

**O-677-18**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION NO. 3212981  
BY RYAN CARTER TO REGISTER THE TRADE MARK**

**CARTER**

**IN CLASS 33**

**AND**

**IN THE MATTER OF OPPOSITION THERETO  
UNDER NO. 409329 BY COTT BEVERAGES LIMITED**

## BACKGROUND AND PLEADINGS

1. On 15 February 2017, Ryan Carter (“the applicant”) applied to register the trade mark shown on the cover page of this decision for *Alcoholic Beverages (excluding Beers)* in class 33. The application was published for opposition purposes on 24 February 2017.

2. Registration is opposed by (formerly) Cott Beverages Limited (“the opponent”)<sup>1</sup>. The opposition is based on Sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”).

3. For the purpose of Section 5(2)(b) of the Act, the opponent relies upon its earlier EUTM registration number 9017121 for the word CARTERS which has a filing date of 9 April 2010 and a registration date of 24 August 2010. The opponent relies upon all of the goods for which the mark is registered, namely *non-alcoholic beverages* in class 32. It argues that the respective goods are similar and that the marks are identical or highly similar.

4. Under Section 5(3) of the Act, the opponent relies upon its earlier UK trade mark registration number 1155810 for the word CARTERS which has a filing date and a registration date of 16 June 1981 and it is registered for *non-alcoholic drinks included in Class 32*. The opponent claims that its mark enjoys a reputation in the UK as a result of long-standing and extensive use in relation to soft drinks, root beer and mixers. It submits that any association made by the public between the opponent’s established brand and the applicant’s goods is likely to cause detriment to the reputation of the earlier mark, particularly if the goods offered by the applicant are of lower quality than those offered by the opponent and could potentially reduce the value of the earlier mark and affect the purchasing decision of consumers in the marketplace. Use of the applied for mark would therefore take unfair advantage or be detrimental to the distinctive character or the repute of the earlier mark.

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<sup>1</sup> The change of the owner’s name from Cott Beverages Limited to Refresco Drinks UK limited was recorded on 19 June 2018.

5. Under Section 5(4)(a) of the Act, the opponent relies on claimed earlier (unregistered) rights arising from its use of the word CARTERS, which the opponent claims to have used throughout the UK since 1894 in respect of soft drinks.

6. The applicant filed a counterstatement in which he denies the grounds of opposition.

7. In these proceedings, the opponent is represented by Wildbore & Gibbons LLP; the applicant acts without professional legal representation. Both parties filed evidence during the course of the evidence rounds. Neither party asked to be heard but the opponent filed written submission in lieu of attendance at a hearing. This decision is taken following a careful reading of all of the papers.

### **The evidence**

8. The opponent's evidence takes the form of a witness statement, dated 20 November 2017, from Keeley Williams, trade mark attorney with Wildbore & Gibbons LLP, the opponent's representatives in these proceedings. The applicant's evidence takes the form of a witness statement, dated 17 December 2017, from Mr Rayan Carter. I do not intend to summarise this evidence here but will refer to it as necessary in this decision.

### **DECISION**

9. Section 5(2)(b) of the Act reads:

“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.”

10. An earlier trade mark is defined in section 6 of the Act, the relevant parts of which states:

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

(a) a registered trade mark, international trade mark (UK) or Community trade mark or international trade mark (EC) 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, [...]”

11. In these proceedings, the opponent is relying upon the EU registered mark shown in paragraph 3 above, which qualifies as an earlier mark under the above provisions. As this mark completed its registration process more than five years before the publication date of the application in suit, it is, in principle, subject to the proof of use provisions under Section 6A of the Act. However, when completing his counterstatement, the applicant opted not to ask the opponent to prove use of the EU mark. Consequently, and despite the opponent making a statement of use of this mark<sup>2</sup>, it is not (for the purposes of this opposition) subject to proof of use. The opponent can therefore rely on all of the goods it has identified without it needing to prove any use.

12. 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:

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<sup>2</sup> The opponent provided a statement that it had used its mark for soft drinks, root beer and mixers. Even if I were to hold (which I do not) that the opponent could rely only on the goods for which it claims use, it would make no difference. This is because, though the terms are not identically worded, I consider that “soft drinks” is just another term for “non-alcoholic drinks”. In this connection, I note that the Collins online dictionary defines a “soft drink” as “a nonalcoholic drink, usually cold” and that the EUIPO classification tool, TMClass, which translates individual goods and services in the various languages of the EU, translates the term “soft drink” as “bevande non alcoliche” (Italian) “bebidas refrescantes sin alcohol” (Spanish), “boissons sans alcool” (French) and “bebidas sem álcool” (Portuguese), all of which correspond to the English term “non-alcoholic beverages”.

- (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 greater 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.

### **Preliminary issue**

13. In his counterstatement, the applicant stated:

“It is denied that goods in Class 33 Alcoholic Beverages, specifically the Applicant's Fine Wines, are similar to goods in Class 32, and specifically the Opponent's areas of concern "soft drinks, root beer, [and) mixers", in a relevant or significant way concerning the application. The categorical separation of Classes 32 and 33 upholds that they are fundamentally different. The Opponent's use of the mark CARTERS is on a range of cherryade, lemonade, root beer and various mixers, all carbonated and in either plastic bottles or cans. The Opponent's products are available in a number of supermarkets and convenience stores, ranging in price from 79p for a litre bottle to £1.66 for six 330ml cans. The Applicant's products are imported Fine Wines, available only through a limited number of wine merchants and wine bars, priced at at least £28.00 per 750ml bottle, and not able to be purchased by minors. The reasons for purchasing the Applicant's and the Opponent's respective products are dissimilar; they are consumed for different reasons and on different occasions, and they meet different consumer needs respectively. The consumers of the Applicant's products are wine buyers, informed about the products' origin, and make a relatively high monetary investment in them. Consumers of "soft drinks, root beer, [and] mixers" tend to invest relatively little money, are not required to purchase from or consume on licenced premises, tend to either be minors or

those abstemious of alcohol, consume for reasons primarily of refreshment and specifically the avoidance of alcohol and its effects, and in a different range of times and occasions. It is denied that the goods covered by the Applicant's and the Opponent's marks have relevant similarity in purpose, end users, or complementarity.”

14. In addition, the applicant referred to other trade mark registrations and businesses using the word Carter/Carters, though these claims are not supported by evidence.

15. Some of these are familiar arguments in trade mark oppositions. Before going further into the merits of this opposition, it is necessary to explain why, as a matter of law, these points will have no bearing on the outcome of this opposition.

16. First, I have already found that the opponent can rely on all the goods listed in the register, namely *non-alcoholic beverages*. Consequently, the earlier mark is entitled to protection against a likelihood of confusion with the applicant's mark based on the 'notional' use of the earlier mark in relation to all the goods covered by the registered specification. This concept of notional use was explained by Laddie J. in *Compass Publishing BV v Compass Logistics Ltd* ([2004] RPC 41) like this:

"22. ....It must be borne in mind that the provisions in the legislation relating to infringement are not simply reflective of what is happening in the market. It is possible to register a mark which is not being used. Infringement in such a case must involve considering notional use of the registered mark. In such a case there can be no confusion in practice, yet it is possible for there to be a finding of infringement. Similarly, even when the proprietor of a registered mark uses it, he may well not use it throughout the whole width of the registration or he may use it on a scale which is very small compared with the sector of trade in which the mark is registered and the alleged infringer's use may be very limited also. In the former situation, the court must consider notional use extended to the full width of the classification of goods or services. In the latter it must consider notional use on a scale where direct competition between the proprietor and the alleged infringer could take place”.

17. This approach was endorsed by the Court of Appeal in *Roger Maier v ASOS*<sup>3</sup>. Therefore, although the mark that the opponent has actually used may be relevant when it comes to assessing its claim for additional legal protection based on the claimed reputation of the earlier mark, the actual mark that the opponent has used is irrelevant when it comes to assessing the likelihood of confusion based on just the registration of the earlier mark.

18. Second, so far as the use of the applicant's mark is concerned, it is not apparent from the description of the goods applied for by that mark that they are limited to wines. In *O2 Holdings Limited, O2 (UK) Limited v Hutchison 3G UK Limited* (Case C-533/06), the Court of Justice of the European Union ("CJEU") stated at paragraph 66 of its judgment that, when assessing the likelihood of confusion in the context of registering a new trade mark, it is necessary to consider all the circumstances in which the mark applied for might be used if it were registered. As a result, any differences between the goods provided by the parties are irrelevant, unless those differences are apparent from the respective specifications.

19. Third, as the comparison is made only between the applicant's mark and the earlier mark, and their respective specifications, the existence of other businesses incorporating the component Carter/Carters is not relevant to the decision I must make. The applicant also seeks to rely on the existence of other similar marks on the UK and EUTM registers in order to show that such marks can coexist without a likelihood of confusion. However, in the absence of evidence that such marks are in use this sort of evidence has always been given short shrift. This is because without evidence that the marks are in use on a scale that might have led to confusion, it cannot be shown that the public have got used to distinguishing between them without confusion. There is ample authority to this effect<sup>4</sup>. It is therefore well established that the mere existence of similar marks on trade mark registers neither increases nor decreases the likelihood of confusion between one such mark and another trade mark in a different ownership. The 'state of the register' evidence is therefore of no weight.

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<sup>3</sup> [2015] EWCA Civ 220 at paragraphs 78 and 84

<sup>4</sup> See, for example, *TREAT* [1996] RPC 281



## Comparison of goods

20. In comparing the respective specifications, all the relevant factors should be taken into account. In the judgment of the CJEU in *Canon*, (Case C-39/97), the Court stated at paragraph 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 are complementary”.

21. 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 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.

22. In *YouView TV Ltd v Total Ltd*, [2012] EWHC 3158 (Ch), Floyd J. (as he then was) stated that:

"... Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 *The Chartered Institute of Patent Attorneys (Trademarks) (IP TRANSLATOR)* [2012] ETMR 42 at [47]-[49]. Nevertheless the principle should not be taken too far. Treat was decided the way it was because the ordinary and natural, or core, meaning of 'dessert sauce' did not include jam, or because the ordinary and natural description of jam was not 'a dessert sauce'. Each involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question."

23. In *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another*, [2000] F.S.R. 267 (HC), Neuberger J. (as he then was) stated that:

"I should add that I see no reason to give the word "cosmetics" and "toilet preparations"... anything other than their natural meaning, subject, of course, to the normal and necessary principle that the words must be construed by reference to their context."

24. In *Kurt Hesse v OHIM* (Case C-50/15 P), the CJEU stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods. In *Boston Scientific Ltd v OHIM*, (Case T-325/06), the General Court (GC) stated that "complementary" means:

"...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".

25. The parties' goods are:

<b>Applicant's goods</b>	<b>Opponent's goods</b>
Class 33 <i>Alcoholic Beverages (excluding Beers)</i>	Class 32 <i>Non-alcoholic beverages</i>

26. Broadly speaking, all of the goods are beverages for consumption. The goods target the same public<sup>5</sup>, have the same methods of use and share the same distribution channels as they are often sold both in shops and bars and on drink menus. The goods can be mixed and consumed together, for instance in cocktails, so there is a degree of complementarity. Though the nature of the goods is different (in light of the presence or absence of alcohol in their composition), the applied for *alcoholic beverages* include alcopops<sup>6</sup>, which are flavored alcoholic beverages with low alcohol content (normally high in sugar). In this connection, I note that the dictionary definition of alcopop is of "an alcoholic drink that tastes like a soft drink"<sup>7</sup>; accordingly, I find that is a certain measure of competition between the applied for *alcoholic beverages* (which cover alcopops) and the opponent's soft drinks (which are covered by the term *non-alcoholic beverages* in the opponent's specification).

27. For the sake of completeness, I should also say that even if I were to limit my analysis to the applicant's wines (which are covered by the applied for term *alcoholic beverages*), the opponent's *non-alcoholic beverages* include non-alcoholic wines which could be chosen as an alternative to (alcoholic) wines, so the goods are, to a certain extent, in competition with each other. Therefore, in relation to certain goods covered by the respective specifications, namely alcoholic goods and their non-alcoholic equivalent, i.e. wine *versus* non-alcoholic wine, cider *versus* non-alcoholic cider, the degree of similarity is high. In relation to other goods, i.e. alcopops *versus* soft drinks, the degree of similarity is lower, i.e. medium. Whilst I accept that there might be only a low degree of similarity, or indeed none at all, between some goods in

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<sup>5</sup> The fact that the opponent's *non-alcoholic beverages* could also be consumed by children and teetotallers, it is not relevant as the likelihood of confusion must be established by reference to those consumers who are potential buyers of both parties' goods.

<sup>6</sup> Case T- 276/09

<sup>7</sup> Collins online English dictionary

the broad category of goods covered by the applied for mark and some goods covered by the opponent's mark, this fact does not alter my finding that there is, in relation to some of the applied for goods, a high or medium degree of similarity<sup>8</sup>.

### **The average consumer and the nature of the purchasing act**

28. As the case law above indicates, it is necessary for me to determine who the average consumer is for the goods at issue; I must then determine the manner in which these goods will be selected in the course of trade. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

“60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

29. The average consumer of the goods in question is the general public. For goods with alcohol content, the average consumer will be over 18 years of age.

30. The goods can be bought in a supermarket or off licence, where the selection is likely to be made by the consumer from a shelf. They may also be bought from a website where the consumer will also select the goods visually. They may also be sold through bars, clubs and public houses, where the goods may be requested orally, from a member of staff. In considering this point I bear in mind the comments of the GC in *Simonds Farsons Cisk plc v OHIM* when it said:

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<sup>8</sup> See Case T-276/09, paragraph 30 and 31

“In that respect, as OHIM quite rightly observes, it must be noted that, even if bars and restaurants are not negligible distribution channels for the applicant’s goods, the bottles are generally displayed on shelves behind the counter in such a way that consumers are also able to inspect them visually. That is why, even if it is possible that the goods in question may also be sold by ordering them orally, that method cannot be regarded as their usual marketing channel. In addition, even though consumers can order a beverage without having examined those shelves in advance they are, in any event, in a position to make a visual inspection of the bottle which is served to them.”

31. Consequently, even though the purchase of these goods in a bar may involve an aural element, the selection will be made, primarily, from the display of goods on shelves, in fridges and on optics at the back of the bar. Accordingly, the purchase of such goods is primarily visual, though I do not discount an aural element.

32. The level of attention paid to the purchase will vary depending on the nature of the goods. Whilst the goods include expensive wines and champagne which may give rise to a higher level of attention being paid, as a general rule, they are fairly low value, reasonably frequent purchases. In any event, the level of attention paid will be that necessary to achieve inter alia, the correct flavour, strength and variety. Accordingly, the average consumer will pay an average degree of attention.

### **Comparison of marks**

33. 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 them, 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.”

34. It would be wrong therefore artificially to dissect the marks, although it is necessary to take into account their distinctive and dominant components and to give due weight to any other features, (which are not negligible) and therefore contribute to the overall impressions created by them. The marks to be compared are:

<b>Applied for mark</b>	<b>Earlier mark</b>
CARTER	CARTERS

### **Overall impression**

35. Each mark consists exclusively of a single word presented in upper case in which no part of the word is highlighted or emphasised in any way. As there are no distinctive and dominant components, the overall impression each mark will convey to the average consumer will result from the word as a whole.

### **Visual and aural similarity**

36. The marks coincide in the letters CARTER. The only difference between the marks is that the earlier mark has a ‘S’ at the end. The marks are visually and aurally similar to a high degree.

## Conceptual similarity

37. Both marks will, in my view, be understood as surnames. Since names may have a concept<sup>9</sup>, to the extent that the public could regard CARTER and CARTERS as different versions of the same family name, they are conceptually similar to a high degree. Alternatively, notwithstanding the absence of an apostrophe between the letters “R” and “S”, I consider that the earlier mark could be understood as the possessive form of CARTER (indicating that the goods sold under the brand CARTERS are offered by an undertaking named CARTER), in which case the marks would be conceptually identical.

## Distinctive character of earlier mark

38. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*<sup>26</sup>, 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

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<sup>9</sup> BL-O-276-18

originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

39. The opponent has filed some evidence of use of the mark, including, inter alia, prints from websites of online UK retailers<sup>10</sup> showing various Carters branded non-alcoholic beverages for sale (exhibits 3-5). However, the prints are all undated, save for the printing date of 18 October 2018, and are not supported by any indication of turnover figures, market share or advertising spent. The evidence aimed at supporting the opponent’s claim that the earlier mark has been used upon the goods is scant and does not establish that the opponent’s mark had acquired an enhanced degree of distinctive character at the relevant date, i.e. the date when the applied for mark was filed.

40. The earlier mark consists of the surname CARTERS. There is no evidence to suggest that the surname CARTERS is common or uncommon. On that basis, the earlier mark can be said to be inherently distinctive to an average level.

### **Claims to coexistence?**

41. The applicant has filed evidence aimed at showing use of the applied for mark in relation to wines by his family since 1890. It includes:

- i. a snapshot of a page from the website [humblegrape.co.uk](http://humblegrape.co.uk), which it is said, is the applicant’s stocklist’s website. It shows a bottle of wine featuring the name CARTER (it can just about be made out) and identified as ‘Carter Chardonnay 2010, Margaret River, Western Australia’ and contains the following text: “Rayan Gosling? Rayan Reynold? Rayan Griggs? Nope. It is all about Rayan Carter. The Carter family have been making wine since 1890 and Rayan has produced world famous Chardonnay at Isole Olena in Tuscany, [...]. The Carter first planted grapevines on their Marybrook property in the 1890s. The

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<sup>10</sup> Asda, Sainsbury, UK Amazon, Wunderstore.



Chardonnay is a continuation of their methods ungrafted, unirrigated, hand-picked, natural wild yeast and gravelly terroir on an ancient riverbank [...]”;

- ii. a snapshot of a page from the website [janicerobinson.com](http://janicerobinson.com) detailing information about a wine called ‘Marybrook, Carter Chardonnay 2009 Margaret River’. The producer is identified as ‘Marybrook’, the appellation as ‘Margaret River’ and the country (of production) as Australia;
- iii. a snapshot of a page from the website [cellartracker.com](http://cellartracker.com) about a wine called ‘2009 Carter Chardonnay’;

42. According to the applicant, the above evidence confirms that “the applicant’s products have been available in the UK for a significant time, without apparent adverse effect on the sale or commercial standing of any other products in goods category class 33, alcoholic beverages, or indeed any other goods and/or services in any other category whatsoever”.

43. Even if the applicant’s argument equates to a claim that the applied for mark coexisted on the market with the opponent’s earlier mark (a factor which, in turn, could reduce the likelihood of confusion), the evidence filed is not sufficient to demonstrate such coexistence as it does not provide any information about the scale of use in the UK. Therefore, the applicant’s argument is dismissed.

### **Likelihood of confusion**

44. In determining whether there is a likelihood of confusion, 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 vice versa. I must also keep in mind the average consumer for the goods, the nature of the purchasing process and 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 he has retained in his mind.

45. There are two types of relevant confusion to consider: direct confusion (where one mark is mistaken for the other) and indirect confusion (where the respective similarities lead the consumer to believe that the respective goods and services come from the same or a related trade source). This distinction was summed up by Mr Iain Purvis Q.C. sitting as the Appointed Person in *L.A. Sugar Limited v By Back Beat Inc*, Case BL-O/375/10:

“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.”

46. In *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17, Mr James Mellor Q.C., as the Appointed Person, stressed that a finding of indirect confusion should not be made merely because the two marks share a common element. In this connection, he pointed out that it is not sufficient that a mark merely calls to mind another mark. This is mere association not indirect confusion.

47. Earlier in my decision I found that the parties’ marks are visually, aurally and conceptually similar to a high degree (or conceptually identical), a factor which weights in the opponent’s favour. The goods will be selected visually, with an average degree of attention being paid. The earlier mark is distinctive to an average degree. Other than for the final ‘S’ at the end of the earlier mark, the parties’ marks are virtually identical. Though some of the goods concerned might not be close enough for direct confusion to arise, having regards for the potential for imperfect recollection of the marks, I consider that there is, nonetheless, a risk of confusion.

48. In particular, I consider that imperfect recollection is likely to cause the average consumer to misremember the earlier mark and to believe that the applied for mark is the same as the earlier mark, hence directly confusing the marks in respect of highly similar goods. Where the degree of similarity between the goods involved is less pronounced, i.e. medium, I consider that imperfect recollection is likely to cause the average consumer to misremember the earlier mark and to believe that goods bearing the applied for mark emanate from the same source, or an economically linked one, as those bearing the earlier mark. **There is a likelihood of both direct and indirect confusion.**

## **CONCLUSION**

49. As the opposition has succeeded in full under Section 5(2)(b) of the Act, there is no need for me to consider the remaining grounds as to do so would not materially improve the opponent's position.

## **COSTS**

50. The opponent has been successful and is entitled to a contribution towards its costs. Awards of costs are governed by Tribunal Practice Notice (TPN) 2/2016. Using that TPN as a guide, I award costs to the on the following basis:

Official fees:	£200
Preparing a statement and considering the other side's statement:	£200
Preparing evidence and written submissions:	£500
Total:	£900

51. I order Ryan Carter to pay Refresco Drinks UK Limited the sum of £900 as a contribution towards its costs. This sum is to 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.

**Dated this 26<sup>th</sup> day of October 2018**

**Teresa Perks**

**For the Registrar**

**The Comptroller – General**