

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No 2233752
BY AGE INTERNATIONAL INC TO REGISTER THE MARK
HANCOCK'S PRESIDENT'S RESERVE IN CLASS 33**

AND

**IN THE MATTER OF OPPOSITION THERETO UNDER No 51587
BY B.S.A.**

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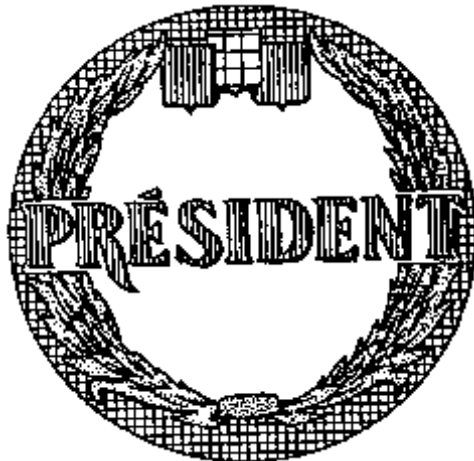
**IN THE MATTER OF Opposition thereto under No 51587
by B.S.A.**

DECISION

1. 24 May 2000 Age International Inc applied to register the mark HANCOCK'S PRESIDENT'S RESERVE for 'bourbon' in Class 33. The application is numbered 2233752.
2. On 19 October 2000 B.S.A. (formerly known as Besnier S.A.) Filed notice of opposition to this application. They say they are the proprietors of numerous UK Trade Mark registrations. The two that they specify and rely on are

No.	Mark	Class	Goods
1059644B	PRESIDENT	29	Edible lard; cheese and dairy products for food.

1541175



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3. The opponents say they have used the word PRESIDENT on foodstuffs and in particular dairy products since 1980.
4. They raise objections based on Section 5(2)(b), 5(3) and 5(4)(a) of the Act. There is also an unexplained objection under Section 3(6). Given the seriousness of an allegation of bad faith and the absence of any particularisation of the ground I dismiss it without further ado.
5. The applicants filed a counterstatement denying the above grounds and putting the opponents to proof of their claims.
6. Both sides ask for an award of costs in their favour.
7. Both sides filed evidence. Neither side has asked to be heard but written submissions have been received under cover of letters dated 11 April 2002 from Frank B Dehn on behalf of the opponents and Urquhart-Dykes & Lord on behalf of the applicants. I take these submissions into account in reaching my own view of the matter below.
8. The evidence filed in these proceedings is as follows

Opponents' Evidence in chief:

Witness Statement by Emmanuel Besnier with Exhibit EB1

Applicants' Evidence in chief:

Statutory Declaration by James Murray with Exhibit JM1

Opponents' Evidence in reply:

Witness Statement by Emmanuel Besnier

Opponents' use of their PRESIDENT mark

9. The opponents' use and reputation under the mark PRESIDENT is relevant to each of the grounds of opposition and essential to two of them (those under Section 5(3) and 5(4)(a)).

10. Mr Besnier is BSA's President. He gives evidence as to the opponents' use of PRESIDENT since 1980 in relation to a range of dairy products including butter, cheeses and dairy spreads. Turnover is said to have been as follows

French Francs £(approx.) Converting at 10FF=£1

1980	1818283	181,823
1981	3261188	326,119
1982	2936853	293,685
1983	3416689	341,669
1984	4130155	413,016
1985	4598648	459,865
1986	3272220	327,222
1987	4685623	468,562
1988	5566737	556,674
1989	8698163	869,816
1990	14186365	1,418,637
1991	11429915	1,142,992
1992	10495043	1,049,504
1993	11068364	1,106,836
1994	11623258	1,162,326
1995	15546572	1,554,657
1996	21967863	2,196,786
1997	33638448	3,363,844
1998	38972145	3,897,214
1999	40136706	4,013,670
2000	49002677	4,900,267

11. In support of this are exhibited

EB1 (Bundle A) - photographs of a selection of products. I note that a

number bear text in a variety of languages (including English) and some only French

- EB1 (Bundle B) - copy invoices dating back to 1980. The photocopies are of poor quality and it is therefore difficult to work out precise dates and products. However I note that all but one of the invoices is addressed to David Brough (Cheese Imp) Ltd. It emerges from Bundle D that this company is a specialist cheese importer. I infer that the invoices are likely to relate mainly to cheese.
- EB1 (Bundle C) - extracts from B.S.A.'s website. The site displays a large number of brand names including PRESIDENT and a range of (largely) dairy goods. It is not possible to say with certainty which goods are available in the UK and under which marks though I accept that the PRESIDENT label features prominently.
- EB1 (Bundle D) - copies of articles from 'The Grocer' magazine featuring B.S.A.'s PRESIDENT products. Some of the articles are very poor photocopies and cannot be read. So far as I can tell the main product lines referred to are Camembert and Brie cheeses and butter.

12. Products bearing B.S.A.'s mark PRESIDENT are said to be sold throughout the UK through a very wide range of outlets including major supermarket chains such as Tesco, Safeway, Asda, Somerfield, Kwiksave, Marks & Spencers, Morrisons and Waitrose. The products are distributed through a wide range of UK wholesalers, including Dryant, Bradbury, Chess Press, Clarks, Growsons, Dairycold, Drayton, Glendower, H&B, Huge Cheese, Mark Clegg, Medaillon, Porters, Tan Walker, Unigate, Wesfry and Yieldingtree. Mr Besnier says several products, particularly small butter and cheese portions are used in numerous hotels, catering outlets, pubs and bars to accompany snack meals.

13. Advertising expenditure in the UK is put at £249,340 in 1999 and around £350,000 in 2000.

14. I conclude from the above that the opponents have a long established and extensive trade in the UK. The range of retail outlets referred to above is likely to ensure that goods bearing the PRESIDENT mark have received a substantial amount of exposure to UK customers. However I find it difficult to conclude from the evidence that the opponents' reputation goes much beyond cheeses and butter.

15. With that evidence in mind I turn to the grounds of opposition which are based on Section 5(2)(b), 5(3) and 5(4)(a) of the Act. These read

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

(a)

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

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

5.-(3) A trade mark which -

(c) is identical with or similar to an earlier trade mark, and

(d) is to be registered for goods or services which are not similar to those for which the earlier trade mark is protected,

shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a Community trade mark, in the European Community) 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.

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

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

(b)

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

16. For the purposes of Section 5(2) I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v Puma AG* [1998] E.T.M.R. 1, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] E.T.M.R. 1, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77 and *Marca Mode CV v Adidas AG* [2000] E.T.M.R. 723.

17. I understand from the opponents' written submissions that they rely mainly on the position under Section 5(3) though the remaining grounds have not been expressly given up. I propose to deal fairly shortly with the position under Section 5(2). It is a requirement of the Section that the respective sets of goods must be similar. No submissions have been put to me to support the proposition that cheese, dairy products or lard are similar to bourbon. On the face of it seems so unlikely that this could be found to be the case that I do not consider it merits detailed analysis. Guidance on the factors to be taken into account in assessing similarity of goods is to be found in *British Sugar plc v James Robertson & Sons Ltd* [1996] RPC 281 and *Canon v MGM* [1999] ETMR1. I can see no conceivable basis for finding that the goods at issue here are similar or that there is a likelihood of confusion (given also the differences in the marks) within the composite nature of the test. The Section 5(2)(b) objection must, therefore, fail.

18. Turning to Section 5(3) its purpose and scope have been considered in a number of cases including *General Motors Corp. v Yplon SA (Chevy)* [1999] ETMR 122 and [2000] RPC 572, *Premier Brands UK Limited v Typhoon Europe Limited* [2000] FSR 767 (Typhoon), *Daimler Chrysler v Alavi (Merc)*, *C.A. Sheimer (M) Sdn Bhd's TM Application (Visa)* 2000 RPC 484 and *Valucci Designs Ltd v IPC Magazines*, 0/455/00 (Loaded).

19. In *Loaded Simon Thorley QC*, sitting as the Appointed Person noted that in an attack under Section 5(3) it will be necessary for the tribunal to consider:

- "(i) whether the trade mark opposed is identical with or similar to the earlier trade mark
- (ii) whether the trade mark opposed is sought to be registered for goods or services which are not similar to those for which the earlier trade mark is protected
- (iii) whether, and to what extent, the earlier trade mark has a reputation in the United Kingdom
- (iv) whether the use of the later trade mark is "without due cause"
- (v) whether the use of the later trade mark
 - (a) takes unfair advantage of; and/or
 - (b) is detrimental to

the distinctive character or the repute of the earlier mark."

20. Taking the above points in turn the marks are clearly not identical (point (i)). The applied for

mark incorporates the whole of the opponents' word mark albeit in possessive form. The word PRESIDENT is the only feature of registration No. 1059644B and the dominant and distinctive feature of No. 1541175. It is a feature but in my view not necessarily a dominant feature of the applied for mark. It is true, as the opponents point out, that in the photograph of the applicants' product exhibited (JM1) to Mr Murray's declaration the word PRESIDENT'S is picked out in a different script to the other words but presentationally it is the other words which are (arguably) visually more prominent. The most memorable feature of the applicants' mark is the word HANCOCK'S. Applied to the goods in question the mark is suggestive of a product selected by the head of the Hancock's organisation in other words a premium brand. It has limited similarity, if any, with the opponents' marks.

21. I accept that the goods at issue are not similar (ii). In fact there is some considerable distance between them.

22. I accept too that the opponents' mark, PRESIDENT, has a reputation in this country in relation to cheeses and butter (point (iii)).

23. The question of whether use of the later mark is "without due cause" (iv) only arises if the opponents are otherwise successful but the applicants place reliance on the saving effect of these words. The critical issue is therefore whether any of the adverse consequences of (v) are made out.

24. Mr Besnier in his evidence on behalf of the opponents makes the point that

"There are many locations, such as bars, Clubs, pubs or the like, where even premium brands such as Hancocks' Presidents' Reserve are likely to be found. Young people nowadays are becoming more adventurous and sophisticated. Such places frequently also serve food and included in this could quite easily be the Opponents' mini-packs of butter or cheese as shown on pages 2, 4, 7 and 9 of Bundle A of Exhibit EB1. I believe that the opportunity for confusion exists and that some is likely to occur."

25. The opponents' written submissions develop the point as follows

"a) The evidence establishes that dairy products, and in particular butter and cheese, have and continue to be extensively sold under the mark PRESIDENT in the UK by the opponents. Butter and cheese in particular are widely supplied in "minipack" form so as to provide individual portions on tables or on plates in establishments where food is served to the public. The consumer will be aware of the mark PRESIDENT in the context of a high quality dairy product.

b) It is believed inevitable that the consumer will question whether or not a spirit, in this case bourbon, with the same mark included, comes from the same source. More particularly, the Opponents are concerned that use of the trade mark applied for could affect the Opponent's trade mark image in the eye of the consumer.

- c) In support of the contention that an Opponent can rely upon such concerns, we enclose a copy of a recent decision from OHIM that is of some relevance. This is Decision No. 1389/1999 concerning the Trade Marks YVES ROCHER/YVES ROCHE. In this case, the proprietors of YVES ROCHER were successful under Article 8 (5) of the Community Trade Mark Regulation. This was on the basis that the Opponent had shown that he had a reputation in the mark YVES ROCHER registered as an International Registration in Germany in relation to perfumery and cosmetics, and that an application for the mark YVES ROCHE in relation to a range of wine and spirit products in Class 33 was considered likely to take unfair advantage of or be detrimental to the distinctive character or the repute of the earlier registration."

and

"Whilst bourbon (like wines and spirits in the YVES ROCHER case) is a perfectly legitimate product to sell under suitable control, abuse of it is clearly harmful. The Opponents feel that damage to their image and reputation might arise were undesirable behaviour or effects resulting from excess consumption of the applicants' bourbon ever to become evident, and that this might be averted by refusing registration."

26. Unfortunately, whilst I have been provided with the French text of the above mentioned decision no translation has been offered. I note, however, from the description of the issues involved that the goods were different to those in issue before me and that the marks themselves were very much closer than the marks before me. I cannot, therefore, derive much assistance from the YVES ROCHER case.

27. From the opponents' submissions referred to above I understand their objection to be that use of the mark HANCOCK'S PRESIDENT'S RESERVE in relation to bourbon would cause damage to the reputation enjoyed by their mark PRESIDENT in relation to cheese and butter. Insofar as the objection is also concerned with the possible consequences of undesirable behaviour resulting from excessive consumption I reject that as a proper basis for consideration of the matter under Section 5(3). I must have regard to the goods themselves and the characteristics thereof not whatever scope exists for misuse or abuse of those goods and the possible consequences arising therefrom.

28. It is clear from a number of reported cases (see for instance Premier Brands and the other cases referred to in headnote 11 of that case) that Section 5(3) is not intended to have the sweeping effect of preventing the use of any sign that is the same as, or similar to, a registered trade mark with a reputation. In Oasis Stores Ltd's Trade Mark Application [1998] RPC 631 the Hearing Officer said

"It appears to me that where an earlier trade mark enjoys a reputation, and another trader proposes to use the same or similar mark on dissimilar goods or services with the result that the reputation of the earlier mark is likely to be damaged or tarnished in some significant way, the registration of the later mark is liable to be prohibited under Section 5(3) of the Act. By

'damaged or tarnished' I mean affected in such a way so that the value added to the goods sold under the earlier trade mark because of its repute is, or is likely to be, reduced on a scale that is more than de minimis.

In *British Sugar plc v. James Robertson & Sons Ltd* (TREAT) [1996] R.P.C. 281 at 295) Jacob J. gave the following dictum on the scope of section 10(3) of the Act (which, as I have already noted contains the same wording as section 5(3)). He stated:

"I only note that it might cater for the case where the goods were vastly different but the marks the same or similar and the proprietor could show that the repute of his mark was likely to be affected. The sort of circumstances of the Dutch *Claeryn/Klarein* (mark for gin infringed by identical sounding mark for detergent, damage to the gin mark image), may fall within this kind of infringement, even though they do not fall within section 10(2) because there is no likelihood of confusion as to trade origin."

It appears implicit from this statement that the sort of detriment that was being countenanced was damage that was likely to cause detriment to the reputation of the earlier trade mark in some material fashion. In the above instance one can imagine that the use of a similar mark for detergent carried with it a likelihood that the reputation of the earlier trade mark for gin was likely to suffer. No one likes to be reminded of a detergent when drinking their favourite tippie. In time the reputation of the earlier mark may have suffered to the extent that it no longer added the same degree of value to the goods as it did before."

29. I am unable to discern any particular aspect of the opponents' reputation in relation to cheese or butter under the mark PRESIDENT which would be damaged in any way by or as a result of the applicants' use of HANCOCK'S PRESIDENT'S RESERVE on bourbon. I note that the opponents comment specifically on the fact that small portion packs of their butter and cheese may be found in hotels, pubs, bars etc. as accompaniments to snack meals. I nevertheless remain of the view that it must be extremely doubtful whether any association would be made between the parties respective marks let alone that any damage would be caused to the opponents' reputation. I have little hesitation, therefore, in concluding that the Section 5(3) ground fails.

30. The Section 5(4)(a) ground does not appear to merit detailed separate consideration. The opponents' use of their mark is in the forms registered and within the scope of the specification of their registrations. As such I can see no basis for their succeeding under Section 5(4)(a) when they have failed under Section 5(2)(b).

31. The opposition as a whole has failed. The applicants are entitled to a contribution to their costs. I order the opponents to pay them the sum of £1500. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 26th day of April 2002

M REYNOLDS

**For the Registrar
the Comptroller-General**