

**O-374-16**

**TRADE MARKS ACT 1994**

**DESIGNATION OF THE UK FOR PROTECTION OF  
INTERNATIONAL REGISTRATION No. 1039341  
IN THE NAME OF WEINGUT SCHLOSS HALBTURN GMBH & CO KG**

**AND**

**OPPOSITION No. 404386  
BY COMPAÑIA VINICOLA DEL NORTE DE ESPAÑA, S.A.**

## Background and pleadings

1. The label trade mark shown below was registered as an international trade mark (“IR”) on 9<sup>th</sup> February 2010. The holder is an Austrian company called Weingut Schloss Halbturn Gmbh & Co KG (“the holder”). On 8<sup>th</sup> May 2014, the holder designated the UK as a territory in which it sought protection for the IR. This is the relevant date for the purposes of these proceedings (“the relevant date”). The IR was registered for ‘Alcoholic beverages (except beers)’ in class 33.



2. The holder’s request for protection of the IR in the UK is opposed by Compañía Vinícola Del Norte De España, S.A. (“the opponent”). The opponent is the proprietor of EU trade mark 237875 shown below (“the earlier mark”).



3. The earlier mark was filed at the EUIPO on 19<sup>th</sup> April 1996 and entered in the EU trade mark register on 21<sup>st</sup> May 1999. It is registered in class 33 for 'All kinds of wine except sparkling wine and sherry'.

4. The EU trade mark is the subject of a disclaimer in any rights in the words *"Fundada En 1879 - Reserva 1982 - Rioja Denominacion De Origen - Estate Bottled By Compañia Vinicola Del Norte De España S.A. - Haro - La Rioja - 13% Vol.- 75 Cl.E - Renº 44.Lo- Produce Of Spain - Rioja Consejo Regulador De Denominacion De Origen"*.

5. The opponent claims that the earlier mark is similar to the IR and is proposed to be registered for identical or similar goods. Consequently, there is a likelihood of confusion on the part of the public. Therefore, registration should be refused because it would be contrary to s.5(2)(b) of the Trade Marks Act 1994 ("the Act").

6. The opponent also claims to have used the word IMPERIAL, and a number of label marks similar to its registered EU mark, in the UK since 1924 in relation to wines.

7. The opponent claims that it has established a significant goodwill in the UK as a result of the business it has conducted here under these marks and that use of the IR will amount to a deceptive misrepresentation to the public, which will damage the opponent's established goodwill. Therefore, registration should be refused because it would be contrary to s.5(4)(a) of the Act.

8. The holder filed a counterstatement denying the grounds of opposition. I note, in particular, the following points:

- Although the parties' marks include the word IMPERIAL, they are not similar overall;
- The word IMPERIAL connotes an aristocratic background and therefore high quality;

- Both parties' products are high quality wines sold to discerning customers who will not confuse a wine from Austria with a wine from Spain;
- The holder did not put the opponent to proof of use of the earlier EU trade mark;
- The holder has restricted the list of goods to 'Wine from Halbtorn/Austria';
- The opponent's EU trade mark is invalid because it is not limited to wines from Northern Spain as stated in the mark;
- Other producers of wine use 'Imperial' without confusion, such as Moet and Chandon for a Champagne wine.

9. In connection with the point made in the fifth bullet above, I note that the international register contains an entry dated August 2015 limiting the holder's goods to 'Alcoholic beverages origin from Halbtorn/Austria, except sparkling wines, champagnes and beers'. However, this limitation is only recorded as applying to designations of the IR covering China, Germany and the USA. In this connection, I note that the IR as a whole was limited in 2011 as a consequence of a restriction of the goods in the base Austrian registration to 'Alcoholic beverages (except beers and except sparkling wines & champagnes)'. Accordingly, this restriction must be taken into account for the purposes of these proceedings.

10. In support of the point made in the last bullet of paragraph 8 above, the holder provided a letter of consent dated in 2014 from Moet and Chandon Champagne to the holder giving it consent to register the mark IMPÉRIAL, SCHLOSS HALBTORN as a trade mark for the goods listed in the penultimate sentence of the previous paragraph.

### **The evidence**

11. The opponent's evidence in chief consists of witness statements by Mr Victor Urrutia Ybarra and Ms Emma Hewson. Mr Ybarra is the CEO of the opponent

company. His evidence is that the opponent (which is known as CVNE) started selling wines in the UK under the IMPERIAL brand in the 1920s, and such sales have continued ever since. The name IMPERIAL was first used to designate a special bottling of Rioja for the UK market which was marketed in bottles holding an imperial pint. However, the IMPERIAL branded products have long since been marketed in the UK in conventional metric sized bottles.

12. The opponent's IMPERIAL branded wines have won many awards over the years, including in the UK<sup>1</sup>. In 2013, Wine Spectator magazine voted the 2004 vintage of the Gran Reserva version of the IMPERIAL product the best wine in the World<sup>2</sup>. The opponent's IMPERIAL branded wine has also featured in reviews in UK wine publications, such as The World of Fine Wine in 2010<sup>3</sup>.

13. The opponent sells its wine to around 240 stockists and restaurants in the UK, including Waitrose, Harrods, Fortnum and Mason, Asda Stores, Tesco Stores, Majestic Wine Warehouse, The Wine Society, The Co-operative Group, and Le Gavroche<sup>4</sup>.

14. In keeping with the high-end nature of the opponent's IMPERIAL branded wine, it is sold in relatively modest volumes. Between 2005 and 2013, the opponent sold between 20k and 46k bottles per year in the UK.

15. Ms Hewson is a trade mark attorney with Maguire Boss, which represents the opponent in these proceedings. She says that her evidence comes from her own knowledge or investigations she carried out on behalf of the opponent. However, in reality all of her evidence comes from internet searches. The results include numerous references to the opponent's IMPERIAL product in UK publications, including The Guardian (2008 to 2013), Decanter Magazine (2010), and the Daily Mail (2012)<sup>5</sup>. The opponent's IMPERIAL product also features regularly on websites

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<sup>1</sup> See exhibit VUY9

<sup>2</sup> See VUY10

<sup>3</sup> See VUY16

<sup>4</sup> See VUY24

<sup>5</sup> See ELH4, 5, 11, 21

used in the UK, such as 'matchingfoodandwine.com', and 'wine-searcher'<sup>6</sup>. I note that the product is usually referred to as 'Cune Imperial' or 'CVNE Imperial', often together the product designation, i.e. Rioja Reserva or Rioja Gran Reserva.

16. The holder's evidence consists of a witness statement from Professor Walter Kutscher. Professor Kutscher is, among other things, the Vice-President of the Viennese Association of Sommeliers.

17. According to Professor Kutscher, the Schloss Halbturn is the most important Baroque building in Burgenland, having once served as the summer residence of the Emperor. He says that the holder has established itself in the high-end of gastronomy and wine with its exceptional premium blend IMPÉRIAL. Professor Kutscher's evidence is that the target audience for the holder's wines are wine connoisseurs. The product would never be sold in supermarkets. The relevant target audience would never confuse an Austrian wine for a Spanish wine. Indeed, in Professor Kutscher's opinion, every consumer can differentiate between Spanish and Austrian wines, even if they are sold under the identical product name IMPÉRIAL.

18. The opponent filed evidence in reply to Professor Kutscher's evidence in the form of a further witness statement by Emma Hewson. The sole purpose of this evidence was to show that in 2016 wine under the holder's IR was being offered for sale to the general public in the UK via a wine merchant based in London called Hedonism wines<sup>7</sup>.

19. Neither party requested a hearing, but I have had the benefit of written arguments.

### **Section 5(2)(b)**

20. Section 5(2)(b) of the Act is as follows:

"5(2) A trade mark shall not be registered if because-

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<sup>6</sup> See ELH9 and 10

<sup>7</sup> See exhibit ELH(2)1

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark”.

### Comparison of goods

21. The respective goods are as follows:

IR Holder's goods	Opponent's goods
Alcoholic beverages (except beers and except sparkling wines & champagnes)	'All kinds of wine except sparkling wine and sherry'

It is obvious that the holder's goods cover the opponent's goods. In *Gérard Meric v Office for Harmonisation in the Internal Market*<sup>8</sup>, the General Court stated that:

“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 trade mark application (Case T-388/00 Institut fur Lernsysteme v OHIM- Educational Services (ELS) [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark”.

Consequently, the respective goods are identical.

### Comparison of marks

22. The Court of Justice of the European Union (“CJEU”) stated in *Bimbo SA v OHIM*<sup>9</sup>, that:

“.....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by

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<sup>8</sup> Case T- 133/05

<sup>9</sup> At paragraph 34 of the judgment in Case C-591/12P

means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

23. It would be wrong, therefore, to artificially dissect the trade marks, although, it is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

24. The respective trade marks are shown below:



25. Visually, the most dominant element of the marks is the word IMPERIAL. Much of the other material in the opponent's mark is descriptive, or of a non-trade mark character, such as the year of the vintage, 'Produce of Spain' and the alcohol level. The medals above the word IMPERIAL are merely decorative. This type of material will make only a negligible visual impression on consumers. 'Reserva', 'Rioja' and



the small device of a Spanish flag are designations of quality and geographical origin, respectively. They will make some impact on consumers, but not of the kind that will serve to identify the undertaking which is responsible for the goods. The name *Compañía Vinícola Del Norte De España*, S.A. and the abbreviation CVNE are capable of performing that function. However, because the words are written in a language that is unfamiliar to most UK consumers, and in italic letters which are less prominent than the word IMPERIAL, the Spanish name will have less visual impact than the English word IMPERIAL. The same is true of the letters CVNE. Although these letters do not present the difficulty of being foreign words, they are quite small on the label and presented at an angle which makes them a little harder to read.

26. The most prominent visual element of the holder's mark is also the word IMPERIAL. This is because it is presented in bold typeface and in larger letters than the other words on the label. In this connection, I find that the accent on the letter E in the holder's mark is likely to go unnoticed by average UK consumers, who are not used to giving effect to the impact of such signs. The heraldic device underneath the word IMPERIAL will make a limited (but more than negligible) impact on UK consumers. Although it is relatively large on the label, the position of the device (beneath the word IMPERIAL) and the relative faintness of it (compared to the bold font used for the word IMPERIAL which is superimposed over the device) relegates the impact of the device to merely a background for the word IMPERIAL.

27. The words SCHLOSS HALBTURN and the device of a building have some visual impact, but not as much as the word IMPERIAL. This is because, as is well known, building devices in the nature of chateau are commonly used on wine labels. Further, the device of the building in question is clearly presented as a secondary element of the mark. The words SCHLOSS HALBTURN will have more visual impact on UK consumers than the device of the building, but less impact than the larger and more dominant word IMPERIAL. The words 'Baron Waldbott-Bassenheim' are too small to make much visual impression on average consumers when the mark is in normal use. The geographical designation AUSTRIA will make some visual impression on such consumers, at least when the consumer has the holder's mark clearly in front of

him of her. However, as I have already noted, indications of geographical origin do not purport to identify the undertaking that is responsible for the goods.

28. I conclude that the most dominant and distinctive element of the marks is the word IMPERIAL. However, given the non-similar and non-negligible trade mark elements in the respective marks, there is only a medium level of overall visual similarity between them.

29. The opponent's mark is likely to be verbalised as CVNE IMPERIAL by some average consumers, particularly those in the trade and knowledgeable consumers who are aware of the trade mark significance of the letters CVNE, and as just IMPERIAL by others who are not so knowledgeable.

30. The holder's mark is likely to be verbalised as IMPERIAL, SCHLOSS HALBTURN, or just IMPERIAL by those average consumers who find the longer phrase a bit of a mouthful. There is therefore a medium to high degree of aural similarity between the marks.

31. The only element of either mark that is likely to (a) be regarded as trade mark matter, and (b) have any conceptual meaning that would be known to average UK consumers, is the word IMPERIAL. This is a well known English word meaning 'relating to an empire' or a non-metric system of measurement. Despite the historical reason for the opponent's use of the word, in the context of wines or alcoholic beverages, which have long been sold in the UK in metric measures<sup>10</sup>, most average UK consumers would be more likely to think of the 'empire' meaning than the name for the old system of imperial measures. Therefore, the marks are highly similar from a conceptual perspective.

#### Distinctive character of the earlier trade mark

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<sup>10</sup> With the possible exception of measures for spirits sold in licensed premises.

32. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*<sup>11</sup> the CJEU stated that:

“22. 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] ECR I-0000, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; 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 section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

33. In making this assessment it is necessary to pay particular attention to the distinctiveness of the element(s) of the earlier mark that is (are) also present in the later mark<sup>12</sup>. In this case, the word IMPERIAL. The holder claims that IMPERIAL has connotations of aristocracy and therefore high quality. The implication is that the word is low in inherent distinctiveness for wines etc. The opponent submits that the word is of normal inherent distinctiveness, which has been enhanced through the opponent’s long established use of the name IMPERIAL in the UK.

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<sup>11</sup> Case C-342/97

<sup>12</sup> See *Kurt Geiger v A-List Corporate Limited*, BL O-075-13, Mr Iain Purvis Q.C. as the Appointed Person

34. As I noted earlier, the word IMPERIAL actually means ‘relating to empire’. Even if it has some indirect connotation of aristocracy, this is no more than a vague allusion to the quality of the goods. I find that the word is of normal or average inherent distinctiveness.

35. The opponent has long used the earlier mark in the UK, or marks so similar to it as to make no difference. Although sales volumes are relatively modest, the reputation of the mark appears to be quite high; higher than one might expect based purely upon modest sales and without evidence of substantial promotion of the mark on the UK market. This is no doubt because the opponent’s mark has an established reputation for particularly high quality wines. Set against this, the product in question seems to be widely referred to as CVNE IMPERIAL, not just IMPERIAL. Overall, I find that the opponent’s long established use of the mark has enhanced its distinctive character in the UK for still wines. I therefore find that the mark had an above average level of distinctiveness on the UK market for these goods at the relevant date. This does not detract from the strength of the opponent’s case insofar as it is based simply on the registration of the earlier mark in relation to wines at large (except for sparkling wines and sherry), which includes everyday wines sold at average prices. As Kitchen L.J. stated in *Roger Maier and Another v ASOS*<sup>13</sup>:

“78. ....the court must.... consider a notional and fair use of [the earlier] mark in relation to all of the goods or services in respect of which it is registered. Of course it may have become more distinctive as a result of the use which has been made of it. If so, that is a matter to be taken into account for, as the Court of Justice reiterated in *Canon* at paragraph [18], the more distinctive the earlier mark, the greater the risk of confusion. But it may not have been used at all, or it may only have been used in relation to some of the goods or services falling within the specification, and such use may have been on a small scale. In such a case the proprietor is still entitled to protection against the use of a similar sign in relation to similar goods if the use is such as to give rise to a likelihood of confusion.”

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<sup>13</sup> [2015] EWCA Civ 220

### Average consumer and the purchasing act

36. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer*<sup>14</sup>.

37. The holder submits that the relevant consumer is a wine connoisseur who is likely to be particularly knowledgeable and skilled in his or her selection of wines. However, the assessment required for the purposes of s.5(2)(b) requires me to consider all the circumstances in which the mark applied for might be used if it were registered<sup>15</sup>. Therefore the holder's current marketing strategy through which it uses the IR only in relation to high-end expensive wines is irrelevant. As the General Court stated in *Bang & Olufsen A/S v OHIM*<sup>16</sup>:

“According to the case-law, the price of the product concerned is also immaterial as regards the definition of the relevant public, since price will also not be the subject of the registration (Joined Cases T-324/01 and T-110/02 *Axions and Belce v OHIM (Brown cigar shape and gold ingot shape)* [2003] ECR II-1897, paragraph 36).”

38. The definition of relevant average consumers must therefore cover those consumers who purchase everyday wines, as well as those that purchase high-end expensive wines. Indeed, as the holder's list of goods is not limited to wines, it must also cover average consumers of other alcoholic beverages.

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<sup>14</sup> CJEU, Case C-342/97

<sup>15</sup> See, by analogy, *O2 Holdings Limited, O2 (UK) Limited v Hutchison 3G UK Limited*, CJEU, Case C-533/06, at paragraph 66.

<sup>16</sup> Case T-460/05

39. I therefore find that the average consumer's level of attention is likely to be variable, ranging from normal to high, depending on the cost of the alcoholic beverage in question.

40. Such goods are usually purchased from a list or a website where the mark (or in the case of a list, the main elements of the mark) are likely to be visible. Therefore the level of visual similarity is likely to be more important than the level of aural similarity. However, it is also possible that the goods may be the subject of word of mouth recommendations (or the opposite), or discussions with a members of staff in restaurants, bars or wine merchants, when aural considerations may come into play. I will therefore give some weight to the level of aural similarity between the marks.

#### Likelihood of Confusion

41. The following principles are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P.

#### *The principles*

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

(k) if the association between the marks creates a risk that the public might believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

42. I have already explained why the holder's current marketing strategy of offering relatively high cost wines under the mark to wine connoisseurs is, in principle, irrelevant to my assessment of the likelihood of confusion. The holder submits that any consumer of wine is unlikely to confuse an Austrian wine with a Spanish wine. As both marks include indications of geographical origin, notably 'Rioja', 'Product of Spain' and 'Austria', respectively, this is a potentially relevant factor. However, in considering what weight to attach to it, I am not bound by the 'expert' evidence of Professor Walter Kutscher. Given Professor Kutscher's esteemed position, I doubt whether he is even in a position to opine on the likelihood of confusion amongst the full spectrum of Austrian consumers of wines. He is in no better position than I to assess the likelihood of confusion amongst UK consumers, particularly given the exceptionally international nature of the UK wine market. In any event, the likelihood of confusion is not a factual matter that is susceptible to evidence from market experts. It is a matter for this tribunal to assess.

43. The opponent seeks to counter the impact of the difference between the stated geographical origins of the parties' products by drawing attention to the opposition decision in *Cordon Blanco*<sup>17</sup>. The Hearing Officer in that case took into account his own knowledge that it was common for the same suppliers, and wine merchants, to offer wines from different geographical locations under the same mark. There can be little doubt about the correctness of that observation so far as the marks of wine merchants and shippers of wines are concerned, but the marks in this case look like trade marks for particular products; they do not look like the sort of marks that would be used by wine merchants/wine shippers for multiple products. The Hearing Officer in the *Cordon Blanco* case may also have been correct that it is common for suppliers of wine to offer wines from different geographical locations under the same mark. Indeed I can think of one or two examples of producers of wine that use the same mark for wines from different countries. However, the opponent did not file any

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<sup>17</sup> BL O/229/03



evidence directed to this matter, and I do not consider that it would be safe to infer that average consumers of wines and alcoholic beverages now expect products from different countries to be offered under the same trade mark.

44. Nevertheless, the holder's argument depends on consumers noticing the different geographical indications in the marks. This is far more likely to happen when the consumer has both marks clearly in front of him or her. In this connection, I note that the smaller words in the holder's mark, including the word 'Austria', are likely to be harder to read in advertisements than is the case in the version of the applicant's mark shown in paragraph 24 above. Indeed the word 'Austria' is impossible to make out in the (still quite large) image of the applicant's mark shown on the website of a UK stockist<sup>18</sup>. In any event, as the case law makes clear, 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 or her mind. Therefore, even if the geographical indication is noticed, such secondary visual elements of the marks may not be recalled when the average consumer encounters the other mark. Further, if the marks are the subject of oral recommendations or orders, the geographical origins of the goods are unlikely to be verbalised. This is particularly so in the case of the holder's mark because the country-wide designation 'Austria' may not carry the same level of importance to the UK trade, or to UK consumers, as the more specific geographical designation 'Rioja' in the opponent's mark.

45. Therefore, taking into account the identity of the goods, the fact that the word IMPERIAL is the most dominant element in the marks, and that this word is of at least average distinctiveness to UK consumers of wines and other alcoholic beverages, I find that there is a likelihood of confusion. The opposition under s.5(2)(b) therefore succeeds in full.

46. For the avoidance of doubt, I would have reached the same conclusion even without the opponent's evidence of the reputation of the earlier mark (and my consequential finding that the word IMPERIAL in the earlier mark had an above

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<sup>18</sup> See the opponent's reply evidence, exhibit ELH(2)1

average level of distinctiveness in the UK (for wines) at the relevant date). Additionally, it would have made no difference if the goods covered by the IR had been limited as described in paragraph 9 above. This is because the words 'Halbturn' and 'Austria' are present in the holder's trade mark, and I have included the effect of these words on average UK consumers in my assessment of the likelihood of confusion.

47. I should also make it clear that I have given no consideration to the holder's complaint that the opponent's mark is invalid because the list of products is not restricted to products from Northern Spain. The earlier mark is a registered EU trade mark. Therefore only the EU courts and the EUIPO have jurisdiction to consider the validity of the earlier mark. I am required to consider the earlier mark as validly registered<sup>19</sup>.

#### **Section 5(4)(a)**

48. The opposition under s.5(2)(b) having succeeded, there is no need to examine the s.5(4)(a) ground. In any event, the opponent's case is, if anything, a little weaker under s.5(4)(a) compared to its case under s.5(2)(b). This is because under s.5(4)(a) I would be required to consider whether normal and fair use of the holder's IR would amount to a deceptive misrepresentation to the opponent's customers and potential customers, i.e. customers for relatively high cost wines. Such consumers are likely to pay a higher degree of care and attention during the selection process than average consumers for the full range of still wines and other alcoholic beverages I considered for the purposes of the s.5(2)(b) grounds. Therefore, there is less likelihood that use of the holder's mark will deceive a substantial number of relevant persons, and therefore amount to the misrepresentation required to establish the passing-off right under s.5(4)(a). This observation is intended to explain why I have not considered it necessary to decide the opponent's s.5(4)(a) ground. It does not mean that I have fully considered the ground and rejected it.

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<sup>19</sup> See article 95 of Regulation 207/2009

## **Final remarks**

49. The holder's IR covers wines, but also other alcoholic beverages, other than beers and sparkling wines & champagnes. I considered the goods at issue to be identical for the reasons given in paragraph 21 above. However, I recognise that as well as covering wines, the description of goods covered by the IR also covers some alcoholic beverages which are not wines. I have considered whether to permit the IR holder an opportunity to restrict the specification of the IR insofar as the designation of the UK is concerned. However, as the goods of interest to the IR are manifestly wines, I have decided that there is no point in doing so.

## **Costs**

50. The opposition having succeeded, the opponent is entitled to an award of costs. I therefore order Weingut Schloss Halbtorn GmbH & Co KG to pay Compañia Vinicola Del Norte De España, S.A. the sum of £1650.

51. This is made up of:

£300 for filing a notice of opposition and considering the holder's counterstatement;

£200 official fee for notice of opposition;

£900 for filing evidence and considering the holder's evidence;

£250 for filing written submissions.

52. The above sum should be paid within 21 days of the end of the period allowed for appeal or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings.

**Dated this 4th day of August 2016**

**Allan James  
For the Registrar**