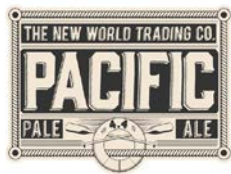


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TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK APPLICATION NO 3 127 112 FOR THE



MARK:

IN THE NAME OF NEW WORLD TRADING (UK)
LIMITED FOR GOODS IN CLASS 32

AND

IN THE OPPOSITION THERETO BY CERVECERIA DEL PACIFICO, S. DE R.L DE
C.V.

Background and pleadings

1. New World Trading Company (UK) Limited (the applicant) applied to register



the trade mark in the UK under number 3 127 112 on 15/09/2015. It was accepted and published in the Trade Marks Journal on 30/10/2015 in respect of the following goods in Class 32:

Beer; root beer; wheat beer; ales; lager; stout; alcohol-free beers; beer based cocktails; extracts of hops for making beer; brewery products; low alcohol beer; non-alcoholic beverages; non-alcoholic beer flavoured beverages.

2. Cerveceria del Pacifico, S. de R.L. de C.V. (the opponent) opposes the trade mark on the basis of Section 5(2)(b) of the Trade Marks Act 1994 (the Act). This is on the basis of, amongst others, its earlier trade mark



under No 2 457 354. The following goods are relied upon in this opposition:

Class 32:

Beer.

3. The opponent argues that the respective goods are identical or similar and that the marks are similar.

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4. The applicant filed a counterstatement denying the claims made (and requesting that the opponent provides proof of use of its earlier trade mark relied upon).
5. Only the opponent filed evidence in these proceedings. This will be summarised to the extent that it is considered necessary.
6. Both sides filed written submissions which will not be summarised but will be referred to as and where appropriate during this decision. No hearing was requested and so this decision is taken following a careful perusal of the papers.

Evidence

7. It is noted that the earlier trade mark relied upon is subject to the following proof of use provisions:

Section 100 of the Act states that:

“100. If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it.”

Relevant statutory provision: Section 6A:

“Raising of relative grounds in opposition proceedings in case of non-use

6A. - (1) This section applies where -

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

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(b) there is an earlier trade mark of a kind falling within section 6(1)(a), (b) or (ba) in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and

(c) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication.

(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

(3) The use conditions are met if -

(a) within the period of five years ending with the date of publication of the application the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or

(b) the earlier trade mark has not been so used, but there are proper reasons for non- use.

(4) For these purposes -

(a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and

(b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

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(5) In relation to a European Union trade mark or international trade mark (EC), any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Union.

(6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.”

8. The relevant period for assessing use is five years prior to the filing date of the application, the subject of these proceedings. That is 15th September 2015.
9. The evidence filed by the opponent is a witness statement, dated 8 February 2016, from Mr Francois Uyttenhove, the Senior IP Manager for the opponent. The relevant details contained therein are:
 - Exhibit FU1 contains documents in respect of Market trends in the UK in respect of beer. What can be established from this is that the market is sizeable and that there are certain major players. There is no suggestion that the opponent occupies one of these positions, but the information is useful in terms of providing context.
 - PACIFICO has been sold and used continuously in the European Union since as early as 1990; the UK being among the top countries of popularity. Exhibit FU2 contains examples of invoices in respect of PACIFICO beers in the UK. Many are dated within the relevant period.
 - In the UK, it is estimated that 4,958 HL of PACIFICO (hectolitres are equivalent to 100 litres) were sold in 2015 with a net revenue of £673,667. Though not a huge amount, this is considered to be more than merely modest.
 - PACIFICO is available through a number of retailers. Online, these include Asda, Amazon.co.uk and other specialist beer retailers. Exhibit

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FU4 provides examples of the brand being advertised on these third party retailers.

- Exhibit FU5 provides evidence of establishments in the UK selling PACIFICO (bars, restaurants and the like).

10. It is noted that there are invoices covering addresses in the UK during the relevant period. Further, there are printouts from various online retailers offering for sale, beers bearing the earlier trade mark. There are also examples of restaurants and the like stocking and selling the same. Though the opponent is not a major player in the UK beer market, the level of sales claimed are not insignificant and clearly genuine.

DECISION

Section 5(2)(b)

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

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

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark”.

Comparison of goods

12. In the judgment of the Court of Justice of the European Union in *Canon*, Case C-39/97, the court stated at paragraph 23 of its judgment that:

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

13. The relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, for assessing similarity were:

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

14. The earlier goods are *beers* and the later goods are *beer; root beer; wheat beer; ales; lager; stout; alcohol-free beers; beer based cocktails; extracts of hops for making beer; brewery products; low alcohol beer; non-alcoholic beverages; non-alcoholic beer flavoured beverages.*

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15. Beer appears in both and so are clearly identical. Further, the contested *root beer, wheat beer, alcohol free beers, low alcohol beers* are all clearly included within the earlier term and so are also identical. The contested *lagers, ales, stouts* are alternatives to the earlier term and so can be directly competitive. Their purpose is likely to coincide, as is the relevant trade channels. They are highly similar. The same line of argument can be applied to the contested *beer based cocktails, non alcoholic beer flavoured beverages*. These too are highly similar. The contested *non alcoholic beverages* can also include non alcoholic beers and so is also included in the earlier term and is considered to be identical.
16. This leaves the following terms: *extracts of hops for making beer; brewery products*. The latter can include beer making kits and the like and both the remaining contested terms can be in direct competition with the earlier beers as consumers may choose to brew their own rather than purchasing the pre prepared end product. There is similarity to a low to moderate degree.

Comparison of marks

17. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The Court of Justice of the European Union stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

“.....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a

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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.”

18. 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.

19. The respective trade marks are shown below:

	
Earlier trade mark	Contested trade mark

20. Both trade marks are complex and comprised of a number of elements. It is noted that in the earlier trade mark, the element PACIFICO appears in larger font than the remaining elements and is in a central position. The element PACIFIC in the later trade mark is also larger and appears centrally. These elements therefore will be accorded greater relative weight, though it is not suggested that the remaining elements will be ignored as they are clearly not negligible.

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21. Visually, the marks coincide in respect of the letters PACIFIC and differ in respect of the additional words and letters as shown. They also differ in respect of overall presentation. Though they both contain a device of a “life ring”, these appear in different positions and contain additional differences; an anchor in the earlier trade mark and oars in the later. They are considered to be visually similar to only a low degree.
22. Aurally, the marks are most likely to be articulated as “PACIFICO” and “PACIFIC”. The marks coincide in respect of the first three syllables and are considered to be aurally similar to a high degree.
23. Conceptually, both PACIFICO and PACIFIC refer to the geographical area in or near the Pacific Ocean (albeit the former being in the Spanish language). To some extent, this connection with the ocean is reinforced by the devices of a life ring in each. The earlier trade mark also includes an anchor and the later trade mark, oars. For some consumers therefore, there is clearly conceptual similarity. It cannot be excluded that at least a part of the relevant public will not understand PACIFICO as referring to in or near the Pacific Ocean. For those consumers, there is no conceptual similarity.

Average consumer and the purchasing act

24. 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*.
25. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

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“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.”

26. The goods in question will most likely be self selected from a supermarket shelf and/or selected orally at a bar/restaurant. Thus, both visual and aural considerations are important. They are consumable items that will be purchased fairly frequently and at relatively low cost. The level of attention one would expect to be displayed during the purchasing process will therefore be at the lower end of the spectrum.

Distinctive character of the earlier trade mark

27. 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).

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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).”

28. In respect of the earlier trade mark, there is nothing in the evidence to suggest that any particular targeting has occurred, therefore the distinctiveness must be assessed in reference to the relevant public as a whole, in this case the public at large. There will be some amongst the public at large who understand PACIFICO to refer to the Pacific Ocean or the area in and/or around it. There will also be (likely a larger proportion) of consumers for whom no such meaning is conveyed, though it may be seen as having as being non English in origin, which may be reinforced by the remaining (Spanish) words which appear in the mark. In respect of the latter, the earlier trade mark is perfectly distinctive, to at least an average degree. In respect of the former, there remains no clear meaning conveyed. As such, even for such a consumer, this mark is clearly averagely distinctive.

GLOBAL ASSESSMENT – Conclusions on Likelihood of Confusion.

29. 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-*

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Goldwyn-Mayer Inc, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P.

The principles

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive

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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.

30. Although the trade marks contain differences, PACIFICO and PACIFIC within the trade marks is considered likely to provide a hook in the mind of the consumer and so are rightfully accorded greater relative weight. The marks have been found to be visually similar to only a low degree but aurally similar to a high degree. For those who understand the meaning of PACIFICO, the marks are also conceptually similar. The respective goods have been found to be either identical or similar. I also take into account the relatively low level of attention that would be displayed during the purchasing process and thus the potential greater impact of imperfect recollection. All of the aforesaid leads to the conclusion that the relevant public is likely to mistake one mark for the other.

31. The opposition therefore succeeds in respect of Section 5(2)(b) in its entirety.

COSTS

32. The opponent has been successful and is entitled to a contribution towards its costs. It should be noted that this is the second decision issued in respect of these parties. The first, issued on 28th September 2016 in respect of opposition 404 468 was a case that was originally consolidated with the proceedings here. Unfortunately, this was overlooked. As such, the costs award here reflects only the Opposition fee and accompanying statement to reflect the costs incurred by the opponent prior to consolidation and also to reflect the single set of evidence filed to cover both proceedings. As such, I award the opponent the sum of £300 as a contribution towards the cost of the proceedings. The sum is calculated as follows:

Notice of opposition and accompanying statement (plus official fee) - £300

TOTAL - £300

33. I therefore order New World Trading Company (UK) Limited to pay Cerveceria del Pacifico, S. de R.L. de C.V. the sum of £300. The above sum should be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

34. In respect of the appeal period, it should be noted that the period set for the first decision, dated 28th September 2016, will be brought into line with that set for this decision, namely 28 days from the date of this decision. This is so as

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to reflect the fact that the cases were originally consolidated and a single decision should have been issued.

Dated this 17th day of October 2016

Louise White

For the Registrar,