

O-014-04

**TRADE MARKS ACT 1994  
IN THE MATTER OF APPLICATION NO. 2296259  
BY PLB GROUP LIMITED TO REGISTER  
THE TRADE MARK ASHWOOD IN CLASS 33**

**AND**

**IN THE MATTER OF OPPOSITION NO. 91073  
BY ASHWOOD GROVE PTY LTD**

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**by PLB Group Limited to register**  
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**IN THE MATTER OF Opposition No. 91073**  
**by Ashwood Grove Pty Ltd**

### **Background**

1. On 23 March 2002 PLB Group Limited (previously Private Liquor Brands Limited) applied to register the mark **ASHWOOD** for “alcoholic beverages; wines” in Class 33. The application is numbered 2296259.
2. On 12 September 2002 Ashwood Grove Pty Ltd filed notice of opposition to this application. They are the registered proprietors of the mark **ASHWOOD GROVE** under No. 2108737 covering wines in Class 33. They say they have used the mark **ASHWOOD GROVE** since May 2000 in relation to their business as a producer and distributor of wines and in relation to wine. On the basis of these facts and circumstances they raise objections under Section 5(2)(b) and 5(4)(a) of the Act.
3. There is a related revocation action between the parties whereby the current applicants are seeking to have No. 2108737 removed from the register for non-use (Revocation No. 80874).
4. In their counterstatement the applicants claim that because of the revocation action No. 2108737 cannot be considered an earlier right (strictly I take the applicants to mean an earlier trade mark) for the purposes of Section 5(2)(b). Furthermore they say that the opponents cannot show the necessary goodwill or reputation to establish a relevant right for the purposes of Section 5(4)(a). They also deny that use of the mark **ASHWOOD** would constitute a misrepresentation causing confusion.
5. Both sides ask for an award of costs in their favour. Only the opponents have filed evidence.
6. Both this case and the related revocation action were reviewed by Hearing Officers who indicated that it was felt that they could be dealt with on the basis of the papers filed and without recourse to a hearing. The parties were nevertheless reminded of their right to be heard or to offer written submissions. The parties were also advised that both sets of proceedings would be considered by the same Hearing Officer. In the event neither side has asked to be heard. Written submissions have been received from Bailey Walsh, Ashwood Grove’s professional representatives, under cover of their letter of 25 September 2003. These submissions are principally relevant to the revocation action. Acting on behalf of the Registrar and with the above material in mind I give this decision.

## Evidence

7. The registered proprietors have adopted into these proceedings the first round of evidence filed in the related revocation action, that is to say statutory declarations by Messrs Moularadellis, Hargrave and Walker. For ease of reference I reproduce below my summary of that evidence from the revocation proceedings.

“Mr Moularadellis is the Managing Director of both Kingston Estate Wines Pty Ltd, an Australian company and its associated company Ashwood Grove Pty Ltd (the proprietors).

Mr Moularadellis says that the mark ASHWOOD GROVE was first used on wines in Australia in 1997. Since 1998 attempts have been made to promote and sell ASHWOOD GROVE wines in the UK. An exclusive distribution arrangement was offered to UK wine distributor, Matthew Clarke Brands, in 1998. The brand was also offered to several other UK importers/distributors during the years 1998 and 1999. Two of these were Independent Wine Buyers Consortium and McCabes in Northern Ireland. Also in 2001 ASHWOOD GROVE wines were offered to UK wine importer Moreno Wine Importers to try and obtain a distribution deal. No distribution arrangements have as yet been concluded. Recent market research has suggested the need for redesigning the labels and packaging. Specimens of the current and proposed new labels and packaging are exhibited at BM1 and 2.

Finally Mr Moularadellis says that a consignment of 500 cases of ASHWOOD GROVE wines was due to be shipped to Kingston Estate Wines (UK) Pty Ltd. This was expected to arrive in the UK on 15 November 2002 and be available for retail sale.

Mr Hargrave is a Director of Austwine Exports Pty Ltd, a company which has acted as a wine broker for Kingston Estate Wines Pty Ltd. He says he recalls, either in 1999 or 2000, taking several bottles of ASHWOOD GROVE wine as hand luggage on a business trip to the UK. They were displayed and offered for sale at the 1999 or 2000 London Wine Trade Fair (he thinks it was the 1999 event).

Mr Hargrave also refers to bottles being shipped to Moreno Wine Importers (in this respect he corroborates Mr Moularadellis' evidence). In support of this he exhibits a shipment receipt (GSH1) and a value and origin declaration form (GSH2).

The final declaration from the registered proprietors' first round of evidence is from Andrew Walker, the UK manager of Kingston Estate Wines (UK) Pty Ltd. He says that on several occasions during the last 3 years he entered into negotiations with potential customers to supply wine manufactured by Ashwood Grove Pty Ltd under the trade mark ASHWOOD GROVE. He does not identify those contacts but says he has supplied advertising materials and sample bottles of wine.”

### **Section 5(2)(b)**

8. The Section reads:

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

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

9. Section 6(1)(a) is also relevant and reads:

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

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

The opponents' mark is an earlier trade mark in as much as it has an earlier filing date. However, in the related revocation action I have found in PLB's favour with the result that (subject to the outcome of any appeal) Ashwood Grove's mark will be revoked with effect from 21 February 2002. In *Riviera Trade Mark* [2003] RPC 50 the Registry's Hearing Officer held that Section 46(6) of the Trade Marks Act 1994 made it clear that the rights of the proprietor of a revoked registration continued to exist up to the date of the application for revocation unless the registrar was satisfied that the grounds for revocation existed at an earlier date. In this case PLB's success on the basis of Section 46(1)(a) in the related action has resulted in Ashwood Grove's registration being removed from a date which precedes the filing date of their own application. As a consequence No. 2108737 was no longer an earlier trade mark as at the material date and cannot constitute a barrier to the progress of this application. The opposition fails under Section 5(2)(b).

### **Section 5(4)(a)**

10. This reads:

“(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) by virtue of an earlier right other than those referred to in subsections (1) to (3) or paragraph (a) above, in particular by virtue of the law of copyright, design right or registered designs.

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.”

11. The requirements for this ground of opposition have been restated many times and can be found in the decision of Mr Geoffrey Hobbs QC, sitting as the Appointed Person, in *WILD CHILD Trade Mark* [1998] RPC 455. Adapted to opposition proceedings, the three elements that must be present can be summarised as follows:

- (1) that the opponents’ goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;
- (2) that there is a misrepresentation by the applicants (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by the applicants are goods or services of the opponents, and
- (3) that the opponents have suffered or are likely to suffer damage as a result of the erroneous belief engendered by the applicants’ misrepresentation.

12. The opponents rely on the evidence filed in the revocation action (or rather the first round thereof). Having found that that evidence was insufficient to establish genuine use for the purposes of Section 46(1) of the Act it is difficult to conceive of circumstances where the opponents could nevertheless succeed in establishing goodwill for the purposes of section 5(4)(a) where the mark and goods relied on are the same and the time frame is substantially the same. Even if such circumstances can arise this is not such a case. I have considered the evidence in the related action and do not propose to repeat my analysis here. Suffice to say that no sales to consumers have been reported. The most that can be said is that a very small number of bottles of wine were sent as trade samples to a potential distributor. The remainder of the opponents’ case is based on contacts made with a small number of other potential importers/distributors, none of which bore fruit, and the display of a small number of

bottles at a trade show. There is no material to substantiate the latter claim and no evidence that it achieved any results.

13. On the basis of this material the opponents have no basis for claiming that their goods had acquired goodwill in the marketplace by the relevant date - that is prior to the date of PLB's application for registration (see Article 4.4(b) of First Council Directive 89/104). The issues of misrepresentation and damage do not, therefore, arise. The opposition fails under Section 5(4)(a).

### **Costs**

14. The applicants have been successful and are entitled to a contribution towards their costs. I order the opponents to pay them the sum of £750. This award reflects the fact that the only evidence the applicants have had to consider is material with which they were already familiar from the related revocation action. 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 14<sup>th</sup> day of January 2004**

**M REYNOLDS  
For the Registrar  
the Comptroller-General**