

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No 2241966
BY SCOTTISH & NEWCASTLE PLC
TO REGISTER THE TRADE MARK:**

LAMBERT'S BAY

IN

CLASSES 25, 33, 42

AND

**THE OPPOSITION THERETO
UNDER No 90375
BY LAMBERT GFA
BASED UPON THE EARLIER TRADE MARK:**

CHATEAU DE LAMBERT

AND OTHERS

Trade Marks Act 1994
in the matter of application no 2241966
by Scottish & Newcastle plc
to register the trade mark:
LAMBERT'S BAY
in classes 25, 33 and 42
and
the opposition thereto
under no 90375
by Lambert GFA

BACKGROUND

1) On 8 August 2000 Scottish & Newcastle plc (afterwards referred to as S&N) applied to register the trade mark **LAMBERT'S BAY** in classes 25, 33 and 42. The application was published for opposition purposes in the "Trade Marks Journal" on 30 May 2001. This opposition is in respect of the class 33 goods only, these are:

wines, spirits, cordials, liqueurs, cocktails, alcoholic extracts and alcoholic essences

2) On 30 August 2001 Lambert GFA (afterwards referred to as LGFA) filed a notice of opposition to this application.

3) LGFA is the owner of the following Community trade marks:

- registration no 964957 for the trade mark **CHATEAU DE LAMBERT**, filed on 22 October 1998 and registered on 18 October 2000 for: *wine and brandy with registered designation of origin specifically from the vineyard Château de Lambert.*
- registration no 964916 for the trade mark **DOMAINE DE LAMBERT**, filed on 22 October 1998 and registered on 18 October 2000 for: *wine and brandy with registered designation of origin specifically from the vineyard known as Domaine de Lambert.*
- registration no 1427954 for the trade mark **CHATEAU DE LAMBERT ROTHSCHILD**, filed on 17 December 1999 and registered on 12 February 2001 for: *wine and brandy with the Château de Lambert vineyard as the specific registered designation of origin.*
- registration no 1427988 for the trade mark **DOMAINE DE LAMBERT ROTHSCHILD**, filed on 17 December 1999 and registered on 20 February 2001 for: *wine and brandy with the Château de Lambert vineyard as the specific registered designation of origin.*

All the above goods are in class 33 of the International Classification of Goods and Services.

4) LGFA states that *wines* in the application are identical to the wines covered by its registrations. LGFA states that *spirits* in the application include the brandy listed in the specifications of its registrations. LGFA states that *cordials, liqueurs, cocktails, alcoholic extracts and alcoholic essences* of the application are similar to the goods of its earlier registrations. LGFA states that its trade marks and that of S&N are visually and phonetically similar. It states that the distinctive and dominant element of S&N's trade mark is the possessive form of the word LAMBERT. LGFA states that all its registrations included the

word LAMBERT as the distinctive and dominant element, the words CHATEAU DE and DOMAINE DE being non-distinctive. LGFA states that allowing for imperfect recollection, it feels that confusion is inevitable on the part of the public, including a likelihood of association. LGFA states that because of the similarity of the trade marks and because S&N's trade mark covers identical and similar goods to its registrations, registration of S&N's trade mark (the trade mark) would be contrary to the provisions of section 5(2)(b) of the Trade Marks Act 1994 (the Act).

5) LGFA seeks refusal of the application in respect of the goods in class 33 and an award of costs.

6) S&N filed a counterstatement. S&N accepts that LGFA is the registered proprietor of the trade marks listed in paragraph 3 above. It also accepts that they are earlier trade marks as defined by section 6(1)(a) of the Act. S&N denies that the LGFA's trade marks and its trade mark are similar and states that they can be differentiated visually, phonetically and conceptually. S&N states that the goods of LGFA can only be considered identical to its goods to the extent that they cover wine and brandy produced from the same vineyards in France; other wine and brandy, not produced in the same vineyards, would be similar goods only. In relation to the other goods of the application LGFA is put to proof to show that these goods are similar to those of its earlier registrations.

7) S&N requests that the application is accepted for registration and seeks an award of costs.

8) Both sides filed evidence.

9) After the completion of the evidence rounds both sides were advised that it was believed that a decision could be made without recourse to a hearing. However, the sides were advised that they retained their rights to a hearing. Neither side requested a hearing, so I will make a decision after a careful study of the papers.

10) Both sides filed written submissions and I take these into account in reaching my decision. (However, see paragraph 18 below.)

EVIDENCE

Evidence of S&N

11) This consists of a witness statement by Dale Phillips dated 8 October 2002. Mr Phillips is the buying director for Waverley Wines Limited (Waverley), a wholly owned subsidiary of S&N. He has held this position since 1994.

12) Mr Phillips states that Waverley, S&N's wines and spirits arm, has sold red and white table wines under the trade mark LAMBERT'S BAY since October 2000. He states that these wines have been sold to on-trade establishments such as hotels, pubs, clubs and restaurants throughout the United Kingdom. He gives the following figures in relation to sales:

Year (May to April)	Number of cases
2000/2001	3,000
2001/2002	56,000
2002/2003	95,000 to date

He states that there has been no evidence of confusion between S&N's LAMBERT'S BAY wines and the goods of LGFA.

13) Mr Phillips states that in his experience United Kingdom consumers are very knowledgeable about wine and are used to navigating between the many hundreds of names and brands under which wines are sold. He states that the range of wines available in the United Kingdom is very great. Mr Phillips exhibits material showing the use of a LAMBERT element for wines. This is as follows:

- A printout downloaded on 17 September 2002 from everywine.co.uk for Lamberti Pinot Grigio delle Venezie 2001. This is a white wine from Veneto in Italy made from Pinot Gris (Pinot Grigio) grapes. The price is given in sterling.
- A printout downloaded on 17 September 2002 from wineandco.com for Château Feret-Lambert 2001. This is a red Bordeaux made with Merlot grapes. The price is given in sterling.
- A printout downloaded on 17 September 2002 from eat.epicurious.com. This appears to be a reference source. The printout shows a reference to Saint-Lambert-du-Lattay. This states "see coteaux du layon". A further printout is supplied for the reference to Coteaux du Layon AC; Coteaux du Layon Villages AC which states:

"Appellations located south of Angers along the river Layon in the Anjou district of France's Loire region. They produce only white wines (usually semi-sweet or sweet) from chenin blanc grapes. The villages appellation applies to seven Villages.....and Saint-Lambert-du-Lattay".

- A printout downloaded from majestic.co.uk on 17 September 2002 for Blanc de Blancs NV, Henri Lambert. This is a white French table wine. The price is given in sterling.
- A printout from novusvinum.com downloaded on 17 September 2002. This relates to a wine with the name Les Garrigues d'Eric Beaumard et Christophe Lambert. There is no indication that this wine has been sold in the United Kingdom.
- A printout from redbikini.com downloaded on 17 September 2002 for Henri Lambert Chardonnay. There is no indication that the wine has been sold in the United Kingdom.
- A printout from hgtv.com downloaded on 17 September 2002 about Lambert Bridge Merlots. This appears to be a United States website and there is no indication that the wines have been sold in the United Kingdom.
- A printout about Domaine Sainte-Just downloaded on 17 September 2002. This is about a wine producer called Yves Lambert. There is no indication that he sells wine by reference to the word Lambert nor that any of his wines have been available in the United Kingdom.

14) Mr Phillips exhibits a translation of a decision of the Institut National de la Propriété Industrielle (INPI) of France. This relates to an opposition brought by LGFA against an application by S&N for the trade mark LAMBERT'S BAY. The opposition was based on Community trade mark 964916, DOMAINE DE LAMBERT, one of the trade marks upon which this opposition is based. The original of the decision has not been furnished. There would appear to be an error in the translation as the goods rehearsed in Part I of the decision do not include wines. However, these appear in the body of the decision. The goods under attack in the French opposition are to all intents and purposes the same as under attack in this opposition. INPI decided that there was not a likelihood of confusion.

LGFA's evidence in reply

15) This consists of a witness statement by Joanne Marie Ling who is a trade mark attorney.

16) Ms Ling states that LGFA has not sold wine under its registered trade marks in the United Kingdom. To support this she exhibits a letter from LGFA's French agents which states that LGFA has not used its trade marks in the United Kingdom. She exhibit pages downloaded from the redbikini website to show that the company running the website is a German design company.

17) All the rest of Ms Ling's statement is submission or a critique of the evidence of S&N. It is not evidence of fact and so I will say no more about it.

SUBMISSIONS

18) The sides were given up to and including 29 April 2003 to furnish written submissions, if they so wished. LGFA supplied its submissions on 28 April 2003. S&N filed its submissions on 29 April 2003. However, on 2 May 2003 LGFA filed further submissions. No request was made to file further submissions. The late submissions of LGFA are a riposte to those of S&N. The danger of allowing further submissions in is that it could lead to a protracted round of submission and counter-submission. As LGFA did not arrange for simultaneous transmission of its submissions with S&N the latter in its submissions could comment upon the submissions of LGFA, and did so. I am loathe to allow the further submissions in. However, I will bear them in mind for two reasons:

1. The absence of simultaneous transmission allowed S&N to comment on the submissions of LGFA.
2. The second set of submissions of LGFA have not affected the outcome of this case or my consideration of it.

I have, therefore, taken into account all the submissions made by both sides.

DECISION

Likelihood of confusion - section 5(2)(b) of the Act

19) According to section 5(2)(b) of the Act a trade mark shall not be registered if because

“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.”

S&N have accepted that LGFA's earlier registrations are earlier trade marks.

20) 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] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117, *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV* [2000] FSR 77.

Comparison of goods

21) The goods of the earlier registrations are:

wine and brandy with registered designation of origin specifically from the vineyard known as Domaine de Lambert

or

wine and brandy with registered designation of origin specifically from the vineyard Château de Lambert

In two of the specifications the wording is in a slightly different form but this makes no difference to the coverage of the goods.

The goods of the application are:

wines, spirits, cordials, liqueurs, cocktails, alcoholic extracts and alcoholic essences

22) The European Court of Justice in *Canon* held in relation to the assessment of the similarity of goods and/or services, that the following factors, inter alia, should be taken into account: their nature, their end users and their method of use and whether they are in competition with each other or are complementary.

Neuberger J in *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another* [2000] FSR 267 stated:

“I should add that I see no reason to give the word "cosmetics" and "toilet preparations" or any other word found in Schedule 4 to the Trade Mark Regulations 1994 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. In particular, I see no reason to give the words an unnaturally narrow meaning simply because registration under the 1994 Act bestows a monopoly on the proprietor.”

I will give the words in the specifications their natural meaning, but within the context that they appear in a specification derived from the International Classification of Goods and Services. I also bear in mind the comments of Jacob J in *British Sugar Plc v James Robertson & Sons Ltd* where he stated:

“When it comes to construing a word used in a trade mark specification, one is concerned with how the product is, as a practical matter, regarded for the purposes of trade. After all a trade mark specification is concerned with use in trade.”

I take on board the class in which the goods or services are placed is relevant in determining the nature of the goods (see *Altecnic Ltd's Trade Mark Application* [2002] RPC 34).

23) LGFA argues that in so far as the application encompasses wines and brandy (the latter term would be encompassed by the general term *spirits*) the goods of its earlier registrations are identical to those of the application. S&N argues that they are only identical in so far as such goods have a registered designation of origin specifically from the Domaine or the

Château de Lambert. In its submissions LGFA attacks this position, it states that for instance that Spanish wines are clearly identical to French wines. To be identical the goods have to be one and the same. LGFA's argument about French and Spanish wines is syllogistic. I must agree with S&N that the wine and brandy in its registration are only identical to the goods of LGFA in so far as they emanate from the Domaine or the Château de Lambert. However, in effect I consider that this makes little difference. The goods might not be identical but they are so close that it makes no effective difference, in my view. Consequently, the wines of the application are either identical or virtually identical to the wines of the earlier registrations. The same case applies to *spirits* in the application in so far as this encompasses *brandy*. *Spirits* encompasses alcoholic beverages other than *brandy*. However, I cannot decide what specific goods encompassed by this term are of interest to S&N. S&N must, therefore, stand or fall by the term as a whole. I do not consider that the limitation has any real effect on the issue of the similarity of the other goods of the application; other than the effect of limiting the goods to being the produce of the grape.

24) LGFA claims that cordial is a synonym for brandy. It is not one I have ever come across and no evidence is put in to this effect. "Collins English Dictionary" (5th Ed 2000) describes cordial, amongst other things, as the following:

"3. a drink with a fruit base, usually sold in concentrated form and diluted with water before being drunk. e.g. lime cordial. 4. another word for; liqueur;"

My experience of goods described as cordials is that they are fruit concentrates. I have never come across the term being used for alcoholic beverages except in archaic usage.¹ Taking into account the guidance given in *Beautimatic* and *British Sugar Plc* I would, despite the dictionary reference, follow my experience. The burden of proof is upon LGFA (*React Trade Mark* [2000] RPC 285) and so I could simply dismiss its claim in respect of cordials. However, I also bear in mind the *Altecnic* decision. The class of goods does to some extent define the goods. Volumes 6, 7 and of the International Classification of Goods and Services make no reference to cordials. The registry's own classification data base only lists them in class 32, where they would sit as non-alcoholic beverages. The class heading for class 33 is: alcoholic beverages (except beers). So to be in class 33 the goods have to be alcoholic. S&N have applied for cordials in class 33 as alcoholic beverages. I, therefore, must, in my view, assume that it has goods which it would describe as cordials which are alcoholic. S&N are, after all, a company that is well-known for its trade in alcoholic beverages. I have to assume that it knows its own business. In this context I have, reluctantly, come to the conclusion that I must accept, in the context of this case, that the *cordials* are liqueurs. I can, therefore deal with *liqueurs* and *cordials* as one.

¹ "The Beggar's Opera" by John Gay

"MRS. PEACHUM. Yonder comes my Husband and Polly. Come, Filch, you shall go with me into my own Room, and tell me the whole Story. I'll give thee a most delicious Glass of a Cordial that I keep for my own drinking....."

PEACHUM. See, Wench, to what a Condition you have reduc'd your poor Mother! a glass of Cordial, this instant. How the poor Woman takes it to heart! [Polly goes out, and returns with it.] Ah, Hussy, this is now the only Comfort your Mother has left!

POLLY. Give her another Glass, Sir! my Mama drinks double the Quantity whenever she is out of Order. This, you see, fetches her."

25) “Collins English Dictionary” (5th Ed 2000) defines liqueur, amongst other things, as:

“any of several highly flavoured sweetened spirits such as kirsch or cointreau, intended to be drunk after a meal.”

Like brandy these are spirituous liquors. Brandy, in my experience, is often also drunk after a meal. (Kirsch itself is a form of brandy distilled from cherries. So goods like kirsch are the same as LGFA’s brandy with the exception that one uses cherries and the other grapes.) These goods are normally sold in close proximity to one another in shops. In public houses they often also sit together, under the Optics. The end user is someone who desires a spirituous liquor. One could readily choose a liqueur instead of a brandy, especially in on-trade premises, and so the goods are in competition. All in all I consider that the brandy of the earlier registrations is highly similar to *cordials* and *liqueurs*.

26) In its submissions LGFA states that *alcoholic extracts and alcoholic essences* could contain or be derived from wine and brandy and “such goods could be manufactured as outlined above by the same companies and sold in proximity to one another”. LGFA have put in no evidence as to the nature of *alcoholic extracts and alcoholic essences*. From their name I can tell that they are extracts and essences which are alcoholic. However, I have no idea what the goods actually are. To the best of my knowledge I have never come across such goods. I don’t know what their nature is, where they are sold, who buys them, what their purpose is; I know nothing about them. Consequently, I can hardly make a judgement as to whether they are similar to the goods of the earlier registrations. As stated above the burden of proof is upon LGFA. If I cannot come to a clear conclusion owing to an absence of evidence LGFA will have to live by the consequences. In the absence of evidence as to the nature of the goods encompassed by *alcoholic extracts and alcoholic essences* I cannot find that they are similar to the goods of the earlier registration.

27) This leaves *cocktails*. “Collins English Dictionary” (5th Ed 2000) defines cocktail, amongst other things, as:

“any mixed drink with a spirit base, usually drunk before meals”

Cocktails are everyday items and my own experience tells me that the term is widely used for a variety of mixed drinks including those made with wine such as Buck’s Fizz which “Collins English Dictionary” defines as a “cocktail made of champagne and orange juice”. LGFA submits that cocktails are often made of wine or brandy. However, ingredients and the complete goods in which they are found are not necessarily similar. The *cocktails* are in class 33 and so must be alcoholic (see paragraph 24 above). Being alcoholic and liquid they have the same nature as the goods of the earlier registrations. The end user in both cases is someone who wishes to slake his or her thirst using alcohol. The goods, being alcohol, will be sold subject to restrictions for both on-trade and off-trade. It is possible to choose a cocktail in preference to a wine or brandy; especially if taken as a pre-prandial drink. Consequently, the goods are in competition to one another. It is my experience that specific alcoholic beverages, on off-trade premises, are normally grouped together. So whiskies will be together, gins together and so forth. So at point of sale *cocktails* are likely to be in a discrete area apart from *wine* and *brandy*. However, in on-trade premises various bottles of different types are often kept together. Taking into account all these factors I consider that *cocktails* are similar to the goods of the earlier registration.

28) To summarise, my findings on similarity/identity of the goods are as follows:

wines, spirits – identical or so similar as to be virtually identical

cordials, liqueurs – highly similar

cocktails - similar

alcoholic extracts and alcoholic essences – not similar.

Comparison of trade marks

29) Two of the registered trade marks include the name ROTHSCHILD. Owing to this additional word LGFA must be in a worse position in relation to these two trade marks than for the two which do not include this word. I will, therefore, just consider Community trade mark registration nos 964957 and 964916.

The trade marks to be compared are:

Earlier registrations:

CHATEAU DE LAMBERT

DOMAINE DE LAMBERT

Application:

LAMBERT'S BAY

30) 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). 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). I take into account 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 BV* page 84, paragraph 27).

31) LGFA has submitted that the DOMAINE DE and CHATEAU DE are lacking in distinctiveness. These are words that are commonly used in relation to wines. I am of the view that even the average United Kingdom consumer of wines will be aware of their significance and that the words are commonly used as part of an appellation, designating the size of the area from which the grapes have come. I am of the view that this knowledge will be taken over in considering brandy also. Consequently, I am in agreement with LGFA that DOMAINE DE and CHATEAU DE lack distinctiveness in respect of LGFA's goods. Consequently, the distinctive and dominant component of both trade marks is LAMBERT. Although the other elements of the trade marks are lacking in distinctive character I have to consider the trade marks in their entirety. Non-distinctive elements within a trade mark could give the trade mark a different character and make a different impression upon the consumer. LGFA have made reference to the decision of Mr Hobbs QC, sitting as the appointed person, in *Torreemar* [2003] RPC 4. The following is submitted:

“.....it was held that the marks need to be “distinctively similar”. In the context of the opponent’s and the applicant’s marks, LAMBERT is the distinctive element.”

I consider that it is helpful to put the comments of Mr Hobbs in their context:

“At this point it is necessary to observe that marks which converge upon a particular mode or element of expression may or may not be found upon due consideration to be distinctively similar. The position varies according to the propensity of the particular mode or element of expression to be perceived, in the context of the marks as a whole, as origin specific (see, for example, *Wagamama Ltd v City Centre Restaurants Plc* [1995] FSR 713) or origin neutral (see, for example, *The European Ltd v The Economist Newspaper Ltd* [1988] FSR 283).”

LGFA, to my view, are effectively arguing that the other elements of the trade marks are to be ignored. I am just to compare the LAMBERT elements. I cannot see that this is what Mr Hobbs was saying. He clearly states that the trade marks must be considered in their entirety, as European jurisprudence demands.

32) LAMBERT’S BAY gives a clear impression of being the name of a place, a bay. Whether there is such a place is not important. That is the conceptual association, in my view, that it will have for the average consumer. The trade marks of LGFA give the impression, in my view, taking into account the common usage of DOMAINE and CHATEAU for wines, of a wine producing area identified by the name LAMBERT. I do not believe that the average consumer would see either trade mark of LGFA as relating to the name of a topographical feature. I believe that the trade mark of S&N and those of LGFA have different and definite conceptual associations.

33) In the registrations of LGFA the LAMBERT element could be pronounced in two different ways. It could be pronounced in the ‘English’ way or owing to the context in the French way; where the final vowel will be sounded differently and the t will be lost. The way in which the trade marks of LGFA cannot be prescribed. I consider that either pronunciation is quite possible. It will depend on the education and knowledge of the consumer. I cannot see that LAMBERT’S in the application will be pronounced other than in the ‘English’ way. The possessive s and BAY are alien to the earlier registrations. The BAY element is not of a great deal less importance than the LAMBERT’S element. This is a complete word that is not likely to be lost because of a laziness in speech. It is also a word that has a strong sound, recognition of that sound will be aided by the meaning of the word. In considering the trade marks of LGFA I have to consider them in their entirety. They do not have a registration for LAMBERT on its own. So the non-distinctive elements have to be taken into account, especially in relation to pronunciation. On the other hand I have to consider what will be kept in the mind of the consumer, the dominant and distinctive component of the trade marks. It is that or those elements which are likely to be foremost in recollection, especially imperfect recollection. Taking into account all these factors I consider that the respective trade marks enjoy a degree of phonetic similarity.

34) Visually the trade marks share the LAMBERT element. This is clearly the largest part of the S&N’s application. Taking into account the non-distinctive elements of the earlier trade marks I consider that, when recalled, it is the LAMBERT element that will be recalled. I am of the view that, taking into account the BAY element of the application, that the respective trade marks enjoy a reasonable degree of visual similarity.

Conclusion

35) In paragraph 13 above I listed the evidence that S&N furnished about use of a LAMBERT element for wines. As indicated there the last four examples show no use in the United Kingdom. In one of the other four examples one sign is LAMBERTI, one Château Feret-Lambert and one is Saint-Lambert-du-Lattay. I do not consider that any of these are on a par with the trade marks in this case. Also the last sign is a place name rather than a trade mark. All of the print-outs emanate from well after the date of the filing of the application – 8 August 2000 – the relevant date. So they do not tell me what the position was as regards use of LAMBERT for wines in the United Kingdom at the relevant date. So I can draw no conclusion as to whether at the relevant date LAMBERT was used by various undertakings in the United Kingdom for wines, which could bring into question the degree of distinctiveness of LAMBERT for wines.

36) In the context described above the use shown cannot assist me as it is not fixed upon the relevant date. However, in relation to the issue confusion this is not necessarily damning. If various LAMBERT trade marks have co-existed for the same goods without confusion this could be indicative that S&N's trade mark could co-exist with those of LGFA, it could show that the public can and have navigated between them. The date is not key in this context as the evidence is going to public perception of trade marks which is not necessarily date sensitive. S&N comments on its use of LAMBERT BAY without confusion. For LGFA's trade marks this is not relevant as they have not been used in the United Kingdom and so there has been no opportunity for confusion to arise. S&N has not shown how its trade mark has been used. So it is impossible to make a sensible comparison with the nature of the usage of the signs that it has referred to and whether they have been on all fours. As I have commented above three of the signs are clearly not on a par with those under consideration. In the case of the fourth, Henri Lambert, this is clearly a full name and so its comparison with LAMBERT BAY is not on a par with the comparison with the trade marks of LGFA. If S&N could show that its trade mark has been used in a similar context with those of LGFA this might assist it. It cannot as LGFA has not used its trade marks in the United Kingdom. Taking into account all these factors I cannot find that the evidence submitted by S&N, which I have summarised in paragraph 13 above, can assist it. This case ends up being very much on a par with *Origins Natural Resources Inc v Origin Clothing Limited* [1995] FSR 280.

37) The distinctiveness or otherwise of the earlier trade marks is of importance as there is a greater likelihood of confusion where the earlier trade mark has a particularly distinctive character, either per se or because of the use that has been made of it (*Sabel BV v Puma AG*). The natural corollary to this is that there is a lesser likelihood of confusion where the earlier trade mark is lacking in distinctiveness. The distinctive character of a trade mark can be appraised only, first, by reference to the goods or services in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public (European Court of First Instance Case T-79/00 *Rewe Zentral v OHIM (LITE)*). 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, judgement 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).

38) LGFA has stated that the distinctiveness of its trade marks lays with the word LAMBERT. I am aware that LAMBERT is a surname, however, I have no evidence to tell me how common a surname it is. A surname is one of the most basic of trade marks, it is a very common way of describing the goods that a person supplies. The public are well versed in seeing them as trade marks. However, if a surname is very common, owing to its usage in the trade, it might not be able to readily differentiate the goods of one undertaking from those of another. Consequently, it could be of limited distinctive character. (It is necessary to bear in mind that the registrations have a presumption of validity and so however common the surname might or might not be would not extinguish the rights of the earlier registrations, although the effective penumbra of protection – taking in global appreciation – might be limited.) In this case I have no evidence telling me how commonly LAMBERT was used in relation to either wine or brandy at the relevant date. It is also relevant that the other parts of the trade marks are clearly French and so give the impression of a French surname rather than a British one. LAMBERT is not allusive or descriptive of the goods. It is likely to be perceived by the public as simply an indicator of origin. I can see no reason why it should not be able to distinguish the goods or services of LGFA from those of other undertakings at the relevant date. I would view the trade marks of LGFA as being run of the mill in their distinctiveness, neither particularly weak nor particularly strong. There is nothing before me to suggest that at the relevant date they could not serve their purpose as indicators of origin.

39) The European Court of Justice held that a lesser degree of similarity between trade marks may be offset by a greater degree of similarity between goods and vice versa (*Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*). In paragraph 28 above I summarised my findings as to the degrees of similarity between the respective goods:

wines, spirits – identical or so similar as to be virtually identical

cordials, liqueurs – highly similar

cocktails - similar

alcoholic extracts and alcoholic essences – not similar.

40) In his statement Mr Phillips states that in his experience United Kingdom consumers are very knowledgeable about wine. He furnishes no supporting evidence in relation to this statement. I find the statement somewhat generalised. There are persons who have a good knowledge of wine. However, in my experience there are also persons whose main interest in wine and other alcoholic beverages is to reach a state of inebriation. There are also persons who will be intermittent buyers. It is also to be taken into account that S&N's specification is not for wine only. I am of the view that there will be a wide range of consumers; the expert, the occasional, those who are mainly interested in the alcoholic content. The goods could be bought as a result of a careful and considered purchasing decision, equally they might not. Just as the goods could be bought in an off-license or a public house. In considering the interaction of the potential consumer with the product the nature of the goods also needs to be considered. In the case of wine the consumer might take numerous factors into account: the vintage, the area from which the wine comes, the grape variety, the colour and whether it is still, sparkling or pétillant. All this information will often be on the label and will be fighting for space with any trade mark, the trade mark could well become secondary to the other matter. The point of ACs, DOs and the like and the information relating to them is to guarantee certain characteristics and it is this information which is often of prime importance

in the purchasing of wine. There are wines where the brand is the key to the purchasing decision, from Petrus and Mouton Rothschild at one end of the market to Jacob's Creek at the other. For certain wines, such as champagne, cava and Jerez, owing to the strict controls and the limited areas from which the wine comes the brand is the key identifier. I must, however, consider the entire spectrum of wines and alcoholic beverages and the interaction of a variety of consumers with this range of goods. Taking these factors into account I consider that the brand of a wine or other alcoholic beverage could well be secondary in the mind of the consumer to the descriptive matter and could be swamped by other matter. Consequently, the effects of imperfect recollection have to be given a reasonable degree of weight.

41) LGFA states that I should take into account that its trade marks will appear principally upon wine labels which could be partially obscured when stacked upon shelves. I am not convinced that the consumer will not see the whole of the label. Even if this was not the case, once the bottle is picked up from the shelf the consumer will see the label as a whole and so the problems of partial vision will not survive the purchasing process.

42) I have read the decision of INPI in proceedings between the two sides. I must consider the issues before me based on the evidence before me and on the basis of the position in the United Kingdom, both in terms of the norms of the trade, the average consumer and the language regime. Decisions from other jurisdictions might be of interest but they are not binding upon me.

43) In coming to a conclusion I bear very much in mind that S&N's trade mark has a conceptual association which is different to those of LGFA. However, taking into account the nature of the goods, the degree of distinctiveness of the earlier trade marks, the phonetic and visual similarities of the trade marks, I am of the view that for goods of the application which are identical, so similar to be virtually identical or highly similar to the goods of the earlier registrations the public are likely to believe that they come from the same undertaking or economically linked undertakings. The European Court of Justice in *Canon* stated:

“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).”

Consequently, there is a likelihood of confusion and the application is to be refused for such goods, being *wines, spirits, liqueurs and cordials*.

44) S&N should file, within one month of the expiry of the appeal period from this decision, a form TM21 to amend the class 33 specification to read:

cocktails, alcoholic extracts and alcoholic essences

If no form TM21 is filed within the period set the class 33 specification will be refused in its entirety. (If an appeal is filed the period for filing the form TM21 will be one month from the final determination of the case, if the appeal is unsuccessful.)

COSTS

45) I consider that for the most part LGFA have been successful and so is entitled to a contribution towards its costs. I order Scottish & Newcastle plc to pay Lambert GFA the sum of £925. 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 12 day of May 2003

**David Landau
For the Registrar
the Comptroller-General**