

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No. 2268151
IN THE NAME OF HALEWOOD INTERNATIONAL LIMITED
TO REGISTER A TRADE MARK IN CLASS 33**

AND

**IN THE MATTER OF OPPOSITION THERETO UNDER No. 90434
BY SANDALFORD WINES PTY LTD**

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**IN THE MATTER OF Application No. 2268151
In the name of Halewood International Limited
to register a trade mark in Class 33**

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**IN THE MATTER OF Opposition thereto
under No. 90434 by Sandalford Wines Pty Ltd**

BACKGROUND

1. On 21 April 2001 Halewood International Limited applied to register the trade mark VODKA ELEMENTS in Class 33 of the register for a specification of “Alcoholic beverages in Class 33”, subsequently amended and limited to “Alcoholic beverages, consisting of or containing vodka as an ingredient, all included in Class 33”.
2. The application was accepted by the Registrar and published in the Trade Marks Journal.
3. On 20 September 2001 Elkington and Fife on behalf of Sandalford Wines Pty Ltd filed Notice of Opposition. In summary, the grounds of opposition were:
 - (i) Under Section 3(3)(b) of the Act because the mark is of such a nature as to deceive the public as to the nature of the alcoholic beverages, if the goods did not contain vodka;
 - (ii) Under Section 3(6) of the Act as the application was made in bad faith to the extent that it covers alcoholic beverages which do not contain vodka.
 - (iii) Under Section 3(4) of the Act as, in relation to alcoholic beverages which do not contain vodka, the mark is likely to be contrary to the Trade Descriptions Act.
 - (iv) Under Section 5(4)(a) of the Act in that the mark applied for is liable to be prevented by the law of passing off as the opponent has substantial goodwill in the trade mark ELEMENT which has been used in the UK in relation to a range of wines since the beginning of 1999.
 - (v) Under Section 5(2)(b) of the Act because the mark applied for is confusingly similar to and covers the same goods and similar goods to the following UK trade mark in the opponent’s ownership and there exists a likelihood of confusion on the part of the public:

REGISTRATION NUMBER	MARK	REGISTRATION EFFECTIVE	CLASS AND SPECIFICATION OF GOODS
2255145	ELEMENTOS	7 December 2000	Class 33 Alcoholic beverages

4. The applicant through its agent, Urquhart-Dykes & Lord filed a Counterstatement denying the grounds of opposition under Section 5(4)(a) and Section 5(2)(b). In relation to the Section 3(3)(b), Section 3(6) and Section 3(4) grounds the applicant amended the specification of goods in the mark in suit to read “Alcoholic beverages, consisting of or containing vodka as an ingredient, all included in Class 33”. In light of this amendment the applicant denies all grounds of opposition.

5. Both sides filed evidence and asked for an award of costs in their favour. Neither party requested a hearing but the opponent forwarded written submissions to assist the hearing officer in making the decision.

Opponent’s Evidence

6. This consists of a witness statement by Fiona Merle Crawford dated 8 April 2002. Ms Crawford is a partner in Elkington & Fife, a firm of Patent and Trade Mark Attorneys who represent the opponent in this case.

7. Ms Crawford submits that there is no doubt that in relation to the goods, the mark VODKA ELEMENTS serves to indicate the presence of vodka as a constituent of the drink and she would expect such a drink to be either vodka based ELEMENTS (where vodka replaced another ingredient) or a cocktail of ELEMENTS with vodka.

8. Ms Crawford refers to the opponent’s UK registered trade mark number 2255145 for the mark ELEMENTOS and states that “Elementos” comprises the Spanish word for “Elements”. Exhibit FMC3 to Ms Crawford’s statement consists of a copy of the entry in Collins Concise Spanish Dictionary for “elemento” which shows that the English translation of “elementos” is “elements”. Ms Crawford opines that this meaning of “elementos” can be readily deduced without any real knowledge of the Spanish language as this language has become well known to a large proportion of the UK population through tourism and the education system. To confirm this view, Ms Crawford draws attention to the Registry’s Work Manual, Chapter 6, paragraph 4.13.1, (at Exhibit FMC4 to her statement), which describes Spanish as a well known language likely to be known to a reasonable (and increasing) number of UK residents.

9. Ms Crawford goes on to submit that the UK public is accustomed to the use of foreign sounding trade marks in association with alcoholic drinks and states that as ELEMENTOS is likely to be seen as having the meaning “elements”, VODKA ELEMENTS products are likely to be seen as a vodka based/containing ELEMENTS drink originating from Spain and imported into the UK.

10. At Exhibit FM6 to her statement Ms Crawford draws attention to an advertisement of the applicants, which she states relates to the mark in suit. Ms Crawford points out that the word VODKA is depicted on the neck of the bottles, whereas the word ELEMENTS appears in larger typescript on the barrel of the bottle. Ms Crawford states that this goes to emphasize that the word VODKA merely indicates the presence of vodka in the product and there is a likelihood that ELEMENTS will be seen as the essential trade mark constituent of VODKA ELEMENTS.

Applicant's Evidence

11. This consists of a witness statement by Simon James Belcher dated 8 July 2002. Mr Belcher is a partner in Urquhart-Dykes & Lord, a firm of Patent and Trade Mark Agents acting for the applicant in these proceedings.

12. Mr Belcher states that the word ELEMENTS has a number of meanings and he attaches as Exhibit SJB1 to his declaration an extract taken from The Shorter Oxford English Dictionary, Third Edition, which sets out definitions of the singular form of the word. He says the definition which is indicated in widespread use is:- Component part one of the relatively simple parts of any complex substance. He adds that the other definitions of the word given in the dictionary are concerned with its use in technical fields and states that the fact that the widely used dictionary definition of ELEMENT is concerned with complex substances, supports the position that the word would not be used by the average consumer when looking to identify an alcoholic beverage using descriptive language.

13. Mr Belcher concludes that the mark, as a whole, is a lexical invention and that there are perceptible differences between the combination of words submitted for registration and the terms used in common parlance in relation to alcoholic beverages.

Opponent's Evidence in Reply

14. This consists of a further witness statement by Fiona Merle Crawford, which is dated 7 October 2002.

15. Ms Crawford disputes Mr Belcher's view on public perception of the word "elements" in relation to alcoholic beverages and she submits that the general public is accustomed to use of the word "elements" both in descriptions of flavours and of aromas.

16. Ms Crawford draws attention to Exhibits FMC7 and FMC8 to her statement which consist of copies from web-sites (after the relevant date for these proceedings) regarding the history and production of vodka and the use of the word "elements" e.g. Belvedere Vodka (Poland) – The Beverage Testing Institute says: "Clear Mildly floral stone fruit nose. Plush and oily on the attach with a medium – body, soft fruit and grain elements, and a long spicy finish. Very attractive." She also draws attention at Exhibit FMC9 to downloads from the applicant's web site, which lists Elements among their products, and points out that it contains the following statement:

“The newest additions to Halewood International’s PPS range, Shakers Schnapps and Elements....”

“Available in four types, Elements contains a variety of ingredients. Vodka Earth, is a mix of refreshing citrus fruit mixed with Chinese Wolfberry. Vodka Air contains extracts from exotic Schizandra berries, which are complimented by a cooling lemon flavour. Vodka Fire is the perfect hot mix of strawberry and raspberry flavours mixed with the stimulating Guarana herb. The final member of the range is Vodka Water, containing cool melon and lime flavours an extract of the Chinese herb Ginkgo.”

17. From which, Ms Crawford states, it can be deduced that the applicant expects the public to see the presence of the word VODKA in VODKA ELEMENTS as merely a descriptive tag to the essential trade mark matter ELEMENTS.

18. This completes my summary of the evidence filed in this case. However, the opponent’s representatives have also forwarded written submissions in support of the opposition which I have taken into account in reaching a decision on the case. I now turn to the decision.

DECISION

19. Firstly I consider the ground of opposition based upon Section 5(2)(b) of the Act which reads as follows:

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

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

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

20. An earlier right is defined in Section 6, the relevant parts of which state:

“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,”

21. I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v Puma AG* [1998] E.T.M.R. 1, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*

[1999] E.T.M.R. 1, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77 and *Marca Mode CV v Adidas AG* [2000] E.T.M.R. 723.

It is clear from these cases that:

- (a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v Puma AG*, paragraph 22;
- (b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel BV v. Puma AG*, paragraph 23, 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; *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V.* paragraph 27;
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v. Puma AG*, paragraph 23;
- (d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel BV v. Puma AG*, paragraph 23;
- (e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17;
- (f) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either per se or because of the use that has been made of it; *Sabel BV v. Puma AG*, paragraph 24;
- (g) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v. Puma AG*, paragraph 26;
- (h) further, 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; *Marca Mode CV v. Adidas AG*, paragraph 41;
- (i) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 29.

22. Turning first to a consideration of the respective goods covered by the specifications of the application in suit and the opponents registration, it is obvious that as the opponent's goods include alcoholic beverages at large, they cover both identical goods ie. vodka and alcoholic beverages containing vodka.

23. In essence the test under Section 5(2) is whether there are similarities in marks and goods which would combine to create a likelihood of confusion. In my consideration of whether there are similarities sufficient to show a likelihood of confusion I am guided by the recent judgements of the European Court of Justice mentioned above. The likelihood of confusion must be appreciated globally and I need to address the degree of visual, aural and conceptual similarity between the marks, evaluating the importance to be attached to those different elements taking into account the degree of similarity in the goods in question and how they are marketed. Furthermore, I must compare the mark applied for and the opponent's registrations on the basis of their inherent characteristics assuming normal and fair use of the marks.

24. The opponent's registration consists of the nine letter word ELEMENTOS which, as pointed out by the opponent, is a Spanish word whose English translation is "Elements". The mark in suit consists of two well known dictionary words VODKA ELEMENTS. Clearly the word VODKA describes the goods or an ingredient of the goods. Furthermore, the word ELEMENTS could have some reference to the goods in the context of their contents. It is, of course, possible to cover analyse marks and in doing so shift away from the real test which is how marks would be perceived by customers in the normal course and circumstances of trade and I must bear this in mind when making the comparisons.

25. How then should I approach the comparison of the marks. The opponent submits that I should pay particular attention to the word ELEMENTS in the applicant's mark as the public would see the word VODKA as merely a descriptive tag. There is some merit in such an approach. While I must compare the marks as a whole and by reference to overall impression, in any comparison reference will inevitably be made to the distinctiveness and prominence of individual components, as recognised in *Sabel BV v Puma AG* (mentioned earlier in this decision). Furthermore, the opponent argues that the UK customer is likely to recognise the meaning of ELEMENTOS, as Spanish is a relatively well known language in the UK and that in any event, the link to ELEMENTS can be readily deduced without any real knowledge of the Spanish language. However, there is no evidence on how the relevant UK public perceives the word ELEMENTOS, and I am obliged to exercise my own judgement in the comparisons of the respective marks.

26. Turning to a visual comparison of the marks it seems to me that the opponent's mark ELEMENTOS is of similar length and content to the distinctive component of the applicant's mark ie. ELEMENTS, the only difference being the addition of a letter O as the penultimate letter of the opponents mark. While I do not overlook the fact that the applicant's mark contains the additional word VODKA, this is a mere product descriptor and in totality there exists a clear visual similarity between the marks as a whole.

27. In relation to aural considerations, it once again seems to me that the word VODKA (a mere product descriptor) does little to distinguish the respective marks. The difference in how the words ELEMENTOS and ELEMENTS are heard lies in the termination of these words. It has long been accepted, in considerations relating to aural use, that the beginnings of words are more important than their terminations, especially as the public have a tendency to slur the endings of words. In my view the respective marks, in their totality, are aurally similar.

28. On a conceptual comparison of the marks it seems to me that the word ELEMENTS in the opponent's mark (as opposed to the product descriptor VODKA) will, on a relative basis, lend itself to retention or recollection in the customer's mind. While I am not necessarily convinced of the likelihood that the relevant public, as a whole, would recognise the word ELEMENTOS as a Spanish word, there is sufficient similarity to the word to elicit a conceptual association with the word ELEMENTS. In my view there exists a conceptual similarity between the respective marks as a whole.

29. While I have no direct evidence before me on the point, it seems to me that the customer for vodka and alcoholic beverages containing vodka are members of the general public over eighteen years of age and that vodka is sold in retail outlets (including supermarkets) where it can be self-selected as well as pubs and clubs. Purchases are often made on an occasional basis and for the benefit of others e.g. for parties or for restocking the drinks cabinet for Christmas. While the vodka itself may be a comparatively expensive beverage, drinks including vodka may be less so. On a relative basis, it seems to me that while customers for the goods in question will be reasonably careful in their purchases, imperfect recollection could be a factor especially as such goods are often purchased on an occasional basis and/or for the benefit of others.

CONCLUSION

30. On a global appreciation, taking into account all the relevant factors, I have come to the following conclusions on the Section 5(2) ground:

- (i) the respective marks are visually, aurally and conceptually similar;
- (ii) the respective specifications cover identical goods;
- (iii) the customer for the goods is likely to be reasonably careful and discerning, but allowance must be made for imperfect recollection.

31. Considering the position in its totality I believe that there is a likelihood of confusion on the part of the public. In reaching this decision I have borne in mind the comments of the European Court of Justice in Cannon:

“Accordingly the risk that the public might believe that the goods or services in question come from the same undertaking or, as the case may be, from economically linked undertakings, constitutes a likelihood of confusion within the meaning of Article 4(1)(b) of the Directive (see SABEL paragraphs 16 to 18).”

32. The opposition is successful under Section 5(2)(b) of the Act and as I have found for the opponent under Section 5(2) I have no need to consider the other grounds raised. Suffice to say that no evidence of goodwill has been filed by the opponent in relation to the Section 5(4)(a) ground and that following limitation of the applicant's specification of goods, the opponent provided no evidence or submissions in relation to the grounds of opposition raised under Section 3(3)(b), Section 3(4) and Section 3(6).

COSTS

33. As the opponent has been successful they are entitled to a contribution towards their costs. I order the applicant to pay the opponent the sum of £1000. 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 19 day of February 2003

**John MacGillivray
For the Registrar
the Comptroller-General**