

O-119-07

TRADE MARKS ACT 1994

**IN THE MATTER OF REGISTRATION NO 2383985
IN THE NAME OF BEVERAGE BRANDS (UK) LIMITED
OF THE TRADE MARK:**

POMTINI

IN CLASSES 32 AND 33

AND

**THE APPLICATION FOR A DECLARATION OF INVALIDITY THERETO
UNDER NO 82444
BY POMWONDERFUL LLC**

Trade Marks Act 1994

**In the matter of registration no 2383985
in the name of Beverage Brands (UK) Limited
of the trade mark:
POMTINI
in classes 32 and 33
and the application for a declaration of invalidity
thereto under no 82444
by PomWonderful LLC**

1) An application to register the trade mark POMTINI (the trade mark) was made upon 9 February 2005. The registration process was completed upon 30 December 2005. The trade mark has always been in the name of Beverage Brands (UK) Limited, which I will refer to as BB. The trade mark is registered for the following goods:

beers and ales; drinks made from or containing beer or ale; malt beverages; drinks with a malt beer base; drinks with a brewed malt base; non-alcoholic drinks; mineral and aerated waters; soft drinks; soft drink mixers; fruit drinks and fruit juices; syrups and other preparations for making beverages;

alcoholic beverages; alcoholic beverages made from or containing spirits; alcoholic drinks with a spirit base; alcoholic coolers; alcoholic cocktails.

The above goods are in classes 32 and 33 respectively of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended.

2) On 3 March 2006 PomWonderful LLC, which I will refer to as PW, filed an application to invalidate the registration.

3) PW is the owner of two United Kingdom trade mark registrations:

- No 2283427 for the trade mark POM WONDERFUL. The application for registration was filed on 18 October 2001 and the registration procedure completed on 19 April 2002. An international priority date of 19 April 2001 has been claimed. It is registered for *fresh fruits* in class 31 of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended.

No 2364747 for the trade mark:



The application for registration was filed on 2 June 2004 and the registration procedure completed on 5 November 2004. It is registered for the following goods:

fresh fruits

fruit juices, fruit juice concentrates.

The above goods are in classes 31 and 32 respectively of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended.

PW is also the owner of a Community trade mark application; as this is identical to United Kingdom registration no 2364747 in terms of trade mark, specification and application date, I need say no more about it.

4) PW claims that use of BB's trade mark is likely to give rise to confusion; the registration of the trade mark was, therefore, contrary to section 5(2)(b) of the Trade Marks Act 1994 (the Act) in view of PW's earlier registrations. Consequently, the registration should be declared invalid as per section 47(2)(a) of the Act.

5) PW claims that the name POMTINI was coined by it for a cocktail of vodka, pomegranate juice and other ingredients, this cocktail was created by Dale DeGross in or around February 2003. PW states that it has registered the trade mark POMTINI in the United States of America and attaches details of two registrations of the trade mark; for fruit juice for use in connection with prepared alcoholic cocktails and a prepared alcoholic cocktail. PW claims that the trade mark POMTINI has been used by it in the United Kingdom since at least 2003 in respect of alcoholic cocktails and fruit juices. PW claims that use of the trade mark by BB will give rise to damage to its business and goodwill, in that it will dilute the rights that it has in the trade mark POMTINI and affect its ability to exploit the trade mark commercially. PW claims that use of the trade mark by BB is liable to be prevented by virtue of the law of passing-off and, consequently, its registration had been contrary to section 5(4)(a) of the Act. PW claims that the registration should be declared invalid as per section 47(2)(b) of the Act.

6) PW seeks the invalidation of the registration and an award of costs.

7) BB, in a counterstatement, denies the grounds for invalidation and seeks an award of costs.

8) Both sides filed evidence. In evidence for BB, Eleanor Coates, a trade mark attorney, seeks the exclusion of evidence of Dale DeGroff because an address was not given for him in his statement. Ms Coates is clearly not putting forward evidence of fact in making this claim but making a submission. Be that as it may, I have considered the submission. Joanne Nottage, a trade mark assistant, acting for PW, has furnished a witness statement which gives the address of Mr DeGroff. Ms Coates claims that there is no way of contacting Mr DeGroff if BB wish to query his evidence. There is a simple way of contacting him, if this is wanted, by using the address supplied by Ms Nottage. I see no reason to exclude Mr DeGroff's witness statement from the proceedings because of the absence of an address for him.

9) The sides were advised that they had a right to a hearing and that if neither side requested a hearing a decision would be made from the papers and any written submissions that were received. Neither side requested a hearing; written submissions were filed on behalf of BB.

10) Applications for invalidation are governed by section 47 of the Act:

“47.-(1) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 3 or any of the provisions referred to in that section (absolute grounds for refusal of registration).

Where the trade mark was registered in breach of subsection (1)(b), (c) or (d) of that section, it shall not be declared invalid if, in consequence of the use which has been made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered.

(2) The registration of a trade mark may be declared invalid on the ground -

- (a) that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, or
- (b) that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied,

unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.

(2A) But the registration of a trade mark may not be declared invalid on the ground that there is an earlier trade mark unless -

- (a) the registration procedure for the earlier trade mark was completed within the period of five years ending with the date of the application for the declaration,
- (b) the registration procedure for the earlier trade mark was not completed before that date, or

(c) the use conditions are met.

(2B) The use conditions are met if -

(a) within the period of five years ending with the date of the application for the declaration the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or

(b) it has not been so used, but there are proper reasons for non-use.

(2C) For these purposes -

(a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and

(b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(2D) In relation to a Community trade mark, any reference in subsection (2B) or (2C) to the United Kingdom shall be construed as a reference to the European Community.

(2E) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.

(3) An application for a declaration of invalidity may be made by any person, and may be made either to the registrar or to the court, except that -

(a) if proceedings concerning the trade mark in question are pending in the court, the application must be made to the court; and

(b) if in any other case the application is made to the registrar, he may at any stage of the proceedings refer the application to the court.

(4) In the case of bad faith in the registration of a trade mark, the registrar himself may apply to the court for a declaration of the invalidity of the registration.

(5) Where the grounds of invalidity exist in respect of only some of the goods or services for which the trade mark is registered, the trade mark shall be declared invalid as regards those goods or services only.

(6) Where the registration of a trade mark is declared invalid to any extent, the registration shall to that extent be deemed never to have been made:

Provided that this shall not affect transactions past and closed.”

11) The earlier registrations of PW are not subject to the proof of use provisions so subsections 2A to 2E do not come into play.

Material date

12) The first thing that needs to be considered is the material date(s) in relation to this case. I dealt with the material date(s) in invalidation proceedings in BL O/214/06, where I had the benefit of submissions from counsel in relation to this issue. I reproduce below the paragraphs in which I dealt with this matter:

“9) Having received the skeleton arguments, I notified counsel that I considered that it would be helpful to receive submissions in relation to what the material date(s) was. I drew their attention to the comments of Professor Annand, sitting as the appointed person, in BL O/227/05:

“My own view is that the starting point for assessing relative invalidity under section 47(2) is the date of the application for registration of the attacked mark. This is because Article 4 of the Directive: (i) defines “earlier trade marks” for the purposes of relative invalidity as trade marks with a date of application for registration which is earlier than the date of application for registration of the attacked mark; and (ii) requires other earlier rights to have been acquired before the date of the application for registration of the attacked mark. However, I believe the wording of Article 4 (section 47(2)) may allow the tribunal to take into account at the date when invalidation is sought, matters subsequently affecting the earlier trade mark or other earlier right, such as, revocation for some or all of the goods or services, or loss of distinctiveness or reputation. I do not find the fact that the Directive specifically provides for defences to invalidation of non-use, consent and acquiescence indicative either way. A further question concerns the cut-off date for taking into account subsequent events. Is this the date of the application for a declaration of invalidity or the date when the invalidity action or any appeal is heard? The Opinion of Advocate General Colomer in Joined Cases C-456/01 P and C-457/01P Procter & Gamble v. OHIM, 6 November 2003, paragraphs 43 – 44, and the Court of First Instance decision in Case T-308/01 Henkel KGaA v. OHIM (KLEENCARE), 23 September 2003, paragraph 26, although concerned with registrability and opposition respectively, indicate the latter. There are indications that timing issues under the harmonised European trade marks law are beginning to be brought to the attention of the ECJ (see, for example, the questions referred in Case C-145/05 Levi Strauss & Co. v. Casucci SPA).”

I also asked them to consider the findings of the European Court of Justice (ECJ) in *Levi Strauss & Co v Casucci SpA* Case C-145/05. In that case the ECJ stated:

“17 The proprietor’s right to protection of his mark from infringement is neither genuine nor effective if account may not be taken of the perception of the public concerned at the time when the sign, the use of which infringes the mark in question, began to be used.

18 If the likelihood of confusion were assessed at a time after the sign in question began to be used, the user of that sign might take undue advantage of his own unlawful behaviour by alleging that the product had become less renowned, a matter for which he himself was responsible or to which he himself contributed.

19 Article 12(2)(a) of Directive 89/104 provides that a trade mark is liable to revocation if, after the date on which it was registered, in consequence of acts or inactivity of the proprietor, it has become the common name in the trade for a product or service in respect of which it is registered. Thus, by balancing the interests of the proprietor against those of his competitors in the availability of signs, the legislator considered, in adopting this provision, that the loss of that mark’s distinctive character can be relied on against the proprietor thereof only where that loss is due to his action or inaction. Therefore, as long as this is not the case, and particularly when the loss of the distinctive character is linked to the activity of a third party using a sign which infringes the mark, the proprietor must continue to enjoy protection.

20 In the light of all the foregoing, the answer to the first and second questions must be that Article 5(1) of Directive 89/104 must be interpreted as meaning that, in order to determine the scope of protection of a trade mark which has been lawfully acquired on the basis of its distinctive character, the national court must take into account the perception of the public concerned at the time when the sign, the use of which infringes that trade mark, began to be used.

36 Accordingly, after revocation in the particular case has been established, the competent national court cannot order cessation of the use of the sign in question, even if, at the time when that sign began to be used, there was a likelihood of confusion between the sign and the mark concerned.

37 Consequently, the answer to the fourth question must be that it is not appropriate to order cessation of the use of the sign in question if it has been established that the trade mark has lost its distinctive character, in consequence of acts or inactivity of the proprietor, so that it has become a common name within the meaning of Article 12(2) of Directive 89/104 and the trade mark has therefore been revoked.”

Subsequently, counsel produced supplementary skeleton arguments and addressed this matter.

10) Under Article 4.4 (b) the rights must have been acquired prior to the date of application for registration. That right is also qualified as being a right that would confer upon the proprietor the right to prohibit the use of a subsequent trade mark. So one material date is clearly set out in the Directive. UK has to establish that by the date of application for registration, 18 December 1992, it could prevent the use of the trade mark under the law of passing-off. If it cannot do this its case is lost. It is well established that the material date for passing-off is the date of the behaviour complained of (see *Cadbury Schweppes Pty Ltd v Pub Squash Co Pty Ltd* [1981] RPC 429 and *Inter Lotto (UK) Ltd v Camelot Group PLC* [2004] RPC 8 and 9). Owing to Article 4.4 (b) the date for establishing the preventive right cannot be later than the date of application, but passing-off is about the behaviour complained of. So one could look to a date earlier than the date of application if the behaviour complained of arose before the date of application. In this case the behaviour complained of is the use of the trade mark in relation to the goods of the registration. There is no evidence of any such use prior to 18 December 1992. So the first material date is the date of application.

11) Article 4.4 (b) of the Directive and section 47(2)(b) of the Act use the present tense. Too much can be easily read into the use of the present tense, it is the natural tense to use in legislative texts; which are not drafted by committees of philologists. The comments of Professor Annand and the judgment of the ECJ in *Levi Strauss & Co v Casucci SpA* suggest that a later date may also need to be considered; so that an applicant will not only have to succeed in its claim at the date of application but also at a later date. This is clearly the position in relation to grounds relating to the distinctiveness of a trade mark. The proviso to section 47(1) of the Act, derived from Article 3.3 of the Directive, states that a trade mark registered in breach of subsection (3)(1)(b), (c) or (d) of the Act shall not be declared invalid if, in consequence of the use which has been made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered. So the Act recognises, at least in relation to certain grounds, that where the grounds no longer exist a trade mark shall not be declared invalid.

12) One can consider certain situations in relation to applications for invalidation on relative grounds. A registration is attacked on the basis of the law of passing-off. The registration was filed twenty years earlier. At the time that attacker could succeed, however, its goodwill has dissipated and the registered proprietor has built up its own goodwill. So the attacker would not have been able to succeed in a passing-off case for fifteen years. It would seem odd that such an attacker could succeed. A trade mark registration may have lapsed after the date of application for a registration and after it was registered. The attacker could prove use within the relevant period although it no longer had a trade mark registration. Again it would seem odd that a registration should be invalidated

because of a trade mark registration that no longer existed. In *Levi Strauss & Co v Casucci SpA* the ECJ clearly considered that matters after registration of a trade mark had to be taken into account in an infringement action and will have a bearing on the remedies of the action.

13) It is difficult to see the purpose of invalidating a trade mark when the basis for the invalidation no longer exists. In these circumstances, I consider that the use of the present tense does have weight and effect; it is intrinsic to the purpose of the Directive and the Act. It is a position that is, in my view, recognised by the ECJ in *Levi Strauss & Co v Casucci SpA*. Consequently, there is a second later date that has to be considered in an invalidation action. What is that date? Ms Clark submitted:

“I think the same must apply here because otherwise you have an open-ended enquiry and it is difficult to see how you could ever complete the rounds of evidence. As a purely practical matter, I would tend towards saying that you are looking at the date of the application for a declaration of invalidity because I cannot see otherwise how you conclude your rounds of evidence or end up at a decision. Supposing you go up on appeal. Fresh evidence as to what has happened since the hearing below. Is it the case that when the rounds of evidence finish as in some cases happen in 2003 and then the parties talk for four years you get to 2007 and they say, "Oh, hang on a minute, things have moved on, Registry.”

So she adopted a pragmatic approach, which gave the second date as that of the date of application for invalidation. It is certainly a pragmatic approach that would be to the administrative convenience of the Registry. However, such an approach could be to the distinct inconvenience of a registered proprietor. The fundamental principle has to be, in my view, should the trade mark be declared invalid with all the evidence in and considered. In *Scandecor Development AB v Scandecor Marketing AB* [2002] FSR 7 Lord Nicholls stated:

“49 The claim in these proceedings is that, in consequence of the use made of the marks by Scandecor Marketing and Scandecor Ltd with the consent of Scandecor International, the marks are "liable to mislead the public". That is essentially a question of fact. That question of fact must be answered having regard to matters as they now are, not as they were at some time in the past. In deciding this issue of fact the court must have due regard, as I have been at pains to emphasise, to the message which a trade mark conveys. But since the question is whether the marks are currently liable to mislead, the message which is relevant is the message which use of the marks conveys today, not the message it would have conveyed to the public in the past.”

So he was looking at the date of trial as the date at which the question had to be considered. This was a case dealing with section 46(1)(d) of the Act, revoking a trade mark registration on the basis that in the consequence of the use made of it,

it is liable to mislead the public. The principle seems good for an invalidation action on relative grounds. If at the date of the trial/hearing there is no longer a basis to invalidate a trade mark, should it be invalidated for administrative convenience. If one is attaching one self to the date of application for invalidation, does one ignore evidence filed in the evidence rounds dealing with matters after the date of application? The latter course of action would seem to be untenable. Taking the date of hearing as the second material date may give rise to administrative problems at times but administrative convenience should not override the purpose of the law. If late evidence is filed, there can always be compensation in costs for the other side. I consider that the second material date has to be the date of the hearing.

14) So the first material date is the date of application for registration and there is a second material date, the date of the hearing. So for UK to succeed it has to establish that it could have prevented use of the trade mark as of 18 December 1992 and that it could also have prevented use of the trade mark on 6 June 2006. It has to succeed on both dates; if it fails in relation to the first material date, its case fails.”

13) In this case, to succeed, PW must first establish that the grounds for invalidation existed at the date of application for registration, 9 February 2005. There is no evidence to show any use of the trade mark by BB, there is no evidence of anything having happened since 9 February 2005 that adversely affects the scope and validity of the earlier trade marks of PW. BB’s position is no better after 9 February 2005. BB cannot rely upon anything after 9 February 2005 to preclude invalidation, if there are valid grounds for invalidation as of this date. **Therefore, the only date that has a bearing upon this case is the date of application for registration, 9 February 2005; the material date in respect of the objections under both section 5(2)(b) and section 5(4)(a) is 9 February 2005.**

Passing-off – section 5(4)(a) of the Act

14) Section 5(4)(a) of the Act states:

“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,”

15) In relation to this matter I intend to adopt the guidance given by, Mr Geoffrey Hobbs QC, sitting as the appointed person, in the *Wild Child case* [1998] RPC 455. In that decision Mr Hobbs stated that:

"A helpful summary of the elements of an action for passing off can be found in Halsbury's Laws of England 4th Edition Vol 48 (1995 reissue) at paragraph 165.

The guidance given with reference to the speeches in the House of Lords in *Reckitt & Colman Products Ltd v Borden Inc* [1990] RPC 341 and *Erven Warnink BV v J Townend & Sons (Hull) Ltd* [1979] ACT 731 is (with footnotes omitted) as follows:

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

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

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

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

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

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

- (a) the nature and extent of the reputation relied upon;
- (b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;
- (c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;
- (d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and

(e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.

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

16) PW has to first establish that at the material date it had a protectable goodwill (reputation), in the United Kingdom, in a business in relation to use of the sign POMTINI. If this is not established it cannot succeed in its claim under the law of passing-off.

17) Pumfrey J in *South Cone Inc v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership)* [2002] RPC 19 stated:

“27 There is one major problem in assessing a passing off claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case in which this ground of opposition is raised the Registrar is entitled to be presented with evidence which at least raises a prima facie case that the opponent's reputation extends to the goods comprised in the applicant's specification of goods. The requirements of the objection itself are considerably more stringent than the enquiry under s 11 of the 1938 Act (see *Smith Hayden (OVAX)* (1946) 63 RPC 97 as qualified by *BALI* [1969] RPC 472). Thus the evidence will include evidence from the trade as to reputation; evidence as to the manner in which the goods are traded or the services supplied; and so on.

28 Evidence of reputation comes primarily from the trade and the public, and will be supported by evidence of the extent of use. To be useful, the evidence must be directed to the relevant date.”

Professor Annand, sitting as the appointed person, in *Loaded* BL O/191/02, accepted that proof of goodwill could be accomplished by other means. The judgment of Jacob LJ in *Phones4U Ltd v Phone4u.co.uk Ltd* [2007] RPC 5 warns against applying a formulaic approach. This was commented upon by Richard Arnold QC, sitting as the appointed person, in *Aggregate Industries UK Limited v Cooper Clark Group Limited* BL O/178/06:

“15 As to point (ii), counsel for the applicant accepted that *REEF* does not establish that a claim for passing off will fail in the absence of trade evidence to support it. As Jacob LJ has recently explained in *Phones4U Ltd v Phone4u.co.uk Ltd* [2006] EWCA Civ 244 at [5], what a passing off claimant needs to do is to establish that he has built up a goodwill which the defendant is invading by a misrepresentation and accordingly what matters is what the claimant did to create a goodwill. Jacob LJ returned to this point at [33], saying that showing what had actually been done to publicise the name

or badge relied upon was the key evidence and that in the case in question expert evidence was not required to infer from the proved use that the name must have been known to a substantial section of the public. As Jacob LJ explained, the test for establishing goodwill for the purposes of passing off is not the same as the test for establishing that a descriptive mark has acquired a distinctive character for the purposes of registration.”

18) A good deal of the material exhibited by BB in relation to POMTINI emanates from after the material date. John Regal, for PW, states that he first came across the trade mark POMTINI when the barman, Dale DeGroff, created the POMTINI cocktail in or around February 2003. Mr DeGroff is described as a well-known barman in the United States of America. Mr DeGroff describes himself as a professional mixologist of Dale DeGroff Co Inc. Mr DeGroff explains that he has been mixing cocktails for over thirty years. He states that he has created award winning cocktail menus and established himself as a leading authority and popular personality in the beverage world. Mr DeGroff is the author of the book *The Craft of the Cocktail*, this was published in the United Kingdom in 2003 and first published in the United States in 2002. In February 2003 he states that he created the POMTINI; a recipe for the POMTINI is exhibited, it comes from the website kingcocktail.com and was downloaded on 12 July 2006 (this is Mr DeGroff’s website). This recipe gives the ingredients as POM Wonderful pomegranate juice, vodka, grapefruit juice, lime juice and simple syrup. Mr DeGroff states that he devised the POMTINI recipe for PW and always uses POM Wonderful pomegranate juice in the POMTINI. Pages downloaded on 12 July 2006 from the pomwonderful.com website are exhibited giving recipes for POMTINI. Pages downloaded from the kingcocktail.com website and exhibited as part of the evidence of Mr Regal, give further recipes for POMTINI, the pages were downloaded on 19 December 2005; one recipe is that as referred to above, another recipe gives the ingredients as follows: vodka, pomegranate juice, Florida grapefruit juice, lime juice, honey syrup, simply syrup and Velvet Falernum; this recipe does not identify a specific type of pomegranate juice. Some of the website usage uses the TM symbol by POMTINI, some does not. A copy of an article from *The Guardian* of 1 September 2004 is exhibited. The article deals with the fashion for pomegranates, one paragraph reads as follows:

“No wonder then that the US is gripped by a pomegranate craze. Gourmet magazines are packed with pomegranate recipes, a new pomegranate cocktail, the Pom-tini, is popping up in bars all over Manhattan, there’s a pomegranate vitamin pill, a body buffer and soon a new range of flavoured teas and drinks. In the UK , the charity Heart UK has endorsed the country’s first pomegranate juice drink, reported Lucy Shakeshaft in the Daily Mail.”

A copy of an article about pomegranates from *You Magazine* for 10 July 2005 (after the material date) is exhibited. The article states:

“The pomtini (a pomegranate martini) was served at Hollywood parties and became the ‘official’ cocktail of the Oscars.”

Further in the article there are two references to POM Wonderful but no connection is made between the cocktail and POM Wonderful, other than via the pomegranate.

An article from *The Independent* of 20 August 2005 (after the material date) is exhibited, this is also about pomegranates. There is a reference to the pomtini – a pomegranate martini – as being a favourite at Hollywood parties. There is no reference to PW or its products.

19) In evidence in reply a copy of an e-mail dated 23 February 2005 is exhibited which reads:

“Exciting news from the Corporate Communications Team! Attached is the press release announcing POM Wonderful’s appearance at the Academy Awards this Sunday, February 27. For the third year in a row, the POMtini will be served at the Governors Ball, the star-studded bash following the Oscars ceremony.”

Joanna Nottage, a trade mark assistant working for PW, gives the evidence in reply. Ms Nottage does not state on what basis she gives her evidence eg that she has had direct access to documents. She exhibits a promotional and drink recipe booklet, which has recipes for POMTINI, and uses the TM symbol in relation to them. The booklet has a copyright date of 2004, the telephone number for contact appears to be a United States number. Ms Nottage states that this booklet was used to promote PW’s products at the Vitality Show in London on 7 April 2005. Ms Nottage does not indicate how she knows this and so her statement is at best the most unattributable hearsay. A more fundamental problem arises as 7 April 2005 is after the material date so will not assist PW. Two recipe cards for POMTINI are exhibited, these bear a copyright date of 2006. (The problems in Ms Nottage’s evidence are clearly illustrated in the claim that the recipe for POMTINI appeared in Mr DeGroff’s book *The Craft of the Cocktail*; she does not exhibit the relevant page(s) and it would be difficult to see how she could as the book was first published in the United States of America in 2002 and Mr DeGroff states that he invented the cocktail in February 2003.)

20) Ms Nottage in her evidence, which consists of a good deal of submission, refers to Internet usage. There is no Internet evidence for prior to the material date in relation to the use of POMTINI; previous contents of websites can be readily obtained via various search engines; further, there is no evidence of a goodwill situate arising from the Internet in the United Kingdom, PW has to establish customers in the United Kingdom at the material date in relation to the sign POMTINI. In *Pete Waterman Ltd and Others v CBS United Kingdom Ltd* [1993] EMLR 27 Sir Nicolas Browne-Wilkinson VC stated:

“From this over-long review of the authorities, I reach the following conclusions:

A. As a matter of principle, the existence of a severable English goodwill attached to a place of business in this country is not the basis of a right to complain of passing off in this country. What is necessary is for the plaintiffs to show they have a trade connection here which will normally consist of customers forming

part of their goodwill, wherever that goodwill is situate, which goodwill is being invaded by the acts of the defendant in this country;

B. The approach which I have set out at A above is not open to me as there is binding authority to the effect that the basis of plaintiffs' claim must be a goodwill locally situate in England; but

C. The presence of customers in this country is sufficient to constitute the carrying on of business here whether or not there is otherwise a place of business here and whether or not the services are provided here. Once it is found that there are customers, it is open to find that there is a business here to which the local goodwill is attached;

D. To the extent that the *Crazy Horse* case is authority to the contrary, I prefer not to follow it.

It follows that since at all material times The Hit Factory Inc. has had a substantial number of customers here, it would have been entitled to protect its name here against third parties and is therefore entitled to continue to use its name here concurrently with PWL even if, contrary to my view, PWL has itself acquired a goodwill in the name.”

There is no evidence of any customer in the United Kingdom for goods bearing the sign POMTINI or that POMTINI at the material date acted as the attractive force for custom in the United Kingdom for PW. (The issue of trade mark use and the Internet is the subject of several judgments which have been crystallised in the judgment of Kitchen J in *Richard Dearlove v Sean Combs* [2007] EWCA 375 (Ch). The law of passing-off and trade mark law are not equivalent, but I note that I cannot see that from the evidence before me that a claim could be substantiated as to trade mark use within the jurisdiction of POMTINI either; one, at best, is left with the super telescope use of *Euromarket Designs Inc v Peters and Crate & Barrel Ltd* [2001] FSR 20.)

21) The evidence of PW indicates that at the material date POMTINI might be known by some people in the United Kingdom as the name of a type of cocktail, a generic name. The nature of the use shown would not bring a consumer to see it as use of an indicator of origin or it to act as an attractive force to custom. In the article in *The Guardian* that emanates from prior to the material date, there is no reference to PW at all. In the article from *You Magazine* that emanates from well after the material date, there is a reference to POMTINI and POM Wonderful but no link is made between the two. There is no evidence to substantiate the claim that PW enjoyed a goodwill in relation to the name POMTINI in the United Kingdom; serving POMTINI cocktails at a party in the United States does not create a goodwill in the United Kingdom. The invention and naming of the cocktail in the United States of America of themselves do not give rise to a protectable goodwill in the United Kingdom, nor does the registration of trade marks in the United States of America.

22) PW has failed to establish a goodwill at the material date in relation to the sign POMTINI and so the claim under section 5(4)(b) of the Act must be dismissed.

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

23) 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.”

Section 6(1)(a) of the Act defines an earlier trade mark as:

“a registered trade mark, international trade mark (UK) or Community trade mark or international trade mark (EC) 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”

24) PW’s two United Kingdom trade mark registrations are earlier trade marks as per the Act.

25) PW has filed evidence in relation to its use of its registered trade marks. I am at a loss to understand why. In its statement of grounds it has made no claim to benefiting from a reputation in relation to them. If it had made such a claim the turnover figures and evidence of promotion by the material date would not let it succeed. According to Mr Regal PW’s trade marks were not used in the United Kingdom in relation to fruit juice until March 2005, so after the material date. He states that use in relation to fresh fruit began in January 2004, he does not specify what fresh fruit. The turnover for 2004 was \$235k. Even if the turnover was only for pomegranates, the evidence is not sufficient to make a claim to reputation; it certainly does not come near to allowing the considerations set out in *Windsurfing Chiemsee Produktions- und Vertriebs GmbH (WSC) v Boots- und Segelzubehör Walter Huber and Franz Attenberger* Joined Cases C-108/97 and C-109/97 to be made:

“51. In assessing the distinctive character of a mark in respect of which registration has been applied for, the following may also be taken into account: the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant class of persons who, because of the mark, identify goods as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations.

52. If, on the basis of those factors, the competent authority finds that the relevant class of persons, or at least a significant proportion thereof, identify goods as originating from a particular undertaking because of the trade mark, it must hold that the requirement for registering the mark laid down in Article 3(3) of the Directive is satisfied. However, the circumstances in which that requirement may be regarded as satisfied cannot be shown to exist solely by reference to general, abstract data such as predetermined percentages.”

26) 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 and *Vedial SA v Office for the Harmonization of the Internal Market (trade marks, designs and models) (OHIM) C-106/03 P*.

Average consumer and nature of purchasing decision

27) The goods of the earlier registrations are everyday goods which are bought by the public at large. The goods of the registration are of a similar nature; with the difference that there are age restrictions in relation to the purchase of alcoholic beverages. All of the goods of the registration could be cheap, although some of the alcoholic goods could be expensive. The goods of the earlier registrations as, a norm, are not expensive. The nature of the respective goods, of themselves, do not give rise to careful and educated purchasing decisions. (Within the goods of the registration there will be potentially more careful purchasing decisions, for fine wines and spirits, however, this reflects not the products at large but a type of the product.) Taking these factors into account I consider that the care of the average consumer in purchasing will not be particularly great and there will not be a careful and educated purchasing decision, so the effects of imperfect recollection are likely to be of more importance than for goods for which there is a careful and educated purchasing process..

Comparison of goods

28) The goods covered by the earlier registrations are: *fresh fruits, fruit juices, fruit juice concentrates*. The goods of BB’s registrations are:

beers and ales; drinks made from or containing beer or ale; malt beverages; drinks with a malt beer base; drinks with a brewed malt base; non-alcoholic drinks; mineral and aerated waters; soft drinks; soft drink mixers; fruit drinks and fruit juices; syrups and other preparations for making beverages;

alcoholic beverages; alcoholic beverages made from or containing spirits; alcoholic drinks with a spirit base; alcoholic coolers; alcoholic cocktails.

29) In *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* the ECJ held in relation to the assessment of the similarity of goods that the following factors, inter alia, should be

taken into account: their nature, their intended purpose (the original incorrect translation of ‘Verwendungszweck’ in the English version of the judgment has now been corrected), their method of use and whether they are in competition with each other or are complementary. In *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281, Jacob J considered that the following should be taken into account when assessing the similarity of goods and/or services:

- “(a) The respective uses of the respective goods or services;
- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;
- (d) The respective trade channels through which the goods or services reach the market;
- (e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- (f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.”

In interpreting the specifications I take into account several judgments. In *British Sugar Plc v James Robertson & Sons Limited* Jacob J 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.”

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 take on board the class in which the goods or services are placed is relevant in determining the nature of goods and services (see *Altecnic Ltd's Trade Mark Application* [2002] RPC 34). Although it dealt with a non-use issue, I consider that the words of Aldous LJ in *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd* [2003] RPC 32 are also useful to bear in mind:

“In my view that task should be carried out so as to limit the specification so that it reflects the circumstances of the particular trade and the way that the public would perceive the use. The court, when deciding whether there is confusion under section 10(2), adopts the attitude of the average reasonably informed consumer of the products. If the test of infringement is to be applied by the court having adopted the attitude of such a person, then I believe it appropriate that the court should do the same when deciding what is the fair way to describe the use that a proprietor has made of his mark. Thus, the court should inform itself of the nature of trade and then decide how the notional consumer would describe such use”

30) I will first consider the comparison in relation to *fresh fruits*, which are included in both earlier registrations. In her evidence Ms Nottage seems to be arguing that the issue of similarity relates only to beverages based on fruit juice. The goods of the application are all beverages or preparations for making beverages. They are predominantly liquid whilst fruits are solid. The goods of the application are to be drunk, those of the registration, without processing, to be eaten. Fruit, without being processed, will not slake the thirst, I consider it difficult to view that fruit and beverages can be seen as substitutes generally, and so in competition. However, it might be argue that one could buy eg oranges to produce juice, or buy the processed juice; in such a context there can be considered to be an element of competition. Pure fruit juice is dependant upon fruit for its production, it is the sole ingredient; in such a context it may be considered that the goods are complementary. Ms Nottage states in her evidence:

“Furthermore, in many stores fruit and juice are indeed located together in a refrigerated section of the store. This joint display is a common form of marketing for Applicant’s fruit and beverage products.”

The first sentence is an assertion with no corroborative evidence. The second is at best hearsay and may well indicate what PW does in the United States of America. It is not evidence of what happens normally in the United Kingdom. There is a complete absence of evidence in relation to the claim, and it is a claim that is challenged in the submissions of Ms Coates for BB. My own experience is the same as that of Ms Coates, fruit and beverages being in separate areas of shops. There is no evidence that fruit and beverages follow the same channels. I am aware of wholesale fruiterers and vegetable suppliers but not that they are involved in the supply of beverages. Taking all factors into account, I consider that there is a low degree of similarity between fruit and fruit juices. I consider that fruit based beverages, with the additional ingredients and processing, are too distant to be considered similar; that one product is potentially an ingredient or part of another does not mean that the products are similar. In my view the following goods in the specification of the registration will encompass fruit juices:

non-alcoholic drinks; soft drinks; soft drink mixers; fruit drinks and fruit juices

and I find that such goods are similar to *fruit*, if to a low degree, as stated above.

31) *Non-alcoholic drinks, soft drink mixers; fruit drinks and fruit juices; syrups and other preparations for making beverages* will include *fruit juices, fruit juice concentrates*. In *Gérard Meric v Office for Harmonization in the Internal Market (Trade Marks and Designs)* (OHIM) Case T-133/05 the Court of First Instance (CFI) stated:

“29 In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by the trade mark application (Case T-388/00 *Institut für Lernsysteme v OHIM – Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or when the goods designated by the trade mark application are included in a more general category designated by the earlier mark (Case T-104/01 *Oberhauser v OHIM – Petit Liberto (Fifties)* [2002] ECR II-4359, paragraphs 32 and 33; Case T-110/01 *Vedial v OHIM – France Distribution (HUBERT)* [2002] ECR II-5275, paragraphs 43 and 44; and Case T-10/03 *Koubi v OHIM – Flabesa (CONFORFLEX)* [2004] ECR II-719, paragraphs 41 and 42).”

Consequently, *non-alcoholic drinks, soft drink mixers; fruit drinks and fruit juices; syrups and other preparations for making beverages* must be considered to be identical to *fruit juices* and *fruit juice concentrates*.

32) All the remaining goods are beverages and so have this in common with fruit juices. All of the class 33 goods and the beer related class 32 goods are alcoholic and so this differentiates them from *fruit juices*. In my experience *fruit juices* will generally be in a different area of shops to the remaining class 32 and the class 33 goods of the registration. In the case of *mineral and aerated waters* they may be found in the same cold cabinet, when these beverages are being sold for take-away snack purposes. All of the goods could be used for slaking the thirst, obviously. The class 33 goods of the registration could all include fruit juices, could indeed be simply fruit juices “with a kick”. In the broadest sense the respective goods could be substituted for each other, as options in slaking the thirst. However, I don’t consider that there is any real equivalence between the various alcoholic beverages of the registration and *fruit juices*. A packet of crisps and a banana both give an option to satisfying hunger, or supplying a snack, but I don’t think they are really alternatives in competition with one another, they are just alternatives. I would not see a pint of beer or an alcoholic cocktail as being in competition with each other or with fruit juices. There is no evidence to this effect. There is none of the sort of evidence of competitiveness that the ECJ judged was required in *De Landtsheer Emmanuel SA v Comité Interprofessionnel du Vin de Champagne, Veuve Clicquot Ponsardin SA* Case C-381/05¹. As with foodstuffs, it is very difficult to

¹ 42 In the light of all the foregoing, the answer to the second part of the second question must be that, in order to determine whether there is a competitive relationship between the advertiser and the undertaking identified in the advertisement, it is necessary to consider:

- the current state of the market and consumer habits and how they might evolve;
- the part of the Community territory in which the advertising is disseminated, without, however, excluding, where appropriate, the effects which the evolution of consumer habits seen in other Member States may have on the national market at issue, and
- the particular characteristics of the product which the advertiser seeks to promote and the image which it wishes to impart to it.

analyse similarities between beverages without creating a legal chimera, which can rely upon logic but not upon reality. There are degrees of similarity between *fruit juices* and the non-identical goods of the registration. The table below represents what I consider the relative similarity, the relativity is as between the goods of BB's registration and not to *fruit juices*:

Most	Lesser	Least
<i>mineral and aerated waters</i>	<i>alcoholic beverages; alcoholic beverages made from or containing spirits; alcoholic drinks with a spirit base; alcoholic coolers; alcoholic cocktails</i>	<i>beers and ales; drinks made from or containing beer or ale; malt beverages; drinks with a malt beer base; drinks with a brewed malt base</i>

(I have listed the beer/malt beverages at the furthest end of the scale owing to their composition and taste; which is very far from *fruit juices*; even when taking into account those beers which are flavoured with fruit such as Belgian framboise beers.)

Comparison of trade marks

33) The trade marks to be compared are:

Trade marks of PW:



POM WONDERFUL

Trade mark of BB:

POMTINI

34) The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details (*Sabel BV v Puma AG*). 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*). Consequently, I must not indulge in an artificial dissection of the trade marks, although taking into account any distinctive and dominant components. The average consumer 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 and he/she is deemed to be reasonably well informed and reasonably

circumspect and observant (*Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV*). “The analysis of the similarity between the signs in question constitutes an essential element of the global assessment of the likelihood of confusion. It must therefore, like that assessment, be done in relation to the perception of the relevant public” (*Succession Picasso v OHIM - DaimlerChrysler (PICARO)* Case T-185/02).

35) Ms Coates, in her submissions on behalf of BB, refers to the upper trade mark as POM WONDERFUL stylised, so she submits that is how the trade mark will be perceived; not as P heart device M. Ms Coates also makes submissions as to the meaning of the POM element. She submits that it will be seen as indicating pomegranate or apple, deriving from the French word pomme. There is a paucity of evidence to substantiate either claim. In relation to a shortened form for pomegranate the only evidence in support of this claim is the article in *You Magazine* of 10 July 2005 where the following references occur:

“Our European ancestors may not have had the technology to prove it, but they knew poms were A Good Thing...”

“Former beauty editor Maria Hatzistefanis is a pom pioneer....”

“.... there will be no escaping the power of the pom this summer.”

“POM QUEEN MUST HAVES”.

This article also refers to POM WONDERFUL and so the writer could have picked up use of pom for pomegranate from this. There is an absence of evidence that the average consumer would consider pom to be an abbreviation for pomegranate. Although, in relation to pomegranate products the average consumer might make the connection. It was not one that I leapt to. I did not readily see the pom element of the trade marks as meaningful. In considering the trade marks I saw that there could be a reference to the Australian term for someone from Britain, or the French for apple. However, that was the result of study and consideration. The average consumer does not spend her or his time in analysis of trade marks and speculation of their derivation. There is a tranche of European case law, from *Phillips-Van Heusen Corp v Office for Harmonization in the Internal Market (Trade Marks and Designs)* (*OHIM*) Case T-292/01 onwards, that holds that for the conceptual meaning of a trade mark or part of a trade mark to be of significance in relation to a likelihood of confusion the meaning must be clear and obvious. That is certainly not the case here. Even if this were the case Ms Coates’ argument has a flaw. Even if it ran for pomegranate products and apple products, for all other fruits and fruit juices and concentrates pom would have no significance and so would be distinctive. On the basis of the evidence before me I cannot find that pom has a clear and obvious conceptual association. This finding means that neither for pomegranate nor apple products, as well as the generality of products, can POM be taken as having a limited distinctive character. If POM was descriptive this would have had an affect on the comparison as per *José Alejandro SL v Office for Harmonization in the Internal Market (Trade Marks and Designs), Anheuser-Busch Inc Intervening* (Case T-

129/01) [2004] ETMR 15 and *Grupo El Prado Cervera, SL v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-117/02*.

36) In registration 2364747, which has the closest goods to the registration, the POM element is stylised, the letter O being turned into a heart device. On the other hand, in this trade mark, in terms of position and size, the word WONDERFUL is very much subservient to the stylised POM, the stylised POM is very much the distinctive and dominant element. In the case of 2283427 there is not the same subservience between POM and WONDERFUL in terms of prominence. POM comes at the beginning, and WONDERFUL is laudatory, however, in normal usage the adjective comes before the noun and not after, WONDERFUL is also a much longer word than POM. Taking into account the position of POM and the laudatory nature of WONDERFUL, I am of the view the POM is the distinctive and dominant element of the trade mark but nowhere to the same extent as in the case of 2364747. I do not consider that the average consumer is likely to divide up POMTINI into separate elements, I can see no reason why the consumer would; the division would be one by syllable which would seem a strange activity for the consumer. The distinctive and dominant element of POMTINI lies in itself as a whole.

37) Phonetically all of the trade marks start with POM. In the case of the earlier registrations the POM element is separate, in the case of the registration it forms part of a word. The TINI element is totally alien to the earlier trade marks. Visually 2364747 has a stylisation of the word POM that is totally alien to the registration; 2364747 strikes the eye differently, however, it will still be perceived, as is accepted by BB, as POM, so I consider that this stylisation will have a limited effect upon the perception of the average consumer. As I have decided above, neither evidence nor my own experience can lead me to finding that POM is non-distinctive for the goods in consideration; either at the date of application for registration or at the date of the writing of this decision². So the conceptual associations of the earlier trade marks are limited to the meaning of the word WONDERFUL, in the case of 2364747 there is also the concept of a heart. The end of BB's registration, taking into account it is for beverages, evokes the idea of a cocktail, owing to the well know cocktail, martini. In the terms of the CFI in *Ontex NV v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T-353/04* it has evocative effect³. In my view taking the trade marks in their entirety, I find that BB's registration is conceptually different, owing to the evocative effect. There is a small degree of phonetic similarity. There is a small degree of visual similarity. In

² The judgment of the ECJ in *Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) v Celltech R&D Ltd Case C-273/05 P* provides a warning against findings of fact that are not supported by evidence.

³ "91 This evocative effect is independent of whether or not the word mark EURON designates a characteristic of the goods for which registration of the earlier mark was made, since that fact does not influence the ability of the relevant public to make an association between that word mark and the words 'euro' and 'Europe' (see, by way of analogy, Case T-292/01 *Phillips-Van Heusen v OHIM – Pash Textilvertrieb und Einzelhandel (BASS)* [2003] ECR II-4335, paragraph 54). In the same way, the evocative force of the earlier mark cannot be altered by the fact that it is supposedly 'made up'. Even a made-up word may carry conceptual weight."

relation to similarity the weakness of PW's case is that it is effectively based on the premise that the average consumer will separate POMTINI out into its constituent syllables and identifying POM will link this to PW's trade marks. There is also the less important premise that that laudatory word WONDERFUL in its registrations will have no effect upon the comparison, less important as I have decided that this is not the distinctive and dominant element of the earlier trade marks. (Of course, if the average consumer in the United Kingdom were to see POMTINI as just the generic name of a cocktail, as per some of the press evidence, then there will be an enormous conceptual gulf between the respective trade marks. The evidence does not allow me to reach such a conclusion in relation to the perception of the average consumer.)

Likelihood of confusion - conclusion

38) In considering whether there is a likelihood of confusion various factors have to be taken into account. There is the interdependency principle – 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 this case there is a good deal of divergence, from identical goods to goods that have a very distant similarity, if arguably any at all. The greatest proximity of the goods arises in relation to registration no 2364747. It is necessary to consider the distinctive character of the earlier trade mark; the more distinctive the earlier trade marks (either by nature or nurture) the greater the likelihood of confusion (*Sabel BV v Puma AG*). 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)* [2002] ETMR 91). 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, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ETMR 585). I have already decided that the earlier trade marks of PW do not benefit from enhanced protection owing to use; moreover, in relation to beverages there had been no use of PW's trade mark in the United Kingdom at the material date. I have also decided that there is nothing to support the proposition that POM is non-distinctive for the goods, consequently, I consider that the trade marks of PW have an average degree of distinctiveness.

39) The goods could well be purchased without a great deal of care and so the effect of imperfect recollection is likely to have greater effect than in relation to goods where there will be a careful and studied purchasing decision. In considering the matter of similarity and potential confusion I take into account the findings of the CFI in *Simonds Farsons Cisk plc v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-3/04:

“58. In that respect, as OHIM quite rightly observes, it must be noted that, even if bars and restaurants are not negligible distribution channels for the applicant’s goods, the bottles are generally displayed on shelves behind the counter in such a way that consumers are also able to inspect them visually. That is why, even if it is possible that the goods in question may also be sold by ordering them orally, that method cannot be regarded as their usual marketing channel. In addition, even though consumers can order a beverage without having examined those shelves in advance they are, in any event, in a position to make a visual inspection of the bottle which is served to them.”

Visual similarity, in the case of the goods the subject of this case, will have greater effect than phonetic similarity. However, both phonetically and visually the distinctive and dominant element of the earlier trade marks is a one syllable word whilst the registration, which does not have a separable dominant and distinctive element, consists of three syllables. It looks different, it sounds different. It also has the evocative effect of bringing to mind a cocktail. The effect of conceptual difference have been well established by several judgments of the CFI⁴

40) Taking into account the average consumer, the nature of the purchasing decision, the distinctiveness of the earlier trade marks and bearing in mind that some of the goods are identical, I have come to the conclusion that the differences between the respective trade marks are too great for there to be a likelihood of confusion. The grounds of invalidation under section 5(2)(b) of the Act are rejected.

Costs

41) Beverage Brands (UK) Limited having been successful is entitled to a contribution towards its costs. In making this award I take into account that its evidence was not, for the most part, evidence of fact but submission, which submissions were also covered by its written submissions. Consequently, I award costs on the following basis:

Considering application	£200
Statement of case in reply	£300
Preparing and filing evidence	£50
Considering evidence of PW	£500
Written submissions	£250
Total	£1300

I order PomWonderful LLC to pay Beverage Brands (UK) Limited the sum of £1,300. 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

⁴ For instance: *Ontex NV v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T- 353/04* and *Phillips-Van Heusen v OHIM – Pash Textilvertrieb und Einzelhandel Case T-292/01*.

Dated this 3rd day of May 2007

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