

O-281-16

TRADE MARKS ACT 1994

CONSOLIDATED PROCEEDINGS

**TRADE MARK APPLICATION NOS. 3008196 and 3008197
FOR A SERIES OF TWO TRADE MARKS**

VAUX

Vaux

**IN CLASS 32
BY VAUX BEERS LIMITED**

AND

**THE OPPOSITION THERETO
UNDER NOS. 401240 AND 401239
BY VSES PROJECTS LIMITED**

Background and pleadings

1. On 31 May 2013, Vaux Beers Limited (“the applicant”) applied for two trade mark applications in class 32, both of which are for a series of two trade marks, VAUX and Vaux.

2. The applications were published on 23 August 2013 (no.3008196) and 30 August 2013 (no.3008197). They were both opposed by VSES Projects Limited (“the opponent”). The pleaded grounds of opposition are sections 5(1), 5(2)(a) and 3(6) of the Trade Marks Act 1994 (“the Act”). Sections 5(1) and 5(2)(a) are based upon the following earlier trade mark owned by the opponent:

2621892

VAUX

Class 32: Beers; ales; mineral and aerated waters and other non-alcoholic beverages; fruit beverages and fruit juices; syrups and other preparations for making beverages.

Filing date: 23 May 2012; completion of registration procedure: 18 September 2015.

3. The claims under section 5(1) and 5(2)(a) are predicated upon the parties’ marks being identical and their goods being identical (section 5(1)) or similar (section 5(2)(a)), leading to refusal (section 5(1)) or refusal because there exists a likelihood of confusion (section 5(2)(a)) between the trade marks.

4. The section 3(6) ground is as follows (it is the same for both applications):

The present applicant, Vaux Beers Limited, is the owner of UK trade mark registration number 2416552 for the identical mark VAUX covering identical goods in class 32 to the present application. UK registration number 2416552 is the subject of an application for revocation for non-use under Section 46 (Revocation No. 84422). This application for revocation has been filed by the present opponent VSES Projects Limited and alleges that the applicant has not put the VAUX trade mark to genuine use in the United Kingdom. As a consequence, the applicant is aware that its rights in the VAUX trade mark in class 32 are the subject of a legal challenge before the IPO. The re-filing of new trade mark application numbers 3008196 and 3008197 for the trade mark VAUX in class 32 simply adds further complication to pending revocation no. 84422 and opposition number 104133 which increases cost and complexity for both sides in this dispute, as well as the IPO. Since the applicant’s rights in the VAUX trade mark are open to question, the two present trade mark applications numbers 3008196 and 3008197 serve no purpose other than to prolong and increase costs for both parties in this dispute. It is therefore submitted that these trade mark applications are an abuse of process and are made in bad faith to complicate and prolong the on-going legal challenge to ownership of the VAUX trade mark in class 32 before the IPO. It is therefore submitted that the present trade mark application number 3008196 should be refused in accordance with the provisions of Section 3(6).

5. The Registrar found that the present opponent’s application for revocation of registration 2416552 succeeded, in a decision dated 17 July 2014¹. The present applicant appealed that decision to the Appointed Person. In a decision dated 14 July 2015², Ms Emma Himsworth QC, sitting as the Appointed Person, dismissed the

¹ BL O/312/14.

² BL O/420/15.

appeal. As a consequence, registration 2416552 was revoked with effect from 26 August 2011. A further consequence was that the present applicant's opposition to the earlier mark relied upon in these proceedings, 2621892, failed because it was based upon the revoked registration.

6. The applicant filed counterstatements, suggesting that the present proceedings be suspended pending the outcome described in paragraph 5 above, and denying the section 3(6) ground:

It is denied that the reason for making these additional two applications (3008196 & 3008197) for the mark VAUX is to further delay, extend or complicate these proceedings thus making it more costly and complex to both parties and the IPO, as is alleged. Indeed all allegations made in relation to these two applications are denied. The reasons it is deemed necessary to make these applications are as follows. Firstly, there is the theoretical possibility in terms of the potential outcomes that the earlier revocation (84422) action brought by the other side, VSES Projects Ltd, might succeed, but that their joined application (104133) might also fail, or partially fail. These two new applications filed would then be the next in line in terms of priority. Secondly, the other side chose to file an application that is very broad and general covering many or all of the categories of beverages within Class 32, rather than an application specifically for beers and ales type beverages as per our original registration. As a result, it is necessary to make not just an application in support of the sub-categories currently in genuine use and for which proper reasons for more limited use have been cited, and for which goodwill and reputation exists, but also for sub-categories of goods where the existing goodwill and reputation in the mark could be applied to take unfair advantage of, or be detrimental to, the distinctive character or reputation of the mark, or where confusion may arise through association with the existing goodwill and reputation of the mark, in all instances to another party's advantage.

7. The two oppositions have been consolidated. The opponent is professionally represented by Urquhart-Dykes & Lord LLP. The applicant is unrepresented. Its defences, counterstatements and evidence were filed by Mr Hassan Webb, who is identified in the revocation proceedings as a director of the applicant.

8. By way of a letter dated 29 October 2015, the Registry separated the proceedings under rule 62(1)(h) of the Trade Mark Rules 2008 in order to deal firstly with the ground of opposition under section 5(1) of the Act. The purpose of this was to remove the need for evidence (or to postpone it, if the opponent was unsuccessful under this ground). The opponent elected not to file evidence. The applicant chose to file evidence comprising a 17 page witness statement from Mr Webb and 208 pages of exhibits (including header sheets). The evidence covers use of the applicant's mark, reputation, preparations for use, goodwill, residual goodwill, abandonment of goodwill, proper reasons for non-use (re-arguing points made in skeleton arguments to the Appointed Person). This evidence will not be summarised (i) because it is without relevance to the section 5(1) ground and (ii) because it seeks to re-open matters already decided and upheld on appeal.

9. Neither side has chosen to be heard. Only the opponent has filed written submissions in lieu of a hearing.

10. Section 5(1) of the Act states:

"5. - (1) A trade mark shall not be registered if it is identical with an earlier trade mark and the goods or services for which the trade mark is applied for are identical with the goods or services for which the earlier trade mark is protected.

11. The applicant has not denied that both parties' marks are identical, for identical goods. However, for the sake of completeness, I will assess the section 5(1) ground.

12. There can be no doubt that the parties' marks are identical. It makes no difference whether the marks are represented in capital letters or in title case. Registration in capitals covers use of VAUX and Vaux.

13. As per the judgment of the General Court ("GC") in *Gérard Meric v Office for Harmonisation in the Internal Market (OHIM)* Case T-133/05, goods can be considered as identical when the goods of the earlier mark are included in a more general category, included in the specification of the trade mark application. Vice versa, if the goods of the application are included in a more general category included in the specification of the earlier mark, they must be identical. The respective specifications are:

Opponent	Applicant
<p>Beers; ales; mineral and aerated waters and other non-alcoholic beverages; fruit beverages and fruit juices; syrups and other preparations for making beverages.</p>	<p>3008196 Aerated juices; Aerated water; Aerated water (Preparations for making -) ;Alcohol free beverages; Alcohol free cider; Alcohol free wine; Ales; Almonds (Milk of -) [beverage]; Aloe vera drinks, non-alcoholic; Aloe vera juices; Aperitifs, non-alcoholic; Beer; Beer wort; Beers; Beers enriched with minerals ;Beverages consisting principally of fruit juices; Beverages enriched with added minerals; Beverages enriched with added minerals [not for medical purposes]; Beverages enriched with added trace elements; Beverages enriched with added trace elements [not for medical purposes]; Beverages enriched with added vitamins; Beverages enriched with added vitamins [not for medical purposes]; Beverages (non-alcoholic-); Beverages (Non-alcoholic -); Beverages (preparations for making-); Beverages (Preparations for making -); Beverages (Whey -); Bitter lemon; Carbonated non-alcoholic drinks; Carbonated water; Cider, non-alcoholic; Cocktails, non-alcoholic; Coffee-flavored ale; Coffee-flavored beer; Concentrated fruit juice; Concentrates for use in the preparation of soft drinks; Cordials; Cordials [non-alcoholic]; De-alcoholised wines; De-alcoholized drinks; De-alcoholized wines; Effervescing beverages (Pastilles for -); Effervescing beverages (Powders for -); Energy drinks; Energy drinks [not for medical purposes]; Essences for making beverages; Extracts for making beverages; Extracts of hops for making beer; Fruit beverages; Fruit</p>

	<p> beverages and fruit juices; Fruit extracts (Non-alcoholic -); Fruit juice; Fruit juice beverages (Non-alcoholic -); Fruit juice concentrates; Fruit juice for use as a beverages; Fruit juices; Fruit nectars, non-alcoholic; Fruit-based beverages; Fruit-flavoured beverages; Ginger ale; Ginger beer; Grape juice; Grape juice beverages; Grape must, unfermented; Guarana drinks; Honey-based beverages (Non-alcoholic -); Hop extracts for use in the preparation of beverages; Hops (Extracts of -) for making beer; Hops (extracts of-) for making beer; Isotonic beverages; Isotonic beverages [not for medical purposes]; Isotonic drinks; Jelly drinks; Juice (fruit-); Juice (Fruit -); Kvass [non-alcoholic beverage]; Lemon barley water; Lemon squash; Lemonade; Lemonades; Lime juice cordial; Liqueurs (Preparations for making -); Lithia water; Low alcohol beer; Malt beer; Malt syrup for beverages; Malt wort; Milk of almonds [beverage]; Milk (Peanut -) [non-alcoholic beverage]; Mineral and aerated waters and other non-alcoholic beverages ;Mineral water; Mineral water [beverages]; Mineral water (non-medicated-); Mineral water (Preparations for making -); Mineral waters; Must; Nectars (Fruit -), non-alcoholic; Non-alcoholic beer; Non-alcoholic beverages; Non-alcoholic cocktail mixes; Non-alcoholic cocktails; Non-alcoholic fruit drinks; Non-alcoholic fruit extracts; Non-alcoholic fruit juice beverages; Non-alcoholic honey-based beverages; Non-alcoholic malt free beverages [other than for medical use]; Non-alcoholic wines; Orange barley water; Orange juice; Orange squash; Orgeat; Pastilles for effervescing beverages; Peanut milk [non-alcoholic beverage]; Pineapple juice beverages; Porter; Powders for effervescing beverages; Quinine water; Root beer; Sarsaparilla [non-alcoholic beverage]; Seltzer water; Shandy; Sherbet beverages; Sherbets [beverages];Smoothies; Smoothies [non-alcoholic fruit beverages]; Soda water; Soft drinks; Sorbets [beverages]; Sorbets in the nature of beverages; Sparkling water; Sports drinks; Spring waters; Squashes [non-alcoholic beverages]; Still water; Stout; Syrup for making beverages; Syrup for making lemonade; Syrups and other preparations for making beverages; Syrups for beverages; Syrups for lemonade; Syrups </p>
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	<p>for making beverages; Syrups for making fruit-flavored drinks; Syrups for making non-alcoholic beverages; Table waters; Tomato juice [beverage]; Tomato juice beverages; Tonic water [non-medicated beverages]; Vegetable juice; Vegetable juices [beverage]; Vegetable juices [beverages]; Water; Water (Lithia -); Water (Seltzer -); Waters [beverages]; Waters (Table -); Whey beverages.</p> <p>3008197</p> <p>Alcohol free beverages; Alcohol free cider; Ales; Beer; Beer wort; Beers; Beers enriched with minerals; Cider, non-alcoholic; Coffee-flavored ale; Coffee-flavored beer; Extracts of hops for making beer; Ginger ale; Ginger beer; Honey-based beverages (Non-alcoholic -); Hop extracts for use in the preparation of beverages; Hops (Extracts of) for making beer; Hops (extracts of-) for making beer; Low alcohol beer; Malt beer; Malt wort; Non-alcoholic beer; Porter; Shandy; Stout; Syrups and other preparations for making beverages.</p>
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14. All of the applicant's goods are covered by the wider terms of the opponent's specification. The goods are identical.

15. Since section 5(1) of the Act provides that a trade mark shall not be registered if the marks and the goods are identical, my findings mean that the applications are refused.

Outcome

16. The oppositions succeed under section 5(1) of the Act. Applications 3008196 and 3008197 are refused.

Costs

17. The opponent has been successful and is entitled to a contribution toward the cost of the proceedings. The registrar normally awards costs from the published scale, as set out in Tribunal Practice Notice 4/2007. The opponent has requested an award off the scale:

"...in the knowledge that the Applicant's rights in the trade mark VAUX were under threat, the Applicant nevertheless chose to refile two new trade mark applications for the VAUX mark to force the Opponent to file the present oppositions.

It is therefore submitted that the filing of the two opposed applications is an abuse of process which has done nothing other than to increase cost and

complexity in this matter for all parties concerned. In order to discourage such unreasonable behaviour in future, it is therefore requested that an award of costs off the Registry scale be made in the Opponent's favour."

18. I am doubtful that the filing of the applications constitutes an abuse of process. It might be termed as skirmishing. Nevertheless, skirmishing puts up costs. The applicant's evidence has put up costs, unnecessarily. I will therefore award the opponent costs towards the top end of the scale. The opponent would not have had to review the evidence in great depth because the proceedings had already been separated at the point when the applicant's evidence was filed, but the opponent did have to review at least the applicant's 17 page witness statement in order to preserve its position. This is reflected in the opponent's submissions made in lieu of a hearing, dealing with the residual goodwill points in the applicant's evidence. The breakdown is as follows:

Opposition fee	£200
Preparing a statement and considering the counterstatement	£400
Reviewing the evidence and filing submissions	£2000
Total	£2600

19. I order to pay the sum of £2600 which, in the absence of an appeal, should be paid within fourteen days of the expiry of the appeal period.

Dated this 8th day of June 2016

**Judi Pike
For the Registrar,
the Comptroller-General**