the one business was connected with the other; and he added (at page 545) that 'even if it considers that there is a limited risk of confusion of this nature, the court should not, in my opinion, readily infer the likelihood of resulting damage to the plaintiffs as against an innocent defendant in a completely different line of business. In such a case the onus falling on plaintiffs to show that damage to their business reputation is in truth likely to ensue and to cause them more than minimal loss is in my opinion a heavy one.'

In the same case Stephenson L.J. said at page 547:

'...in a case such as the present the burden of satisfying Lord Diplock's requirements in the *Advocaat* case, in particular the fourth and fifth requirements, is a heavy burden; how heavy I am not sure the judge fully appreciated. If he had, he might not have granted the respondents relief. When the alleged "passer off" seeks and gets no benefit from using another trader's name and trades in a field far removed from competing with him, there must, in my judgment, be clear and cogent proof of actual or possible confusion or connection, and of actual damage or real likelihood of damage to the respondents' property in their goodwill, which must, as Lord Fraser said in the *Advocaat* case, be substantial.' "

81. I consider that beers and ciders are similar goods, because although they taste different, they have a similar alcohol content, are both made from fermentation processes and are often presented as an alternative to each other. Given my finding about the likelihood of confusion, I consider that for beer-based and cider-based goods (and for goods which are broad enough to notionally cover these goods or their non-alcoholic versions) use of the contested marks will result in a misrepresentation to the public resulting in damage to the opponent. The same extends, in my view, to goods which could be used to make beer. Consequently, the opposition based upon Section 5(4)(a) succeeds in relation to the following goods:

Class 32: *Non-alcoholic beverages; non-alcoholic cider; beers; non-alcoholic beverages (other than mineral and aerated waters); syrups and other preparations for making beverages; ale; real ale; lager; stout; porter; flavoured beers; ginger beer; malt beer; apple beer; beer wort; extracts of hops for making beer.*

Class 33: *Alcoholic beverages [except beers]; cider; flavoured ciders; beer-flavoured cider; pre-mixed alcoholic beverages, other than beer-based;*

82. However, I consider that the remaining goods are sufficiently removed from the opponent's beer that it is unlikely that use of the contested marks will be passing-off. The opposition based upon Section 5(4)(a) fails in relation to the following goods:

Class 32: *mineral and aerated waters; fruit beverages and fruit juices.*

Class 33: *spirits; liqueurs; distilled beverages; pre-mixed alcoholic cocktails.*

Section 3(3)(b)

83. Section 3(3)(b) of the Act states:

“3.— Absolute grounds for refusal of registration

[...]

(3) A trade mark shall not be registered if it is—

[...]

(b) of such a nature as to deceive the public (for instance as to the nature, quality or geographical origin of the goods or service).”

84. Professor Phillip Johnson, sitting as the Appointed Person in *TWG TEA COMPANY v MARIAGE FRÈRES SA*¹² provided a summary of the law relating to Section 3(3)(b) (and the equivalent provisions in EU law) at paragraph 84 of his decision:

¹² BL-O/358/17

- (a) it is necessary to establish that the mark will create actual deceit or a sufficiently serious risk that the consumer will be deceived: *C-87/97 Consorzio per la tutela del formaggio Gorgonzola*, ECLI:EU:C:1999:115, paragraph 41; *C-259/04 Emanuel*, ECLI:EU:C:2006:215, paragraph 47; *C-689/15 W.F. Gözze Frottierweberei*, EU:C:2017:434, paragraph 54;
- (b) the deception must arise from the use of the mark itself (i.e. the use per se will deceive the consumer): *Gorgonzola*, paragraph 43; *Emanuel*, paragraph 49; *Gözze Frottierweberei*, paragraph 55;
- (c) the assessment of whether a mark is deceptive should be made at the date of filing or priority date and so cannot be remedied by subsequent corrective statements: *Axle Associates v Gloucestershire Old Spots Pig Breeder's Club* [2010] ETMR 12, paragraph 25 and 26;
- (d) the deception must have some material effect on consumer behaviour: *CFA Institute's Application* [2007] ETMR 76, paragraph 40;
- (e) where the use of a mark, in particular a collective mark, suggests certain quality requirements apply to goods sold under the mark, the failure to meet such requirements does not make use of the mark deceptive: *Gözze Frottierweberei*, paragraphs 57 and 58;
- (f) Only where the targeted consumer is made to believe that the goods and services possess certain characteristics which they do not in fact possess will the consumer be deceived by the trade mark: *T-248/05 HUP Usługi Polska v OHIM*, ECLI:EU:T:2008:396, paragraph 65;
- (g) Where a mark does not convey a sufficiently specific and clear message concerning the protected goods and services or their characteristics but, at the very most, hints at them, there can be no deception in relation to those goods and services: *HUP*, paragraph 67 and 68; *T-327/16 Aldi v EUIPO* ECLI:EU:T:2017:439, paragraph 51;

- (h) Once the existence of actual deceit, or a sufficiently serious risk that the consumer will be deceived, has been established, it becomes irrelevant that the mark applied for might also be perceived in a way that is not misleading: T-29/16 *Caffè Nero Group v EUIPO*, ECLI:EU:T:2016:635, paragraph 48;
- (i) Where a trade mark contains information which is likely to deceive the public it is unable to perform its function of indicating the origin of goods: T-41/05 *SIMS — École de ski internationale v OHIM*, EU:T:2991:200, paragraph 50; *Caffè Nero*, paragraph 47.”

85. In *Emanuel*, the CJEU referred to the perceptions of the average consumer. In *Gut Springenheide and Tusky v Oberkreisdirektor des Kreises Steinfurt*, Case C-210/96, the CJEU stated that the average consumer is “*reasonably well-informed and reasonably observant and circumspect*”. The case-law states that the mark must create actual deceit or a sufficiently serious risk that the average consumer will be deceived, and the economic behaviour of the average consumer will be materially affected.

86. The question in this case is whether the marks ‘HAWKES SLIM CIDER’ and ‘HAWKES PINEAPPLE PUNCH’ will create actual deceit or a sufficiently serious risk that the relevant public will be deceived into buying the applicant’s products thinking that they are buying cider or a pineapple-flavoured beverages, when the goods are neither cider nor pineapple-flavoured. The first scenario would be that of an average consumer who is looking to buy cider but ends up buying a different type of product, for example, beer, on the assumption that the word ‘CIDER’ in the mark ‘HAWKES SLIM CIDER’ indicates the nature of the product, i.e. cider. In my view, this is unlikely because the average consumer paying a medium degree of attention will not be in such a hurry that they will only perceive the mark without checking the product they are actually purchasing. The Section 3(3)(b) opposition against the 420 mark fails.

87. Similar considerations apply to the mark ‘HAWKES PINEAPPLE PUNCH’: it is unlikely that the average consumer paying a medium degree of attention will be in such a hurry that they will only perceive the mark without checking the product they are purchasing.

88. The oppositions based on Section 3(3)(b) therefore fail.

OUTCOME

89. The oppositions have been successful. The applications will be refused.

COSTS

90. The opponent has been successful and is entitled to an award of costs. In line with the scale published in the annex to Tribunal Practice Notice (2/2016), I award the following costs:

Official fee:	£200
Preparing the notice of opposition and considering the counterstatement:	£300
Filing evidence and considering the other party's evidence:	£1,000
Total:	£1,500

91. I order BrewDog plc to pay Hawkshead Brewery Ltd the sum of £1,500. This sum is to be paid within twenty-one days of the expiry of the appeal period or within twenty-one days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 17th day of April 2023

**Teresa Perks
For the Registrar**

