

TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK APPLICATIONS
m 2024149, m 2024193 and m 2024195 TO REGISTER TRADE MARKS
IN THE NAME OF CORDORNIU SA

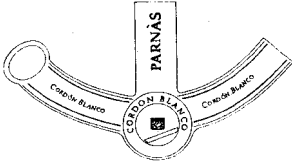

AND

IN THE MATTER OF OPPOSITION THERETO
UNDER m 46084, m 46085 AND m 46086
BY G H MUMM ET CIE SOCIETE VIVICOLE DE CHAMPAGNE SUCCESSEUR

DECISION

Codorniu, S.A., Afueras, 08770 - Sant Sadurni D'Anoia, Barcelona, Spain applied on 16 June 1995 to register the above marks shown for the goods in Class 33 in the table following:

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Application number	Mark	Goods	Opposition number
2024149		Alcoholic beverages	46084
2024193	PARNÀS CORDÓN BLANCO		46085
2024195			46086

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G H Mumm et Cie Societe Vivicole de Champagne Successeur oppose each of the applications under the opposition numbers given above, subsequently consolidated. The opposition is based on ss 3(3)(b), 3(6), 5(2)(b) and 5(4)(a) of the Act. The opponents are the owners of a number of registrations, which are listed in the Annex to this decision.

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The applicants deny these grounds and both parties ask for their costs. The Hearing took place on 10 December 1999 with Mrs M Heal of Counsel, instructed by Messrs Raworth Moss and Cook, representing the Applicants, and Mr C Morcom QC appearing on behalf of the opponents, instructed by Abel and Imray.

The Opponents' Evidence

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The first declaration, 11 December 1997, is from Jean Montet-Jourdran the Company Secretary of the French company G H Mumm et Cie Societe Vinicole de Champagne Successeur. Mr Montet-Jourdran confirms that all the registrations listed in the Annex are in force.

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He refers to Exhibit JMJ1, which contains a declaration dated 12 November 1996, submitted in earlier proceedings (Opposition No. 43973, Application No. 2005699). In this earlier declaration, Mr Montet-Jourdran refers to the long history of his firm, in particular to its long

use of the two marks CORDON ROUGE and CORDON VERT, first registered in France in 1876 and 1904 respectively, and best known for champagne and sparkling wines. Exhibit 1 contains copies of the advertisements for these, and other, registrations.

5 Mr Montet-Jourdran says that his company's products under the CORDON ROUGE and CORDON VERT trade marks have been marketed in the United Kingdom for a great many years, with first use of the former as early 1885. He says that sales of the products in the United Kingdom have been more or less continuous, with the marks GRAND CORDON and CORDON ROSE first used in the United Kingdom in the years 1990 and 1959 respectively. He gives sales figures for his company's products to the United Kingdom for the eight years to 10 1995:

Mark	CORDON ROUGE	CORDON ROUGE (Milliésimé)	CORDON ROSE	CORDON VERT	GRAND CORDON
Year	No. 75cl bottles				
1988	633,818	12,602	6,600	0	
1989	637,392	13,731	7,260	1,296	
15 1990	754,878	14,016	9,600	0	
1991	528,136	435	5,400	0	489
1992	483,202	6,000	8,232	12,280	697
1993	173,884	1,896	3,864	0	0
1994	246,888	0	3,552	0	9,636
20 1995	473,712	696	5,760	324	120

Mr Montet-Jourdran says that the above products were sold in all parts of the United Kingdom, through many retail outlets including the major stores and chains, including Oddbins, Victoria Wine and Cellars, Threshers Wine Shops, Bottoms Up, Harrods and Selfridges Limited. Exhibit 2 shows examples of labels used on the company's products during the periods referred; this included CORDON ROUGE, CORDON VERT, GRAND CORDON and CORDON ROSE.

Mr Montet-Jourdran states that his Company's products have been promoted in the United Kingdom by means of radio and press advertising, production of point-of-sale material such as menu cards, ice buckets, ashtrays, glasses, etc. and by direct mailing, with over £2 million being spent in the United Kingdom in over 5 years of promotion.

Returning to Mr Montet-Jourdran main Declaration, he finishes this by stating:

35 'I am not aware of any use by the Applicant company of trade marks consisting of or incorporating the words "CORDON BLANCO" but I know of the company and its activities. In particular, I know that the company specialises in the production and sale of, *inter alia*, sparkling wines and there would therefore be direct conflict with the activities of my company in that area. Furthermore, I am extremely concerned to note that the mark of Application No 2024195 gives prominence to the words "CORDON BLANCO" and

contains a diagonal stripe, reminiscent of the diagonal stripes appearing in the trade marks identifying the champagne wines of my company.'

Another Declaration is enclosed by Joan Margaret Smith, the Manager of King's Investigation Bureau. The Bureau was asked (see Exhibit JMS 1) to investigate the following by the
5 opponents:

- '(a) General information regarding the business activities of Codorniu SA.
- (b) Whether the company specialises in particular types of alcoholic beverages.
- (c) Whether the company is currently selling alcoholic beverages in the UK under the CORDON BLANCO trade marks and, if so, the particular nature of the products.'

10 The results of the investigations are submitted in Exhibit JMS2. Salient points are:

- ! Codorniu SA trades in wines, brandy and brandy spirits and is based in Barcelona, Spain, and has offices at Sant Sadurni d'Anoya;
- ! Sant Sadurni d'Anoya is a region well-known for its sparkling wines sold under the name of Cava and the applicants was said to produce both white and rose sparkling
15 wines, as well as other table wines of a very good quality;
- ! their agents in the United Kingdom were Private Liquor Brands Ltd., West Sussex; a contact at the latter said that they were able to provide Subject Company's wines. She did not recognize the name "Parnas" but opined that the name "Cordon Blanco" (white ribbon) would be used with another trade name in the same manner as
20 Mumm Cordon Rouge was used in respect of Mumm champagne. She stated that they were currently able to offer the applicants' sparkling wines and agreed to forward a price list showing the types and quantities available; this offered Premiere Cuvee Brut and Ana de Codorniu, but not CORDON BLANCO;
- ! enquires made at a number of off-licences in London and the south east
25 demonstrated a knowledge of applicant and their wines, but not CORDON BLANCO.

The Applicants' Evidence

Three declarations are enclosed. The first Magin Raventós Sáenz, the Managing Director of Codorniu SA. He points out that the opponents did not file an opposition against the UK
30 registration of Freixenet, SA No 1195921, comprising the word CORDON, which implies they do not it confusingly similar with their own. As this word also appears in the applicants' mark, they have no good reasons to oppose its registration either.

Of the conversation with the representative of Private Liquor Brands Ltd, that CORDON BLANCO would be used with another trade name in the same manner as Mumm, Mr Sáenz
35 states:

‘This is a confirmation that our trademarks .. would be expected to be used, and the U.K. trademark registrations of G.H. Mumm are always used, accompanied by another house mark or fanciful mark, which makes term such as CORDON VERT, CORDON ROUGE, CORDON BLANCO, etc. less distinctive in the context of the overall mark.’

5 The next Declaration is from Dr David Alexander Sarup, a European Trade Mark Attorney employed by Raworth, Moss & Cook. Enclosed with his declaration is Exhibit DAS 1, a copy of a trade marks search report, for all marks on the United Kingdom Trade Mark Register including the mark CORDON. This search shows that a number of proprietors own the trade marks incorporating this word. Some examples from the Exhibit are shown in the Table
10 below. He also pointed out that certain of the marks carry disclaimers.

PROPRIETOR	MARK
Freixenet SA (Spain)	FREIXENET-CORDON NEGRO
G.H.Mumm et Cie Societe Vinicole de Champagne Successeur	CORDON ROUGE CORDON VERT G.H. MUMM & CO DOUBLE CORDON CORDON VERT*
15 Hedges & Butler Ltd.	CORDON D’OR BRANDY
Adolphe Willm, Emile Willm & Cie SA	CORDON D’ALSACE WILLM
Martell	MARTELL CORDON BLEU MARTELL CORDON ARGENT CORDON BLEU MARTELL
Chatam International Inc	CHANTAINE BRUT CORDON ROYAL**
Champagne De Venoge	CHAMPAGNE DEVENOGER DEPUIS 1837 CORDON BLEU BRUT

20 * (No. 455200) Registration of this Trade Mark shall give no right to the exclusive use of the words “Cordon Vert”.

** (No. 1213576) Registration of this mark shall give no right to the exclusive use of the words “Cordon Royal”.

25 In referring to the disclaimers Mr Sarup notes that these involve exclusive use of the word CORDON in combination with an adjectival descriptor, such as a colour, in French or Spanish language, such as “Vert”, “D’Or”, “Noir”, “Royal” and “Bleu”, and says ‘It appears to me that the Registry has a practice of considering the word CORDON to be inherently non-distinctive and so has required terms including the word CORDON to be disclaimed.’

30 For the three applications in this case, Mr Sarup points out that they all include the word PARNAS, which is distinctive, and further device elements. This makes them much more than

the non-distinctive word element CORDON. Finally, he also notes that the Opponents use the term CORDON NEGRO in combination with the distinctive house mark FREIXENET. In his view, as a consequence of the inherent non-distinctiveness of the word CORDON, and the opponents use of distinctive house marks and device elements, they enjoy no reputation associated with the word CORDON.

The next declaration by the Applicants is from Dr Ing M Curell Suñol, a Spanish Trade Mark Attorney based in Barcelona. He provides a search among International Trademarks in Exhibit CS1, and specific examples of such marks in Exhibits CS 2 and CS 3. Other searches are included in CS 4, and examples in CS 5 and CS 6. These show inclusion of the CORDON NOIR and BLANC(O) marks. Mr Suñol states:

‘Although these International Trademarks are not protected in the United Kingdom, we believe that they show that CORDON NOIR and CORDON BLANC(O) are words usually applied for in connection with alcoholic beverages and that, therefore, Freixenet/Mumm SA has no exclusive right on these words, in particular since it has not been the first company to adopt them.’

The Decision

I wish to deal first with the ground under s 5(2)(b). This states:

‘(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.’

The opponents have a number of registrations which clearly meet the requirement for an earlier mark in s 6(1)(a). These are for labels - examples are reproduced in the Annex - but also for the following word marks:

CORDON ROUGE	458256	Champagne wine
CORDON ROUGE	850382	Sparkling wines.
GRAND CORDON	1410073	Champagne, wines, sparkling wine.

All are registered for goods which are contained within that specified in the application. Though the label marks are limited to certain colours, I regard this as irrelevant to the question of similarity as the applicants’ marks are not so constrained.

I was referred to *Sabel BV v Puma AG* 1998 RPC 199, and I also regard *Lloyd Schuhfabrik Meyer & Co v Klijsen Handel* 1999 ETMR 690 relevant. It is instructive to reproduce the following passages from these cases:

‘Global appreciation of the visual, aural or conceptual similarity of the marks in question, must be based on the overall impression given by the marks, bearing in mind, in particular, their distinctive and dominant components. The wording of Article 4(1)(b) of the Directive - “there exists a likelihood of confusion on the part of the public” - shows that the perception of the marks in the mind of the average consumer of the type of goods or services in question plays a decisive role in the global appreciation of the likelihood of confusion. The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details.

In that perspective, the more distinctive the earlier mark, the greater will be the likelihood of confusion. It is therefore not impossible that the conceptual similarity resulting from the fact that two marks use images with analogous semantic content may give rise to a likelihood of confusion where the earlier mark has a particularly distinctive character, either *per se* or because of the reputation it enjoys with the public.’

And the following from *Lloyd* in relation to the perception of the average consumer:

‘For the purposes of that global appreciation, the average consumer of the category of products concerned is deemed to be reasonably well-informed and reasonably observant and circumspect (see, to that effect, Case C-210/96 *Gut Springenheide and Tusky* [1968] ECR I-4657, paragraph 31). However, account should be taken of the fact that the average consumer only rarely has the chance to make a direct comparison between the different marks but must place his trust in the imperfect picture of them that he has kept in his mind. It should also 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.’

I am required to assume, following *Origins Natural Resources Inc. v Origins Clothing Limited* [1995] FSR 280 (at 284), that ‘..the mark of the plaintiff is used in a normal and fair manner in relation the goods for which it is registered and then to assess a likelihood of confusion in relation to the way the defendant uses its mark, discounting external added matter or circumstances.’

The applicants word mark is PARNÀS CORDÓN BLANCO, which may be compared to CORDON ROUGE. ‘Label’ marks that are suitable for comparison are:



Mr Morcom stated that ‘..the similarity, of course, lies in two factors, the word CORDON and the stripe.’ Mrs Heal said this was more of an ‘underscoring’ than a stripe, took up a relatively small area and, anyhow, went diagonally from right to left to right as opposed to left to right.

Overall, it seems to me, there is enough to conclude that there will be a likelihood of confusion.

CORDON ROUGE has rather more inherent distinctiveness, for the UK consumer, than that suggested by the applicants. Though many in the UK will know that ROUGE means 'red', it is by no means self evident that the average consumer will take CORDON as 'stripe' or 'ribbon'.

5 There is also the issue of distinctiveness in the market. Mrs Heal argued that use of the CORDON mark is not exceptional for this type of product. Much of the evidence of this (see page 4) refers to the state of the Register, which I have to disregard as it says nothing about the uniqueness of this word or otherwise in the market place. It seems to me that the opponents have a significant reputation in these goods that has developed over a long period
10 of time. Referring to the *Lloyd* case Mr Morcom stated:

‘The Court draws on the question of reputation and distinctive character....“Therefore marks with a highly distinctive character, either *per se* or because of the recognition they possess on the market, enjoy broader protection than marks with a less distinctive character.” Here it is actually quite clear, in looking at this global question, that once you
15 are allowed to look at reputation, then you must take into account as background circumstances all the use that has been made of the CORDON mark by Mumm and that is considerable.’

Mrs Heal criticised this evidence as not being placed in the context of overall sales of sparkling wines and champagnes. However, in view of the very long history of trade in this country,
20 and the very significant sales under the CORDON ROUGE mark, I think I must conclude that this has become highly distinctive of these products.

Further, there is a conceptual link between the marks. The average consumer is also likely, where wines are concerned, to make an association between BLANCO and ROUGE - that is between 'red' and 'white' - and thus between CORDON ROUGE and CORDON BLANCO.
25 This tends to increase the likelihood of confusion through imperfect recollection. Even if the average consumer differentiates the marks, this conceptual similarity is likely to lead to a belief that respective marks are those of the same undertaking. The ECJ stated in *Lloyd*:

‘According to the case-law of the Court of Justice, the risk that the public might believe that the goods or services in question come from the same undertaking or, as the case may
30 be, from economically-linked undertakings, constitutes a likelihood of confusion within the meaning of Article 5(1)(b) of the Directive..’

(Article 5(1)(b) is, of course, implemented into UK law by s 5(2)(b)).

I also note the large size of the 'cordon' elements in relation to the rest of the labels. PARNÀS and MUMM are in relatively small type, tending to reduce their importance as
35 house marks.

Finally, it is also the case that, also as stated in *Lloyd*, that a lesser degree of similarity between ...goods or services may be offset by a greater degree of similarity between the marks and *vice versa*. Here the goods are identical. All in all, I favour the conclusion of a likelihood of confusion between the label marks shown. The opposition succeeds under s 5(2)(b) in

respect of the applicants' mark No. 2024195. However, I think I am entitled to assume that the way the words of the applicants' mark No. 2024193 are presented in No. 2024195 is an example of 'normal and fair' use of the former. Thus my conclusions apply to this application as well.

5 There is also the applicants' other mark, under application No. 2024149, which was taken at the Hearing to be a neck label. The Opponents are also proprietors of neck label marks incorporating CORDON ROUGE (see, for example, Nos. 824198 (shown below), 824199 and 850383).



10 I am of the view that much of the same reasoning given above will apply, and registration of this mark will also lead to a likelihood of confusion. However, the case here is perhaps more arguable because of the different shape of the applicants' mark and the increased prominence of the PARNÀS element relative to the CORDÓN BLANCO element.

15 In case my findings under section 5(2)(b) are wrong, I also wish to deal with the ground pleaded under 5(4)(a). It is beneficial to refer to the following passages quoted by Geoffrey Hobbs QC, acting as the 'Appointed Person', in the WILD CHILD¹ case:

20 'A helpful summary of the elements of an action for passing off can be found in Halsbury's Laws of England 4th Edition Vol 48 (1995 reissue) at paragraph 165. The guidance given with reference to the speeches in the House of Lords in Reckitt & Colman Products Ltd -v- Borden Inc [1990] RPC 341 and Erven Warnink BV -v- J Townend & Sons (Hull) Ltd [1979] ACT 731 is (with footnotes omitted) as follows:

"The necessary elements of the action for passing off have been restated by the House of Lords as being three in number:

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

30 The restatement of the elements of passing off in the form of this classical trinity has been preferred as providing greater assistance in analysis and decision than the formulation of the elements of the action previously expressed by the House. This latest statement, like the House's previous statement, should not, however, be treated as akin

¹*Wild child* [1998] 14 RPC, 455.

to a statutory definition or as if the words used by the House constitute an exhaustive, literal definition of ‘passing off’, and in particular should not be used to exclude from the ambit of the tort recognised forms of the action for passing off which were not under consideration on the facts before the House”.

5 Further guidance is given in paragraphs 184 to 188 of the same volume with regard to establishing the likelihood of deception or confusion. In paragraph 184 it is noted (with footnotes omitted) that;

10 “To establish a likelihood of deception or confusion in an action for passing off where there has been no direct misrepresentation generally requires the presence of two factual elements:

- (1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and
- 15 (2) that members of that class will mistakenly infer from the defendant’s use of a name, mark or other feature which is the same or sufficiently similar that the defendant’s goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact.

20 In arriving at the conclusion of fact as to whether deception or confusion is likely, the court will have regard to:

- (a) the nature and extent of the reputation relied upon;
- (b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;
- 25 (c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;
- (d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and
- 30 (e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.

In assessing whether confusion or deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action.” ’

35 Thus, to succeed in a passing off action, it is necessary for the Opponents to establish that at the relevant date (16 June 1995): (i) they had acquired goodwill under their mark, (ii) that use of the mark would amount to a misrepresentation likely to lead to confusion as to the origin of their goods; and (iii) that such confusion is likely to cause real damage to their goodwill.

There is little doubt, in my view, that the opponents have an established goodwill in their marks, in particular for CORDON ROUGE, but also for the others listed in the Table on page 2. Clearly CORDON ROUGE is the most famous of these, but their goodwill, in my view, extends to CORDON ROSE and, to a lesser extent, CORDON VERT. (I note that
5 disclaimers are irrelevant to s 5(4)(a) grounds).

In the recent *ENER-CAP TRADE MARK* [1999] 9 RPC 362 (at 366) Mr Simon Thorley QC, Acting as the Appointed Person, stated (in an aside) at the end of that Decision:

‘...the hearing officer .. appears to me to have reinforced her conclusion on confusion by a consideration that the two marks “EnerRing” and “EnerSeal” would be seen as a family of
10 marks. I have not heard argument as to the relevance of that, but prima facie I do not believe it is relevant to an enquiry under section 5(2)(b), although it may of course be relevant to an argument under section 5(4).’

This seems to be the case here. The opponents have a goodwill in a ‘family’ - or series - of marks featuring CORDON plus a colour in French (ROUGE, ROSE and VERT). The Spanish
15 BLANCO and the French BLANC are very similar, and it seems to me that the contention I expressed above - that consumers may believe that products originate from the same undertaking or stable - carries yet more weight under this ground.

Following on from my conclusions under the s 5(2)(b) ground concerning the likelihood of confusion, and against the background in which the applicants intend to use their marks as
20 labels on wine bottles, I think I must conclude that the necessary misrepresentative confusion would occur - leading to obvious damage to the opponents via loss of sales. This is a finding that affects all of three applications.

In view of the above conclusions, I do not intend to consider the opponents’ grounds under s 3(3)(b) and s 3(6) of the Act.

25 The opponents are entitled to an award of costs, and I order the applicants to pay to them £2000. This sum is to be paid within one month the expiry of the appeal period or within one month of the final determination of this case if any appeal against this decision is unsuccessful.

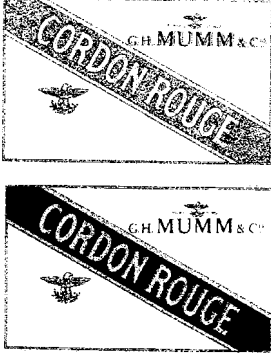
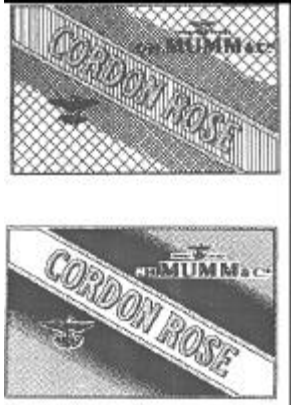

Dated this 6th day of June 2000

30 **Dr W J Trott**
Principal Hearing Officer
For the Registrar
the Comptroller-General

ANNEX

SCHEDULE OF TRADE MARKS

	Mark	Number	Class	Journal
	CORDON ROUGE Label	42607	32, 33	369 p.368
5	CORDON ROUGE Label	436257	33	2358 p.1172
	CORDON VERT Label	455200	33	2460 p.1130
	CORDON ROUGE	458256	33	2473 P.1832
	DOUBLE CORDON Label	491780	33	2663 P.619
	CORDON VERT Label	823004	33	4416 p.542
10	DOUBLE CORDON Label	823902	33	4438 p.1322
	CORDON ROUGE Label	824198	33	4358 p.288
	CORDON ROUGE Label	824199	33	4358 p.288
	CORDON VERT Label	824200	33	4416 p.541
	DOUBLE CORDON Label	824201	33	4438 p.1323
15	CORDON ROUGE	850382	33	4468 p.608
	CORDON ROUGE Label	850383	33	4466 p.529
	CORDON ROUGE Label	850384	33	4466 p.529
	CORDON ROUGE Bottle	958687	33	4859 p.2085
20	CORDON DEVICE	959106	33	4916 p.2291
	GRAND CORDON	1410073	33	6026 p.3194
	GRAND CORDON Label	1450666	33	6038 p.5090
	CORDON ROUGE Label	1538072	33	6053 p.7665
	CORDON ROSE Label	1538076	33	6109 p.303
25	CORDON VERT Label	1538078	33	6065 p.1428

Mark	Date	Number	Goods
	02.06.1993	1538072	Sparkling wines; all included in Class 3
	02.06.1993	1538078	Sparkling wines; all included in Class 33.
	02.06.1993	1538078	Sparkling wines; all included in Class 33.