

O-184-03

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No. 605945
BY AKTSIONERNOE OBCHTCHESTVO OTKRITOGO TIP
MOSKOVSKY ZAVOD "KRISTALL" TO REGISTER A
TRADE MARK IN CLASS 33**

AND

**IN THE MATTER OF OPPOSITION THERETO UNDER
No. 70691 BY SPIRITS INTERNATIONAL N.V.**

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BACKGROUND

1. On 30 June 2000 Aktsionernoe Obchtchestvo Otkritogo Tipa Moskovsky Zavod “Kristall” (henceforth Kristall) applied to protect the trade mark STARAYA MOSKVA in Class 33 of the register under the provisions of the Madrid Protocol, on the basis of registration in the Russian Federation, for “Alcoholic beverages”.
2. The application was subsequently published in the Trade Marks Journal and on 18 October 2001 Spirits International N.V. filed Notice of Opposition on the following grounds:
 - (i) Under Section 3(1)(b) of the Act because the mark is devoid of distinctive character as it is purely laudatory and descriptive when used in relation to the goods covered by the specification;
 - (ii) Under Section 3(1)(c) of the Act as the mark consists exclusively of signs or indications which may serve in trade to designate the kind, quality, geographical origin, time of production or age of the goods covered by the specification.
3. The applicant filed a Counterstatement denying the above grounds. Both sides filed evidence and asked for an award of costs in their favour. Neither party requested a hearing.

Opponent’s Evidence

4. This consists of a witness statement by Simon Peter Alan Stances dated 25 July 2002. Mr Stances is a technical assistant employed by Marks & Clerk, the agents for the opponent.
5. Mr Stanes states that the mark in suit is non-distinctive because it consists of two words STARAYA MOSKVA meaning “old Moscow” in Russian and that, although

the words are presented as a transliteration into Western script rather than presented in the original Cyrillic characters, a Russian living in the UK would be likely to be familiar with both the standard English and Cyrillic alphabets and irrespective of any visual differences the word would still be phonetically recognisable.

6. Mr Stanes goes on to say that a significant number of the relevant public, namely consumers of Russian vodka, are likely to view the words STARAYA MOSKVA as having a purely descriptive rather than a trade mark significance. The opponent contends that a significant number of people in the UK are able to speak or understand the Russian language. Mr Stanes draws attention to Exhibit SAS#1 to his statement, which consists of an extract from the Trade Marks Registry's work manual relating to trade mark applications. Mr Stanes asserts that this extract states that Russian is a language which is considered to be spoken by a significant minority of people in the UK.

7. Mr Stanes adds that he has contacted the Office for National Statistics for information from the 1991 census which gives details of the stated country of birth of UK residents. He draws attention to Exhibit SAS#2 to his statement which comprises a copy extract from the 1991 census giving the number of UK residents born in Russia as 27,011. Mr Stanes infers that many of these individuals would be able to speak the Russian language and that additionally, there are a number of UK residents who were not born in Russia but who nevertheless have learnt the Russian language.

8. Mr Stanes submits that research he has undertaken into Russian culture has revealed that the consumption of alcoholic beverages and in particular vodka has an important role in Russian society. He refers to Exhibit SAS#3 to his statement which comprises copies of articles relating to alcohol consumption in Russia and states that Russian speaking consumers would be particularly interested in alcoholic beverages, especially those originating from the Russian Federation.

9. Next, Mr Stanes asserts that Moscow has a reputation in relation to the products of alcoholic beverages. He goes on to state that he has undertaken a search of an Internet based Moscow business directory and at Exhibit SAS#4 to his statement he attaches a printed copy of the businesses under the directory's section for distilleries, among which is the applicants Cristell distillery. Mr Stanes states that Exhibit SAS#5 to his statement contains printed extracts from a number of websites referring to the fame of this distillery.

10. Mr Stanes concludes the following from his research:

“There are a significant number of Russian speakers in the United Kingdom. Culturally, alcoholic beverages and in particular vodka are important in Russian society; the city of Moscow has a reputation for the production of alcoholic beverages and in particular vodka. I therefore believe that a significant number of consumers are likely to interpret the marks STARAYA MOSKVA as describing vodka which is made to an old or traditional recipe and is distilled in the city of Moscow, rather than being any indication of trade origin.”

Applicant's Evidence

11. This consists of a witness statement by Alexander Romanov dated 4 December 2002. Mr Romanov is General Director of the applicant company.

12. Mr Romanov disagrees with the views of the opponent and emphasises that the word STARAYA, which is the Cyrillic transliteration of the word "old", is not a word used in the trade to describe vodka, or a word that other traders may wish to use in respect of vodka. He goes on to explain that taste wise, vodka is at its best when consumed early and the average period during which vodka retains its qualities is approximately one year, adding that this is unlike the position with whisky which will increase in quality with time. Mr Romanov concludes that STARAYA is fanciful when used in relation to vodka.

13. Mr Romanov goes on to submit that as the mark in suit consists of a combination of the words STARAYA and MOSKVA, the combination renders the mark all the more distinctive.

DECISION

14. The relevant parts of Section 3(1) of the Act read as follows:

“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.”

15. In the present case I must consider whether, on a prima facie basis, the mark in suit meets the requirements of Section 3(1)(b) and (c) of the Act. The applicant has not submitted nor provided evidence that its mark has acquired a distinctive character as a result of the use made of it.

16. Firstly, I turn to a consideration of the evidence filed by the opponent. Much of this evidence relates to the position of the Russian language in the UK and the opponent has drawn attention to the Registrar's practice in relation to words in foreign

languages. In summary paragraphs 4.13.1 to 4.13.6 of the Registry's Practice Manual provide that Russian is "less well known" than French, German, Italian and Spanish and the practice for Russian language marks is, where Russia has a reputation in the relevant goods, to object if the words (in English) would be the subject of an objection under Section 3(1)(c) of the Act. The opponent's evidence also goes to the issue of whether Russia and Moscow has a reputation for alcoholic beverages and vodka in particular. While Russia undoubtedly has a reputation for vodka the evidence does not demonstrate that Russia has any particular reputation in the United Kingdom in respect of other alcoholic beverages. Furthermore it is arguable whether Moscow, as such, has a reputation for Vodka. However, the evidence shows that there are numerous vodka distilleries in Moscow and as this city is well known as the Russian capital it seems reasonable to infer that Russia's reputation in vodka would encompass the Russian capital.

17. In order to determine whether or not the mark in suit in its totality meets the requirements of Section 3(1) it seems to me that a full and proper approach involves a consideration of the individual elements comprised in the mark and then, after taking into account the goods and the particular customer for the relevant goods, undertaking a global appreciation as to whether in totality the mark meets the requirements set down in the Act.

18. I firstly consider the Section 3(1)(c) ground. Section 3(1)(c) provides for refusal of registration on the ground that the mark in question is simply descriptive. I take into account the guidance provided in the Judgement of the European Court of Justice in Cases C-53/01 to C-55/01 *Linde AG, Winward Industries Inc, Rado Uhren* 8 April 2003. In particular, I find paragraphs 63 and 73 to 75 of the Judgement, set out below, to be of considerable assistance:

“63. As regards the first limb of the second question it must be observed that, according to Article 3(1)(c) of the Directive, descriptive trade marks, that is to say, those which consist exclusively of signs or indications which may serve, in trade, to designate the characteristics of the goods or services for which registration is sought, are not to be registered.

73. According to the Court's case-law, Article 3(1)(c) of the Directive pursues an aim which is in the public interest, namely that descriptive signs or indications relating to the characteristics of goods or services in respect of which registration is applied for may be freely used by all, including as collective marks or as part of complex or graphic marks. Article 3(1)(c) therefore prevents such signs and indications from being reserved to one undertaking alone because they have been registered as trade marks (see, to that effect, *Windsurfing Chiemsee*, paragraph 25).

74. The public interest underlying Article 3(1)(c) of the Directive implies that, subject to Article 3(3), any trade mark which consists exclusively of a sign or indication which may serve to designate the characteristics of goods or a service within the meaning of that provision must be freely available to all and not be registrable.

75. The competent authority called upon to apply Article 3(1)(c) of the Directive to such trade marks must determine, by reference to the goods or services for which registration is sought, in the light of a concrete consideration of all the relevant aspects of the application, and in particular the public interest referred to above, whether the ground for refusing registration in that provision applies to the case at hand

19. The objection is applicable to signs and indication which consist only of wording “which may serve in normal usage from the customers 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” and which therefore may be considered a normal way of referring to the goods or services or of representing their essential characteristics in common parlance : Case C-383/99P *Proctor & Gamble v OHIM (BABY-DRY)* [2001] ECT I-6251, paragraphs 39 and 42.

20. The mark applied for consists of the two words STARAYA MOSKVA which in English translate as OLD MOSCOW. While I accept the opponent’s contention that Moscow has a reputation in vodka, the evidence does not demonstrate that Moscow has a reputation in respect of any other alcoholic beverages in the UK. Accordingly, it is my view that while the word MOSKVA (solus) would be likely to be perceived designating the geographical origin of vodka or vodka based products in the UK., the relevant UK public is unlikely to perceive the word MOSCOW as designating the origin of other alcoholic beverages eg wine, gin, whisky, brandy. Turning to the word STARAYA, or its English translation OLD, there is no evidence that the word old has any particular designation in relation to vodka or a vodka product. The applicant’s evidence rebuts any submissions that the age of vodka improves its quality or desirability, unlike the position in relation to whisky or cognac, and I am not aware from my own knowledge that light spirits such as vodka or gin benefit from an ageing process.

21. In considering the mark in its totality it seems to me that it is likely to infer to the average customer for vodka or alcoholic beverages at large ie the general public over eighteen years of age, the idea of Moscow in the old days or in a previous age. I do not accept the opponent’s submission that, in totality, the mark describes “vodka which is made to an old or traditional recipe and is distilled in the city of Moscow”. There is no reference to a recipe or manufacturing process within the mark as such and I see no reason why such an inference should be implied.

22. In my view such an interpretation cannot be sustained as indicating the normal way of referring to such goods or of representing their essential characteristics in common parlance.

23. I find that the mark meets the requirements of Section 3(1)(c) of the Act and this ground of opposition fails.

24. I now go on to the Section 3(1)(b) ground which provides for refusal of registration on the ground that the mark in question lacks distinctiveness. In the application of Section 3(1)(b) I am assisted by the principles set out in the following decisions – *Cycling Is* [2002] RPC 37, *Libertel Group BV v Benelux Markenbureau*,

Case c-104/01 and *Linde AG (and others) v Deutsches Patent-und Markenamt*, Joined Cases C-53/01 to C-55/01; which can be summarised as follows:

- (a) the exclusions from registrability contained in Section 3/Article 3 are there to ensure that trade marks whose use could successfully be challenged before the Courts are not registered. The defence available to other traders by virtue of an objection under Sections 3(1)(b) operates independently of objections under Section 3(1)(c) (*Cycling IS* paragraphs 43-45 and *Linde* paragraphs 67-68);
- (b) for a mark to possess a distinctive character it must identify the product (or service) in respect of which registration is applied for as originating from a particular undertaking and thus to distinguish that product (or service) from the products (or services) of other undertakings (*Linde* paragraphs 40-41 and 47);
- (c) it is legitimate, when assessing whether a sign is sufficiently distinctive to qualify for registration, to consider whether it can be presumed that independent use of the same sign by different suppliers of goods or services of the kind specified in the application for registration would be likely to cause the relevant class of persons or at least a significant proportion thereof, to believe that the goods or services on offer to them come from the same undertaking or economically-linked undertakings (*Cycling IS* paragraph 53);
- (d) a trade mark's distinctiveness is not to be considered in the abstract but rather by reference to the goods or services in respect of which registration is sought and by reference to the relevant public's perception of that mark (*Libertel* paragraphs 72-77 and *Cycling IS* paragraphs 54-61);
- (e) the relevant public must be deemed to be composed of the average consumer who is reasonably well-informed and reasonably observant and circumspect (*Libertel* paragraph 46 referring to Case C-342/97 *Lloyd Schuhfabrik Meyer*).

25. In light of the above guidance I do not believe that the opponent has any stronger case under Section 3(1)(b) than under Section 3(1)(c). For the reasons previously stated in this decision (paragraphs 19 and 20 refer) I believe that the mark in totality is origin specific and will be seen by the relevant class of persons as indicating a product from a particular undertaking.

26. The ground of opposition under Section 3(1)(b) also fails.

COSTS

27. As the applicant has been successful it is entitled to a contribution towards costs. I order the opponent to pay the sum of £1,000. 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 27th day of June 2003

JOHN MacGILLIVRAY
For the Registrar
the Comptroller-General