

TRADE MARKS ACT 1994  
IN THE MATTER OF APPLICATION No 2276798  
BY THIERRY'S WINE SERVICES LIMITED  
TO REGISTER A TRADE MARK  
**TERRACHILE**  
IN CLASS 33

AND IN THE MATTER OF OPPOSITION THERETO  
UNDER NUMBER 80489  
BY INVERSIONES COUSINO-MACUL S.A.

#### BACKGROUND

1) On 2 August 2001, Thierry's Wine Services Limited of Horsefair House, The Horsefair, Romsey, Hampshire, SO51 8EZ applied under the Trade Marks Act 1994 for registration of the trade mark TERRACHILE in respect of "Wines" in Class 33.

2) On the 21 December 2001 Inversiones Cousino-Macul S.A. of Nueva York 33, 5o Piso, Santiago, Chile filed notice of opposition to the application. The grounds of opposition are in summary:

a) The opponent is the proprietor of UK Trade Mark number 2171317 FINIS TERRAE for "Wines and liqueurs" in Class 33.

b) The opponent has made substantial use of their trade mark FINIS TERRAE in the UK since 1996 in relation to wine. The application offends against Section 5(2)(b) and 5(4)(a) of the Trade Marks Act 1994.

c) The mark in suit, TERRACHILE, means "land of Chile" and is totally non distinctive and descriptive in relation to wines produced in Chile. The application should be rejected under Section 3(1)(b) of the Trade Marks Act 1994.

d) The mark in suit consists exclusively of a sign or indication which may serve in trade to designate the kind or geographical origin of the goods, namely wines originating from Chile. The application should be refused under Section 3(1)(c) of the Trade Marks Act 1994.

3) The applicant subsequently filed a counterstatement accepting that the opponent is the proprietor of the registrations claimed but denying the opponent's other claims.

4) Both sides filed evidence in these proceedings. Both sides ask for an award of costs. Neither side wished to be heard. Only the applicant filed written submissions which I shall refer to as required in my decision.

## OPPONENT'S EVIDENCE

5) The opponent filed a witness statement by Arturo Cousino, dated 1 April 2002, and a statutory declaration by Robert A Murphy. In his statement Senor Cousino states that he is fully conversant with the English language and that he has been a Member of the Board of Directors of the opponent company since 1991. He states that the mark in suit consists of two elements TERRA and CHILE. He states that Chile is clearly the name of a country whilst TERRA means "land". At exhibit 2 he provides copies of various pages from dictionaries. Some have been translated in the later declaration and are shown in the evidence of Robert A Murphy. Those not included in his translation are:

- Copies of pages from "Webster's New World Dictionary" which has entries for "terra: - (the) earth", "land: - 3 a) a country, region".
- Copies of pages from "The Nuttall Dictionary of English Synonyms and Antonyms" which has entries for "Land: - earth, sod, soil, ground, Country, nation, realm" and "Earth: - Land, soil, turf, sod, clay, loam, dirt, ground".

6) Senor Cousino claims that:

"The meaning of the mark TERRACHILE is therefore literally "land Chile" or "Chile land" so that it is easily referred to a wine that has been produced in the land of Chile, specially considering that it doesn't contain any other distinctive element but the ones that refer only to the land of Chile, and where the name of this country is obvious."

7) Senor Cousino states that the United Kingdom is the second largest destination of Chilean wine exports and that such wines are widely advertised in special trade magazines, newspapers or lifestyle publications with expressions such as "vinos producidos en tierra de Chile" which he claims would read as "wines produced in the land of Chile". Lastly he claims that "the concept of land, when used in relation to wines, make a clear reference to a specific kind or style of wine. The French concept of "terroir" is widely known by the public in relation to wines, and it refers to the influence that the land has in producing a specific style of wine".

8) In his declaration Robert A Murphy states that he is a British citizen with a BA Hons degree in French with Spanish, that he studied Latin to A level and is currently translating the works of an Italian Philosopher, who quotes extensively from Latin writers and Early Church Fathers and Philosophers. He claims that he is therefore qualified to translate from Spanish and Latin into English. He has provided a translation of some of the pages provided at exhibit 2 of Senor Cousino's evidence. I have therefore used his translations of the pages from the said exhibit.

### Diccionario Ilustrado VOX- Latino-Espanol / Espanol-Latino

"**Terra** - land/earth terra firma (*terra marique*, by land and sea) the earth's surface/ there ground (*sub terras penetrare*) go down into the underworld (*in terris*) on the earth [in this world] (*orbis terrarum*) the Earth/the world (*ubi terrarum* ?) In which part of the world ? Land, country, district."

Appleton's New Cuyas. English-Spanish / Spanish-English dictionary

“**Terra:** earth; **terra alba:** pipeclay; **terra cota:** terracota/potter's clay; **terra cotta lumber:** earthenware objects into which nails can be driven; **terra firma:** dry land; **terra incognita:** unexplored/ unknown region/ virgin territory.”

Collins Spanish-English/ English-Spanish Dictionary

“**Land:** land: (nation) country (region) land, region; (soil) land, ground: (as property) **Tierras:** lands/estate; (tractof - ) stretch/ piece of land, plot (Agric. Fig. Farm/property.

**Tierra:** (b) (surface) land **tierra firme:** mainland/dry ground/ terra firma

**Tierra de nadie:** no man's land **tierra quemada:** scorched earth **tierra adentro** inland (Lat Amer.) Interior / remote area **por tierra:** by land/overland.”

#### APPLICANT'S EVIDENCE

9) The applicant filed a statement, dated 22 August 2002, by Camilla Frances Sexton, the applicant's Trade Mark Attorney. I do not propose to summarise the evidence provided as I do not find it useful.

10) That concludes my review of the evidence.

#### DECISION

11) I turn first to the grounds of opposition based upon Section 5(2)(b) of the Trade Marks Act 1994, which reads:

“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.”

12) An earlier trade mark 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,”

13) The opponent’s UK Trade Mark has an effective date of 6 July 1998 and is plainly an “earlier trade mark”.

14) In determining the question under section 5(2)(b), I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v. Puma AG* [1998] R.P.C. 199, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc* [1999] R.P.C. 117, *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* page 224;
- (b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel BV v. Puma AG* page 224, 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.* page 84, 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* page 224;
- (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* page 224;
- (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* page 132, 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* page 224;
- (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* page 224;
- (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* page 732, 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* page 133 paragraph 29.

15) In essence the test under Section 5(2) is whether there are similarities in marks and goods and/or services 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 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 and/or services, the category of goods and/or services 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 on a full range of the goods and services covered within the respective specifications.

### **Similarity of goods and services**

16) Clearly the opponent's registration for "Wines and liqueurs" in Class 33 encompasses the applicant's specification for "Wines" in Class 33. The goods are identical.

### **Distinctive character of the opponent's mark**

17) The distinctive character of an earlier trade mark is a factor to be borne in mind in coming to a view on the likelihood of confusion (*Sabel v Puma*, paragraph 24). That distinctive character can arise from the inherent nature of the mark or be acquired through use.

18) The opponent has provided no evidence that it has used its mark in the UK. However, it does have a degree of inherent distinctiveness.

### **Similarity of marks**

19) The opponent's mark is FINIS TERRAE whilst the mark in suit is TERRACHILE. Although it is possible to pick out of both marks the letters "TERRA" the average consumer views trade marks as wholes. Visually and phonetically the marks are not similar. In my opinion the average consumer would view the marks as being devoid of meaning.

### **Likelihood of confusion**

20) Bottles of wine are, I would suggest, chosen with some consideration. The average consumer of such products would, in my opinion, exercise some care in the selection.

21) With all of this in mind I come to the conclusion that when all factors are considered, that

there was no likelihood of confusion at 2 August 2001. Consequently, the opposition under Section 5(2)(b) fails.

22) I next turn to the ground of opposition under Section 5(4) which reads:

“5.- 4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented -

- (a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or
- (b) by virtue of an earlier right other than those referred to in subsections (1) to (3) or paragraph (a) above, in particular by virtue of the law of copyright, design right or registered designs.

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an “earlier right” in relation to the trade mark.”

23) In deciding whether the mark in question “TERRACHILE” offends against this section, I intend to adopt the guidance given by the Appointed Person, Mr Geoffrey Hobbs QC, in the *WILD CHILD* case (1998 14 RPC 455). In that decision Mr Hobbs stated that:

“The question raised by the Grounds of Opposition is whether normal and fair use of the designation WILD CHILD for the purposes of distinguishing the goods of interest to the Applicant from those of other undertakings (see Section 1(1) of the Act) was liable to be prevented at the date of the application for registration (see Art.4(4)(b) of the Directive and Section 40 of the Act) by enforcement of rights which the opponent could then have asserted against the Applicant in accordance with the law of passing off.

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 *Even Warnik BV - v - J. Townend & Sons (Hull) Ltd* [1979] AC 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;
- (2) that there is a misrepresentation by the defendant ( whether or not intentional) leading or likely to lead the public to believe that the 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."

24) In the instant case the opponent has filed no evidence of use, nor of any goodwill that it enjoys. I have already compared the two marks and found the opponent's mark FINIS TERRAE is not similar to the applicant's mark TERRACHILE and so there would be no misrepresentation. The ground of opposition under Section 5(4) therefore fails.

25) Lastly I turn to the grounds of opposition under Section 3(1)(b) & (c) which read:

"3.-(1) The following shall not be registered -

- (a) .....
- (b) trade marks which are devoid of any distinctive character,
- (c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services,
- (d) .....

Provided that, a trade mark shall not be refused registration by virtue of paragraph (b), (c) or (d) above if, before the date of application for registration, it has in fact acquired a distinctive character as a result of the use made of it."

26) The objection relates to the inherent capacity of the mark to distinguish the applicant's goods. The question is whether the mark in suit would be seen as referring simply to the "land of Chile". In considering this question I have regard to the comments of Geoffrey Hobbs QC acting as Appointed Person in the case of *Cycling IS* dated 28 November 2001 (as yet unreported) where he commented:

"66. That brings me to the question of whether the signs possess a distinctive character enabling them to fulfil the essential function of a trade mark in relation to goods and services of the kind specified in the application for registration.

67. The case for allowing registration rests upon the proposition that the signs are cryptic to a degree which makes it more likely than not that they would carry connotations of trade origin (whatever other connotations they might also carry) in the minds of the relevant class of persons or at least a significant proportion thereof.

68. The case for refusing registration rests upon the proposition that the signs are visually and linguistically meaningful in a way which is more likely than not to relate the goods and services to the activity of cycling without also serving to identify trade origin in the minds of the relevant class of persons.

69. The difference between these two positions resides in the question whether the perceptions and recollections the signs would trigger in the mind of the average consumer of the specified goods and services would be origin specific or origin neutral.

70. The relevant perspective is that of the average consumer who does not know there is a question, but who is otherwise reasonably well-informed and reasonably observant and circumspect.

71. I do not suppose that such a person would pause to construe the signs when encountering them in any of the different settings (including advertising and promotional settings) in which they might be used. Even so, the degree of attention required to take note of the signs in the first place would be sufficient, in my view, to leave a well-informed and reasonably observant and circumspect person with the clear impression that the signs were being used with reference to goods and services related to cycling.”

27) Later, Mr Hobbs observed:

“73. Doing the best I can on the materials before me, I think that the signs in question would be perceived by the relevant class of persons as pronouncements in identifying cycling as the *raison d’être* for the marketing of the goods and services to which they are related. That is a message that the members of a consortium of bicycle retailers might naturally be interested in putting across to customers and potential customers. I do not think that the nature of the pronouncement or its presentation can in either case be regarded as sufficiently striking to function as an indication of trade origin in relation to goods or services of the kind specified in the application for registration that is now before me.

74. It seems to me that the perceptions and recollections the signs would trigger in the mind of the average consumer of the specified goods and services would be origin neutral (relating to the general commercial context of the relevant trading activities) rather than origin specific.”

28) I also look to the guidance of the European Court of Justice in *Procter & Gamble Company’s* application (**BABY DRY**) - Case C-383/99P.

“39. The signs and indications referred to in Article 7(1)(c) of Regulation No 40/94 are thus only those which may serve in normal usage from a consumer’s point of view to designate, either directly or by reference to one of their essential characteristics, goods or services such as those in respect of which registration is sought. Furthermore, a mark composed of signs or indications satisfying that definition should not be refused registration unless it comprises no other signs or indications and, in addition, the purely descriptive signs or indications of which it is composed are not presented or configured in a manner that distinguishes the resultant whole from the usual way of designating the goods or services concerned or their essential characteristics.

40. As regards trade marks composed of words, such as the mark at issue here,



descriptiveness must be determined not only in relation to each word taken separately but also in relation to the whole which they form. Any perceptible difference between the combination of words submitted for registration and the terms used in the common parlance of the relevant class of consumers to designate the goods or services or their essential characteristics is apt to confer distinctive character on the word combination enabling it to be registered as a trade mark.”

29) The issue on which the objection turns is how the mark TERRACHILE will be seen in the context of wines and in particular whether, if used in this context, the word serves to designate the geographical origin of the goods.

30) The opponent has stated that Chilean wines are widely advertised in the UK with expressions such as “vinos producidos en tierra de Chile” although no examples of such advertising was provided to corroborate this claim. The opponent claims that this would be read as “wines produced in the land of Chile”. I am willing to accept that Chilean wine has been advertised in the manner stated by the opponent. However, in my view the average consumer seeing such a description would understand the gist of the advertisement as referring to “wine from Chile”. This would be gleaned from the first two and the last two words. Equally if the words “producidos de Chile” or even “Chile” were used on a bottle of wine the average consumer would receive the same message. There is no evidence to support the claim that “Terrachile” is a term that finds ready usage in the trade.

31) The applicant’s mark consists of two words. The first “Terra” which whilst it has an English dictionary definition of earth/land/country is not a common word. It is most widely used in combination such as “terracota” for pottery and “terrafirma” for dry land. The second word “Chile” would immediately be seen as a reference to the South American country. If the word “terra” was perceived and understood by the average consumer it would provide the message “earthChile”, “landChile” or “countryChile”. None of which are normal methods of referring to a particular country. The mark uses an obscure word and also compresses the language. Clearly it infers that the product is from Chile, but it is not just an indication of geographical origin.

32) The passage from BABY-DRY set out above notes that “any perceptible difference between the combination of words submitted for registration and the terms used in the common parlance of the relevant class of consumers.....is apt to confer distinctive character.....”. Notwithstanding the descriptive characteristics of the words making up the mark BABY-DRY the combination was regarded as being a “syntactically unusual juxtaposition”. To my mind the mark in suit is a syntactically unusual juxtaposition.

33) I therefore conclude that consumers faced with a bottle of wine called TERRACHILE will regard the name as a lexical invention within the meaning of the guidance in BABY-DRY, and view it as a trade mark. The grounds of opposition under Section 3(1)(b) and (c) therefore also fail.

### **Conclusion and costs**

34) The opposition having failed, the applicant is entitled to a contribution towards costs. I order the opponent to pay the applicant the sum of £800. This sum 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 4<sup>th</sup> day of March 2003

George W Salthouse  
For the Registrar  
The Comptroller General