O-415-16

TRADE MARKS ACT 1994

IN THE MATTER OF UK REGISTRATION NO 3097695
IN THE NAME OF CASAMIGOS TEQUILLA LLC
IN RESPECT OF TRADE MARK:

CASAMIGOS

AND

AN APPLICATION FOR A DECLARATION OF THE
INVALIDITY THEREOF UNDER NO 500979
BY GLOBAL BRANDS LIMITED.

BACKGROUND

1. Trade mark No. 3097695 shown on the cover page of this decision stands registered in the name of Casamigos Tequilla LLC (the proprietor). It was applied for on 5 March 2015 and completed its registration procedure on 29 May 2015. The relevant goods for which it is registered are as follows:

> **Class 33**
> Alcoholic Beverages (except beers).

2. On 4 September 2015, Global Brands Limited (the applicant) filed an application to have this trade mark declared invalid under the provisions of sections 47(2)(a) and 5(2)(b) of the Trade Marks Act 1994 ("the Act").

3. The applicant relies upon the following earlier UK registration for the following goods:

Mark details:	**Goods:**
UK TM: 2478534 Amigos **Filing date:** 1 February 2008 **Date of entry in the register:** 5 September 2008	**Class 32** Beers; mineral and aerated waters and other non-alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages. **Class 33** Alcoholic drinks and alcoholic beverages; wines; spirits including alcoholic spirit based beverages; brandy; cider; cocktails; digesters; distilled beverages; beverages containing fruit, gin, one or more liquors, mead, perry, rice alcohol, rum, sake, vodka, whiskey and/or wine; alcoholic beverages based on fruit flavoured, herb flavoured and spice flavoured distilled liquor; alcoholic energy drinks.

4. The applicant states the following, which I reproduce as written:

> *"AMIGOS forms a substantial and distinctive part of the mark CASAMIGOS. AMIGOS is a part of the mark which is decisive for the customers. Mark CASAMIGOS has semantic, phonetic and visual similarity with the mark*

AMIGOS. AMIGOS is a mark which is easy to remember and has its phantasy meaning.

By uttering the word CASAMIGOS, it is the part 'AMIGOS' which addresses customer's mind – the phonetic aspect is very important, as the products in suit are drinks which are often ordered in restaurants, pubs etc."

5. On 10 November 2015, the proprietor filed a counterstatement denying the claims made.

6. Both parties filed evidence and written submissions. The proprietor filed a skeleton argument. A hearing took place on 14 June 2016 at which the proprietor was represented by Ms Charlotte Scott of Counsel, who attended by video conference. The applicant did not attend or file written submissions in lieu of attendance.

7. I have reviewed all of the evidence and submissions and do not intend to summarise them, but will refer to the content as necessary.

Preliminary issue

8. I need first to deal with a preliminary issue which arises out of the applicant's statement of case:

"One of the companies of the Global Brands Limited is owner of UK trade mark registration (2499031) Casa Hotel in class 43. The marks are often used together."

9. The proprietor responded to this point in its counterstatement in the following terms:

"4. It is denied that UK Trade Mark Registration Number 2499031 CASA HOTEL and/or its use with or without AMIGOS are relevant since the said registration is not a ground of invalidity relied upon by the Applicant for Invalidity nor is it registered in the name of the Applicant for Invalidity."

10. I agree that UK trade mark 2499031 is not relied on in these proceedings and is not relevant to the matters I have to decide. I will say no more about this.

The earlier mark

11. Section 47 of the Act provides as follows:

47 (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 or international trade mark (EC), 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.

12. An earlier trade mark is defined in section 6 of the Act, the relevant parts of which state:

"6.-(1) In this Act an 'earlier trade mark' means -

(a) 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.

(2) References in this Act to an earlier trade mark include a trade mark in respect of which an application for registration has been made and which, if registered, would be an earlier trade mark by virtue of subsection (1)(a) or (b), subject to its being so registered."

13. The mark relied upon by the applicant is an earlier mark, which is subject to proof of use because, at the date of the application for invalidity, it had been registered for five years.[1]

14. The relevant period is the five year period ending on the date of application for invalidation, namely 5 September 2010 to 4 September 2015. The onus is on the applicant under section 100 of the Act, to show use of their mark during this period in respect of those goods on which it seeks to rely. In reaching a conclusion on this point, I must apply the same

[1] *See section 6A of the Act (added by virtue of the Trade Marks (Proof of Use, etc.) Regulations 2004: SI 2004/946) which came into force on 5th May 2004.*

factors as I would if I were determining an application for revocation based on grounds of non-use.

15. In *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Ecotive Limited,* [2016] EWHC 52, Arnold J. summarised the principles derived from the case law on genuine use of trade marks. He said:

> "I would now summarise the principles for the assessment of whether there has been genuine use of a trade mark established by the case law of the Court of Justice, which also includes Case C-442/07 *Verein Radetsky-Order v Bundervsvereinigung Kamaradschaft 'Feldmarschall Radetsky'* [2008] ECR I-9223 and Case C-609/11 *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR 7, as follows:
>
> (1) Genuine use means actual use of the trade mark by the proprietor or by a third party with authority to use the mark: *Ansul* at [35] and [37].
>
> (2) The use must be more than merely token, that is to say, serving solely to preserve the rights conferred by the registration of the mark: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Centrotherm* at [71]; *Leno* at [29].
>
> (3) The use must be consistent with the essential function of a trade mark, which is to guarantee the identity of the origin of the goods or services to the consumer or end user by enabling him to distinguish the goods or services from others which have another origin: *Ansul* at [36]; *Sunrider* at [70]; *Verein* at [13]; *Silberquelle* at [17]; *Centrotherm* at [71]; *Leno* at [29].
>
> (4) Use of the mark must relate to goods or services which are already marketed or which are about to be marketed and for which preparations to secure customers are under way, particularly in the form of advertising campaigns: *Ansul* at [37]. Internal use by the proprietor does not suffice: *Ansul* at [37]; *Verein* at [14]. Nor does the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle* at [20]-[21]. But use by a non-profit making association can constitute genuine use: *Verein* at [16]-[23].

(5) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, that is to say, use in accordance with the commercial *raison d'être* of the mark, which is to create or preserve an outlet for the goods or services that bear the mark: *Ansul* at [37]-[38]; *Verein* at [14]; *Silberquelle* at [18]; *Centrotherm* at [71].

(6) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including: (a) whether such use is viewed as warranted in the economic sector concerned to maintain or create a share in the market for the goods and services in question; (b) the nature of the goods or services; (c) the characteristics of the market concerned; (d) the scale and frequency of use of the mark; (e) whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them; (f) the evidence that the proprietor is able to provide; and (g) the territorial extent of the use: *Ansul* at [38] and [39]; *La Mer* at [22]-[23]; *Sunrider* at [70]-[71], [76]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34]; *Leno* at [29]-[30], [56].

(7) Use of the mark need not always be quantitatively significant for it to be deemed genuine. Even minimal use may qualify as genuine use if it is deemed to be justified in the economic sector concerned for the purpose of creating or preserving market share for the relevant goods or services. For example, use of the mark by a single client which imports the relevant goods can be sufficient to demonstrate that such use is genuine, if it appears that the import operation has a genuine commercial justification for the proprietor. Thus there is no *de minimis* rule: *Ansul* at [39]; *La Mer* at [21], [24] and [25]; *Sunrider* at [72]; *Leno* at [55].

(8) It is not the case that every proven commercial use of the mark may automatically be deemed to constitute genuine use: *Reber* at [32].”

The applicant’s evidence

Witness statement of Simon Harrold with exhibits SH1 – SH8

16. Mr Harrold is the applicant's Group Finance Manager, a position he has held since 28 April 2008. His witness statement is dated 13 January 2016.

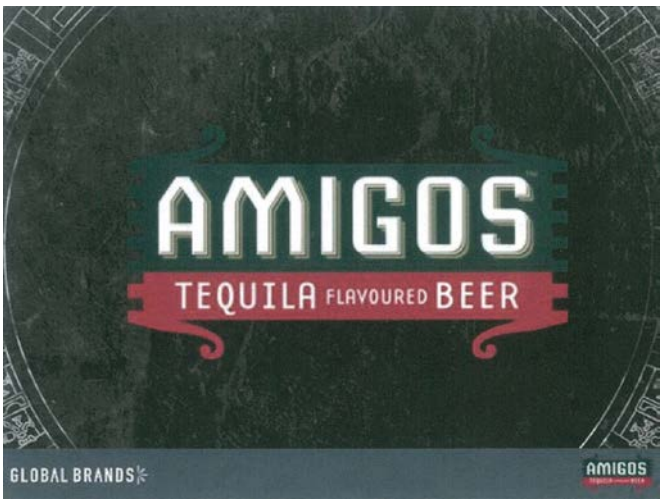
17. He states:

> *"4. The mark Amigos has been in continuous use in the United Kingdom in the period between 2008 to 2015 on all of the goods in Classes 32 and 33…*
>
> *5. The mark Amigos is used principally in relation to brewed beer having a tequila flavour, but not containing tequila itself."*

18. He provides the following turnover figures:

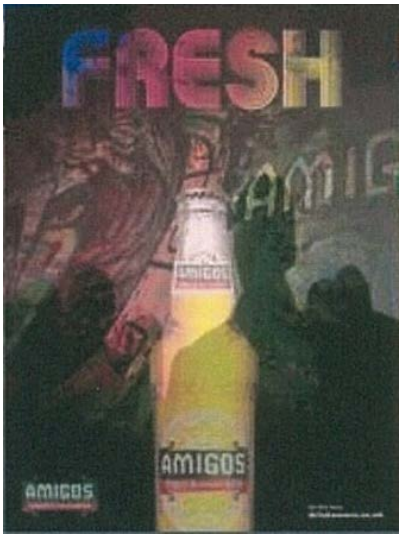
Turnover for beers		
Year	**Cases sold**	**£**
2010/11	100,000-200,000	2,000,000
2011/12	200,000-300,000	4,000,000
2012/13	400,000-500,000	7,000,000
2013/14	300,000-400,000	6,000,000
2014/15	250,000-350,000	4,000,000

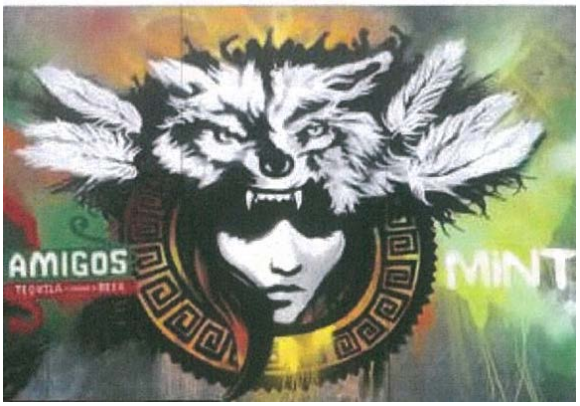
19. Mr Harrold provides eight exhibits, all of which appear to be taken from a presentation and none of which is dated. Exhibit SH1 is described as a photograph of a label on a bottle of beer. It clearly is not presented on a bottle, but is a flat, 2D representation of a label, depicted as follows:

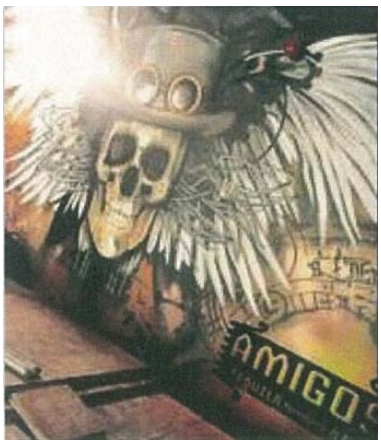


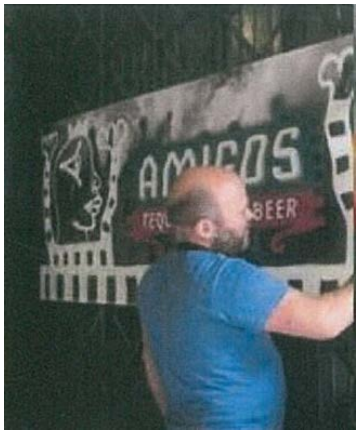
20. He states in his witness statement, at paragraph 6, that the label was used on beer sold under the Amigos trade mark by the applicant in the UK in the period 2010-2015.

21. Exhibit SH2 shows ‘promotional flyers’ for a ‘Street Art’ event held in the UK in 2015. The following four images are included within the nine shown.









22. SH3 shows a flyer for an event called ‘Day of the Dead’, held in London in November 2015, after the relevant date.

23. Exhibit SH4 shows a promotional flyer for the ‘Cocoon in the Park & Mint Festival’ held in Leeds in July 2015. The flyer shows a photograph of a stage labelled, ‘Cocoon in the Park’ and shows the following image to the right:

24. Above that image the text reads as follows:

> “Amigos has a long standing relationship with Cocoon & Mint Festival. It also does events at Mint Club and Warehouse in Leeds and was the pouring tequila beer at Mint festival this year.”

25. Exhibit SH5 is described by Mr Harrold as showing the Amigos brand used for a wide range of point of sale promotional materials. The images include a branded ice bucket, keyring, bottle opener, t-shirts, a café barrier and cardboard packaging for a four pack of beer. These items are shown on what looks to be a presentation slide and no indication is given as to where these items may have been made available, when or to whom.

26. Exhibit SH6 comprises two undated photographs showing shelving in an unidentified store. In both photographs the applicant's beer is shown on a shelf with other beers either side. For example:

27. The photographs appear to be presented on a slide which also includes a 'non-exhaustive' list of trade customers and includes, Tesco, Morrison's, Asda, One Stop, Nisa and Booker.

28. Exhibit SH7 shows three undated social media pages which Mr Harrold states show, *"the mark Amigos is present across a wide variety of social media platforms, including Facebook, Twitter and Instagram, for promoting events, competitions and other customer interaction."*

29. The Amigos mark can be made out on two of the pages, though it is obscured on the second social media page. The page from Facebook is too small and the reproduction too blurry to make out the mark.

30. Exhibit SH8 relates to the 'Lighthouse Project' which Mr Harrold describes as an initiative by churches and local councils to offer temporary accommodation for the homeless. The exhibit looks to be a slide from a presentation. It identifies a number of locations for the project including London, Birmingham, Manchester, Leeds, Sheffield, York and Cheltenham. The two photographs on the slide depict a large mural of the kind I have reproduced above at paragraph 17, though the applicant's mark is not present; the second is of a café barrier

outside a bar, which shows the applicant's Amigos mark on each panel, in the form I have shown at paragraph 15 above.

Proof of use

31. First, I have to identify, as a matter of fact, whether the trade mark relied on by the opponent has been put to genuine use and, if so, in respect of which goods. Having reached a conclusion on that point, I must then go on to decide what constitutes a fair specification for the use made.

32. On 14 March 2016 the proprietor filed observations in which it made the following points:

- The applicant's evidence did not show a single class 33 product from its specification.
- In class 32 the earlier mark should be disregarded for all goods except beer.

33. The applicant filed submissions in reply, dated 13 April 2016, in which it stated the following:

> *"The Cancellation Applicant hereby withdraws goods in Class 33 as a basis for these proceedings…*
>
> *The Cancellation Applicant agrees with the Proprietor that its UK Registration Number UK2478534* ***Amigos*** *should be disregarded for all goods except 'beers' in Class 32 for the purposes of these proceedings…"*

34. Given the concessions made by the applicant in its submissions, it is the limited range of goods in class 32 of the applicant's specification for which use must be shown, namely, 'beers'.

35. With regard to the nature of the evidence filed by the applicant, the proprietor also makes the following points in its observations:

- The applicant's evidence is undated.
- The applicant's evidence relates largely to promotional events rather than the sale of beer.

- The applicant's turnover figures are vague. Cases sold each year is shown as a range, while the turnover is shown as a single figure.

36. The applicant responded to these comments in the following terms, reproduced as written:

> *"(7)(a)…Regarding exhibits SH1, SH4-SH6 inclusive, it is admitted that dates do not appear on their face, however, the dates are for these exhibits supplied by Simon Harrold [and] are accurate to the best of his knowledge and belief, as attested by his Statement of Truth in his Witness Statement…*
>
> *(b)…The Cancellation Applicant informs us that beer under the Amigos brand was sold at the events referred to in flyers to the various sponsored events…*
>
> *©Regarding the Proprietor's assertion that the turnover figures in paragraph (16) of Mr Simon Harrold's Witness Statement, they are set out as a range of figures for cases sold since the actual figures are commercially sensitive for the Cancellation Applicant."*

37. There is no de minimis level for genuine use, although I bear in mind that the CJEU stated in Case C-141/13 P, *Reber Holding GmbH & Co. KG v OHIM* (in paragraph 32 of its judgment), that "*not every proven commercial use may automatically be deemed to constitute genuine use of the trade mark in question".*

38. In considering the applicant's evidence, it is a matter of viewing the picture as a whole. In *Dosenbach-Ochsner AG Schuhe und Sport v Continental Shelf 128 Ltd*, Mr Geoffrey Hobbs Q.C.[2], sitting as the Appointed Person, stated:

> "21. The assessment of a witness statement for probative value necessarily focuses upon its sufficiency for the purpose of satisfying the decision taker with regard to whatever it is that falls to be determined, on the balance of probabilities,

[2] *BL O/404/13*

in the particular context of the case at hand. As Mann J. observed in *Matsushita Electric Industrial Co. V. Comptroller- General of Patents*[3]:

> [24] As I have said, the act of being satisfied is a matter of judgment. Forming a judgment requires the weighing of evidence and other factors. The evidence required in any particular case where satisfaction is required depends on the nature of the inquiry and the nature and purpose of the decision which is to be made. For example, where a tribunal has to be satisfied as to the age of a person, it may sometimes be sufficient for that person to assert in a form or otherwise what his or her age is, or what their date of birth is; in others, more formal proof in the form of, for example, a birth certificate will be required. It all depends who is asking the question, why they are asking the question, and what is going to be done with the answer when it is given. There can be no universal rule as to what level of evidence has to be provided in order to satisfy a decision-making body about that of which that body has to be satisfied.

22. When it comes to proof of use for the purpose of determining the extent (if any) to which the protection conferred by registration of a trade mark can legitimately be maintained, the decision taker must form a view as to what the evidence does and just as importantly what it does not 'show' (per Section 100 of the Act) with regard to the actuality of use in relation to goods or services covered by the registration. The evidence in question can properly be assessed for sufficiency (or the lack of it) by reference to the specificity (or lack of it) with which it addresses the actuality of use."

39. In *Awareness Limited v Plymouth City Council*[4], Mr Daniel Alexander Q.C. as the Appointed Person stated that:

> "22. The burden lies on the registered proprietor to prove use...However, it is not strictly necessary to exhibit any particular kind of documentation, but if it is likely that such material would exist and little or none is provided, a tribunal will be

[3] *[2008] EWHC 2071 (Pat); [2008] R.P.C. 35*
[4] *BL O/230/13*

> justified in rejecting the evidence as insufficiently solid. That is all the more so since the nature and extent of use is likely to be particularly well known to the proprietor itself. A tribunal is entitled to be sceptical of a case of use if, notwithstanding the ease with which it could have been convincingly demonstrated, the material actually provided is inconclusive. By the time the tribunal (which in many cases will be the Hearing Officer in the first instance) comes to take its final decision, the evidence must be sufficiently solid and specific to enable the evaluation of the scope of protection to which the proprietor is legitimately entitled to be properly and fairly undertaken, having regard to the interests of the proprietor, the opponent and, it should be said, the public."

40. The proprietor has criticised the applicant's sales figures provided in Mr Harrold's witness statement. The applicant has responded to those comments to the effect that the figures are provided as a range because the information is commercially sensitive. No request has been made by the proprietor to cross-examine Mr Harrold in respect of his evidence nor has it filed any evidence to contradict the figures. Mr Harrold is the applicant's Finance Manager and is likely to possess the direct knowledge to enable him to provide such evidence. The figures he has provided are given in a witness statement which includes a signed and dated statement of truth. I am not prepared to dismiss Mr Harrold's evidence on the basis that it could be more specific. The proprietor concludes that the evidence filed is not sufficient to prove use of the mark in the relevant period. It is certainly the case that the applicant's evidence could have been better marshalled but that does not mean I should simply dismiss it.

41. That is not to say that I will look at it with an uncritical eye but even considering the figures of cases said to be sold at the lowest end of the range, the figures are still not insignificant, ranging from 100,000 cases to 400,000 cases per year.

42. SH1 is an example of a bottle label which Mr Harrold states was used on beer between 2010 and 2015. It shows the word Amigos above a banner which reads, 'Tequila flavoured beer' (reproduced at paragraph 15 above). The same mark is shown associated with festivals and events at which Mr Harrold states beer was sold under the Amigos brand. Exhibit SH4, a flyer for a festival, includes on the promotional literature text which confirms that Amigos tequila flavoured beer was available at that event. Photographs of Amigos

tequila flavoured beer for sale on shop shelves is also provided (reproduced at paragraph 26 above), though not dated. Mr Harrold confirms a number of stores in which Amigos beer was sold throughout the relevant period. When considered as a whole I find that the evidence is just sufficient to show that the applicant has made genuine use of the earlier mark (within the UK) during the relevant period.

43. With regard to a fair specification for the goods, I find that the applicant has shown use in respect of beers. In reaching such a conclusion, I have taken into account that the applicant has shown use for a beer with tequila flavour added and have borne in mind the decisions in cases such as *Euro Gida Sanayi Ve Ticaret Limited v Gima (UK) Limited*[5] and *Roger Maier and Another v ASOS*[6], which held that specifications should reflect the perceptions of the average consumer of the goods concerned. 'Beers' is how the average consumer would refer to these goods and it is neither too broad nor too pernickety and this is the fair specification on which I will proceed.

DECISION

44. Section 5(2)(b) is as follows:

> "5. - (2) A trade mark shall not be registered if because -
> (a)…
>
> (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, or there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark."

Section 5(2)(b) case law

45. In his decision in *La Chemise Lacoste SA v Baker Street Clothing Ltd* - BL O/330/10 (approved by Arnold J in *Och-Ziff Management Europe Ltd v Och Capital LLP* [2011] FSR 11), the Appointed Person, Mr Geoffrey Hobbs QC, expressed the test under this section

[5] *BL O/345/10*
[6] *[2015] EWCA Civ 220*

(by reference to the Court of Justice of the European Union (CJEU) cases mentioned) on the basis indicated below:

The CJEU cases

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 B.V.* [2000] F.S.R. 77; *Marca Mode CV v Adidas AG & Adidas Benelux BV* [2000] E.T.M.R. 723; *Matratzen Concord GmbH v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-6/01; *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH* C-120/04; *Shaker di L. Laudato & C. Sas v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* C-334/05 P.

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, in certain circumstances, be dominated by one or more of its components;

(f) and beyond the usual case, where the overall impression created by a mark depends heavily on the dominant features of the mark, it is quite 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 causes the public to wrongly believe that the respective goods [or services] come from the same or economically-linked undertakings, there is a likelihood of confusion."

The average consumer and the nature of the purchasing act

46. In accordance with the above cited case law, I must determine who the average consumer is for the goods at issue and also identify the manner in which those goods will be selected in the course of trade.

47. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited* [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

> "60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The word 'average' denotes that the person is typical. The term 'average' does not denote some form of numerical mean, mode or median."

48. The average consumer is a member of the general public.[7] The respective goods are made available through a variety of trade channels. They may be bought in a supermarket or off licence, where the selection is likely to be made by the consumer from a shelf. They may also be bought from a website or mail-order catalogue, where the consumer will also select the goods visually. They may also be sold through bars, restaurants, clubs and public houses, where the goods may be requested orally, from a member of staff. However, in considering this point, I bear in mind the comments of the Court of First Instance (now the General Court) in *Simonds Farsons Cisk plc v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)*[8] when it said:

> "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."

[7] *For goods where the alcohol content exceeds 0.5% ABV the average consumer will be over 18 years of age.*
[8] *T-3/04*

49. Consequently, even though the purchase of the goods in a bar etc. may involve an aural element, the selection will be made, primarily, from the display of goods e.g. on shelves, in fridges and on optics at the back of the bar. Accordingly, the purchase of such goods is primarily visual, though I do not discount an aural element.

50. The level of attention paid to the purchase will vary depending on the nature of the goods. As a general rule most of the respective goods are fairly low value, reasonably frequent purchases, however, the proprietor's specification of goods would also include such goods as single malt whisky, vintage wines and champagne which are likely to be sold at a higher price and which may give rise to a higher level of attention being paid. In any event the level of attention paid will be that necessary to achieve inter alia, the correct flavour, age, strength and variety. Accordingly, the average consumer will pay at least a reasonable level of attention to the purchase of the goods.

Comparison of goods

51. The goods to be compared are as follows:

The applicant's goods	**The registered proprietor's goods**
Class 32 Beers	**Class 33** Alcoholic Beverages (except beers)

52. When making the comparison, all relevant factors relating to the goods in the specifications should be taken into account. In *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer*, the CJEU stated at paragraph 23 of its judgment:

> "In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature, their intended purpose

and their method of use and whether they are in competition with each other or are complementary".

53. Factors which may be considered include the criteria identified in *British Sugar Plc v James Robertson & Sons Limited (Treat)* [9](hereafter Treat) for assessing similarity between goods:

(a) the respective *uses* of the respective goods;

(b) the respective *users* of the respective goods;

(c) the physical nature of the goods;

(d) the respective trade channels through which the goods reach the market;

(e) in the case of self-serve consumer items, where in practice they are 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 are competitive, taking into account how goods are classified in trade.

54. In *YouView TV Ltd v Total Ltd*, [2012] EWHC 3158 (Ch), Floyd J. (as he then was) stated that:

"… Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 *The Chartered Institute of Patent Attorneys (Trademarks) (IP TRANSLATOR)* [2012] ETMR 42 at [47]-[49]. Nevertheless the principle should not be taken too far. Treat was decided the way it was because the ordinary and natural, or core, meaning of 'dessert sauce' did not include jam, or because the ordinary and natural description of jam was not 'a dessert sauce'. Each involved a straining of the relevant language, which is incorrect. Where words or phrases

[9] *[1996] R.P.C. 281*

in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question".

55. With regard to whether the goods are complementary, in *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM),* Case T-325/06, the GC stated that "complementary" means:

> "...there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking".

56. I also bear in mind the guidance given by Mr Daniel Alexander QC, sitting as the Appointed Person, in the *LOVE*[10] case*,* where he warned against applying too rigid a test:

> "20. In my judgment, the reference to "legal definition" suggests almost that the guidance in *Boston* is providing an alternative quasi-statutory approach to evaluating similarity, which I do not consider to be warranted. It is undoubtedly right to stress the importance of the fact that customers may think that responsibility for the goods lies with the same undertaking. However, it is neither necessary nor sufficient for a finding of similarity that the goods in question must be used together or that they are sold together. I therefore think that in this respect, the Hearing Officer was taking too rigid an approach to *Boston*".

57. In its skeleton argument, the proprietor submits that there is no similarity between the parties' goods. It accepts that both include alcohol, are capable of meeting 'somewhat similar needs' of consumers and may be distributed via the same channels but concludes this to be the point at which any similarity ends. With regard to the differences, it states that the methods of production and ingredients are different, as is the alcohol content and the colour, aroma and taste of the end products. The proprietor also states that the goods differ in packaging type (beer packaging being more akin to that used for soft drinks) and are presented in different areas of supermarkets and bars. Finally, it submits that beer is neither

[10] *BL O/255/13*

in direct competition nor interchangeable with other alcoholic beverages, such as wines and spirits.

58. In its observations dated 13 April 2016, the applicant submits that 'at the very least', the respective goods are similar because they are in competition.

59. There are several cases which give some guidance with regard to the factors to be considered when comparing alcoholic beverages. *The Coca-Cola Company v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*[11] involved a comparison between wine and beer. The Court accepted (at paragraphs 63-70) that the goods constitute alcoholic beverages obtained by a fermentation process and that they are both consumed during a meal or drunk as an aperitif. However, it noted the different basic ingredients and methods of production (albeit ones which might include fermentation) and the differences in colour, aroma and taste of the end products. It found a certain degree of competition between the goods but found there to be no complementary relationship. It concluded that, notwithstanding a certain similarity of purpose, the consumer would perceive the end products as different and belonging to different families of alcoholic beverages, finding little similarity between wine and beer.

60. In *Bodegas Montebello, SA v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*[12], the GC found that rum and wine were "manifestly different". This was based on an assessment of the different ingredients and methods of production, which resulted in end products being different in taste, colour and aroma. It noted that the goods have a very different alcohol content and found that wine is often drunk with a meal, whilst rum generally is not. Although the Court accepted that rum and wine may share the same distribution channels, it considered that the goods would not generally be sold on the same shelves and that the goods were neither complementary nor in competition.

61. In *Balmoral Trade Mark*[13] Mr Geoffrey Hobbs QC, sitting as the Appointed Person, considered the comparison of whisky with wine. He cautioned against placing too much emphasis on methods of production and differences in colour and taste and focussed instead on the shared channels of trade.

[11] *Case T-175/06*
[12] *Case T-430/07 (paragraphs 29-37)*
[13] *[1999] RPC 297*

62. Before comparing the parties' specifications, I note that in its observations dated 14 March 2016, the proprietor outlines the nature of the goods it sells, which consist of several types of what is said to be exclusive tequila. However, in *Devinlec Développement Innovation Leclerc SA v Office for Harmonization in the Internal Market (Trade Marks and Designs)(OHIM)*[14], the General Court said:

> "104. …The examination of the likelihood of confusion which the OHIM authorities are called on to carry out is a prospective examination. Since the particular circumstances in which the goods covered by the marks are marketed may vary in time and depending on the wishes of the proprietors of the trade marks, the prospective analysis of the likelihood of confusion between two marks, which pursues an aim in the general interest, that is, the aim that the relevant public may not be exposed to the risk of being misled as to the commercial origin of the goods in question, cannot be dependent on the commercial intentions, whether carried out or not, and naturally subjective, of the trade mark proprietors."

63. The assessment I am required to make is, therefore, between the specifications as registered or for which use has been shown. The proprietor's specification, by definition, is a term which include beverages which will contain varying amounts of alcohol. It is not limited to spirits or short drinks, high in alcohol, such as, inter alia, whisky, gin and tequila but also includes mid-range alcoholic drinks such as wine and longer drinks, of a lower alcoholic content, such as cider and perry.

64. All of the contested goods will be used by members of the general public, over the age of 18. They are purchased and consumed for the enjoyment of, inter alia, the particular flavour of the chosen drink and/or the intoxicating effect of alcohol.

65. I do not intend to compare every possible alcoholic beverage to the applicant's beers but will consider spirits, which are the most pertinent to this case, wine and long drinks such as cider and perry.

[14] *Case T- 147/03*

66. The spirits and short drinks are clearly different when compared to beers. There is a significant difference in alcohol content and the way in which the drinks are made available. In bars, clubs, etc., spirits will be sold in small measures from bottles kept behind the bar and will often, though not always, be mixed with another, often non-alcoholic element, such as soda or cola. Beers will be sold in pint or half pint measures or in bottles, available in a range of sizes. In retail premises spirits are commonly sold in large single bottles, whereas beers are sold in smaller bottles or cans, usually in packs of various sizes. The goods may be sold in the same general area of a store but are unlikely to be presented on the same shelves.

67. In terms of production, the methods are very different, beer typically being made through a fermentation process while spirits are more commonly distilled. Furthermore, there is no complementary relationship. Neither is required for the consumption of the other, nor would the average consumer expect both beers and spirits to be made by the same producer. I do not consider that the choice between beer and spirits is one that is commonly made by the average consumer, though both are alcoholic drinks and I do not dispute there may be a very small degree of competition. Bearing in mind all of these conclusions, I find these goods have a low degree of similarity.

68. In making such a finding, I bear in mind that the applicant states that its beer has a tequila flavouring. This may be so but the beer will be produced in the same way as any other beer, with flavouring added at some point in the process. It does not make the applicant's goods any more likely to be purchased in place of tequila (or any other spirit) since it is, at its core, a beer and consequently, it possesses all of the attributes of beer but is one with a particular flavour. My findings in the paragraph above apply equally to the applicant's beer with tequila flavouring as it does to beers without the flavouring added and I find that this beer is similar to the spirits in the proprietor's specification to no more than a low degree.

69. The term 'alcoholic beverages' will also include wines which are made from different ingredients to beers and are produced in different ways. They are different in appearance, taste and strength and do not reach the market through the same trade channels. Further, they are not sold or displayed in the same areas of either bars or clubs, or of retail premises.

Both are drinks which contain alcohol but they are neither complementary nor in competition. These goods have a low degree of similarity.

70. Finally, the proprietor's specification would include goods such as cider and perry. These are clearly, in terms of alcohol content, more closely akin to the applicant's beers. They are also slightly more likely to be in competition on the basis that they are of a similar strength and are both long drinks and are packaged and/or served in a similar way to beer. They are likely to be displayed in fairly close proximity to the applicant's beers, though again not on the same shelves. However, the nature of the goods themselves is different, beer being made from malt or grain rather than apples or pears (as in the cases of cider and perry), meaning that the taste and aroma of the goods are quite different. The methods of production are also clearly different and these are not complementary goods. Overall, I find these goods to be similar to a low to medium degree.

Comparison of marks

71. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, 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 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."

72. It would be wrong, therefore, artificially to 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.

73. The marks to be compared are as follows:

The applicant's mark:	The registered proprietor's mark:
Amigos	CASAMIGOS

74. The applicant's mark consists of a single element, the word 'Amigos', in title case with no form of stylisation. The overall impression of the mark is based solely on that word.

75. The proprietor's mark consists of a single element, 'CASAMIGOS', in block capitals with no form of stylisation. The overall impression of the mark is based solely on that word.

Visual similarity

76. With regard to the visual similarities between the parties' marks, the applicant submits:

> *"From a visual perspective, the word AMIGOS is clearly discernible in the Proprietor's mark CASAMIGOS despite the fact that it is preceded by the word CAS-."*

77. The proprietor submits the following:

> *"26…while the marks coincide in their use of the final 6 letters, the beginnings of the marks differ considerably. The first 3 letters, CAS, are entirely missing from the Earlier Mark and thus the start of the marks provide a clear point of difference with the Contested Mark. Furthermore looking at the syllables, the Contested Mark consists of CA-SA-MI-GOS, whereas the Earlier Mark consists of A-MI-GOS. Thus the first two syllables of the Contested Mark are visually quite different from the first syllable of the Earlier Mark. This is important, as it has consistently*

been held that the consumer generally pays greater attention to the beginning of a mark than to the end (see L'Oreal SA v OHIM[15]).”

78. Any visual similarity rests in the fact that the last six letters of the proprietor's mark represent the entirety of the applicant's earlier mark. The applicant suggests the word Amigos is 'discernible' within the proprietor's mark, which may be the case for some but that does not mean that there are not clear visual differences between them.

79. These differences rest in the fact that the proprietor's mark is three letters longer than the earlier mark and those three letters, CAS-, are at the beginning of its mark, resulting in a mark which is clearly longer and begins with a curved letter 'C' rather than an angular 'A'.

80. I also find that the repeated 'A's at the second and fourth positions of the word are also fairly noticeable within the mark.

81. Overall, I find the marks are visually similar to a fairly low degree.

Aural similarity

82. In its observations in reply, the applicant submits:

“From an aural perspective, the word AMIGOS is also clearly discernible when the Proprietor's mark CASAMIGOS is either heard or pronounced.”

83. The proprietor submits:

“27…As the word CASA is at the beginning of the Contested Mark, it is submitted that this word, which does not feature at all in the Earlier Mark, will be clearly heard when the Contested Mark is spoken. Whilst AMIGOS appears in the Contested Mark, it does not appear –nor is it pronounced- as A-MI-GOS but rather as SA-MI-GOS with the initial 'A' subsumed in the syllable SA so that the only aural similarity between the marks is the coincidence of the syllables MI-GOS. Overall therefore the marks are aurally very different.”

[15] *[2009] ETMR 49 at 24*

84. The most likely pronunciation of the applicant's earlier mark is, A-ME-GOES/GOSS. The contested mark may be pronounced CAS-A-ME-GOES/GOSS, with a break after the CAS or with a break after CAS-A. The contested mark is clearly longer and starts with a different sound to that of the earlier mark. In either case, the first syllable of the marks is clearly different, with the obvious point of coincidence being the last syllables of both marks. Overall, I find the marks to be aurally similar to a fairly low degree.

Conceptual similarity

85. For a conceptual message to be relevant it must be capable of immediate grasp by the average consumer.[16] The assessment must be made from the point of view of the average consumer.

86. The applicant submits:

> *"From a conceptual perspective, the word AMIGOS would be readily grasped by the average English speaking consumer as the Spanish word for 'friends'. While the Proprietor's mark CASAMIGOS has no immediate descriptive meaning, the average English speaking consumer may vaguely discern the word CASA as being Spanish for 'house'…"*

87. It concludes that the average English speaking consumer 'would more readily discern' the word AMIGOS in CASAMIGOS and not grasp the fact that the proprietor's mark is a contraction of CASA and AMIGOS and states that the word AMIGOS would not be lost by the additional CAS- appearing at the beginning of the proprietor's mark.

88. In its skeleton argument, the proprietor submits:

> *"28…while the word AMIGOS is discernible within the Contested Mark, so is the word CASA. It is the [proprietor's] submission that English-speaking consumers may understand both Spanish words equally. Both words are simple, common*

[16] *This is highlighted in numerous judgments of the GC and the CJEU including Ruiz Picasso v OHIM [2006] e.c.r.-I-643; [2006] E.T.M.R. 29.*

Spanish words: the word AMIGO often features in English-language films etc., while English consumers encounter the word CASA in a holiday context, for example in booking holiday accommodation in Spain.

29. In the event that both such words are understood, the concepts of the respective marks are different: while the concept of the Earlier Mark is simply 'friends', the concept of the Contested Mark is 'house of friends' or simply 'house friends'. The additional concept of 'house' brings a degree of permanence to the concept of the Contested Mark which is absent from the Earlier Mark. A house is a permanent structure where you build your home and is tied to a particular location; friends are much more transient in nature and can be anywhere in the world. The idea that the Contested Mark will be understood conceptually to refer to a specific, permanent location is enhanced by the fact that it is likely that the average consumer will be aware of the high-profile, luxury 'Casamigos' compound in Mexico after which the Contested Mark was named."

89. Both parties have put forward the view that the average UK consumer will understand the meaning of the word AMIGOS, as being the Spanish word for 'friends.' Neither has filed any evidence in support of this submission. The applicant also concludes that the average consumer will know CASA is Spanish for 'house'. Again, no evidence has been filed in support of this position.

90. In making a finding on these points, I bear in mind the *Chorkee* case (BL O-048-08), in which Anna Carboni, sitting as the Appointed Person, stated in relation to the word CHEROKEE:

"36…By accepting this as fact, without evidence, the Hearing Officer was effectively taking judicial notice of the position. Judicial notice may be taken of facts that are too notorious to be the subject of serious dispute. But care has to be taken not to assume that one's own personal experience, knowledge and assumptions are more widespread than they are.

37. I have no problem with the idea that judicial notice should be taken of the fact that the Cherokee Nation is a Native American tribe. This is a matter that can

easily be established from an encyclopedia or internet reference sites to which it is proper to refer. But I do not think that it is right to take judicial notice of the fact that the average consumer of clothing in the United Kingdom would be aware of this. I am far from satisfied that this is the case. No doubt, some people are aware that CHEROKEE is the name of a Native American tribe (the Hearing Officer and myself included), but that is not sufficient to impute such knowledge to the average consumer of clothing (or casual clothing in the case of UK TM no. 1270418). The Cherokee Nation is not a common subject of news items; it is not, as far as I am aware, a common topic of study in schools in the United Kingdom; and I would need evidence to convince me, contrary to my own experience, that films and television shows about native Americans (which would have to mention the Cherokee by name to be relevant) have been the staple diet of either children or adults during the last couple of decades."

91. The average UK consumer would not normally be considered to have good knowledge of foreign languages. However, in my experience, the word AMIGOS, whilst being Spanish, is a word that is used, to some extent, in the UK and the majority of the relevant public will be familiar with and will understand it to mean, 'friends'. It is a word which, in my experience, is used in popular culture and slang. Consequently, for a substantial number of average consumers, the applicant's mark has a clear conceptual message.

92. With regard to the proprietor's mark, the consideration is the conceptual message which is given to the relevant public by CASAMIGOS. It must be noted that this is made up of two Spanish words, CASA and AMIGOS which are coalesced on the last letter of CASA and the first letter of AMIGOS. In order to unpack the meaning of the mark the average consumer must be sufficiently well versed in the Spanish language to identify both words and then recognise that they are conjoined on the second 'A'. I do not believe that there are as many members of the relevant public who will be familiar with CASA being Spanish for 'house' as there are who would see AMIGOS as referring to 'friends'. I am not prepared to accept the average UK consumer of the relevant goods would reach such a conclusion. The proprietor's mark will, most likely, be considered to be an invented word, which may be taken to have a Spanish feel to it.

93. I note that the proprietor also puts forward the view that its mark will be seen as a specific permanent location as it refers to the 'Casamigos' compound in Mexico. I am not prepared to accept that the average consumer in the UK would reach such a conclusion, absent evidence on the point.

94. The marks are conceptually dissimilar.

Distinctive character of the earlier mark

95. In determining the distinctive character of a trade mark it is necessary to make an overall assessment of the greater or lesser capacity of the trade mark to identify its goods as coming from a particular undertaking and thus to distinguish those goods from those of other undertakings - *Windsurfing Chiemsee v Huber and Attenberger Joined Cases C-108/97 and C-109/97* [1999] ETMR 585.

96. The applicant's mark, 'AMIGOS' has no direct meaning in respect of beers. In respect of beer with tequila flavouring, it may be considered to allude to a Mexican/Spanish connection. However, this is a long way short of being descriptive of the goods. Overall, I find the mark enjoys a medium degree of inherent distinctive character.

97. This is a case where evidence of use was required for proof of use purposes. The evidence provided does not give any indication of the size of the market, which in the case of beers, I have no doubt, is considerable. No attempt has been made to indicate the market share held by the applicant in the relevant sector in the UK. Consequently, given my findings above with regard to this evidence, although it is a used mark, I am unable to conclude that such use would have enhanced the earlier mark's distinctive character to any material extent.

Likelihood of confusion

98. In assessing the likelihood of confusion, I must adopt the global approach advocated by case law and take into account the fact that marks are rarely recalled perfectly, the consumer relying instead on the imperfect picture of them he has kept in his mind.[17] I must also keep in mind the average consumer for the goods, the nature of the purchasing process and have

[17] *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V paragraph 27*

regard to the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and vice versa.

99. I have found the marks to be visually and aurally similar to a fairly low degree and conceptually dissimilar.

100. I have found the applicant's beers to be similar to spirits and wine to a low degree. I also considered cider and perry which are included within the proprietor's specification for 'alcoholic beverages' and found them to be similar to the applicant's beers to a moderate degree. The average consumer is a UK adult (aged 18 or over). The purchase is primarily visual and fairly frequent, but I do not rule out an aural element where a drink is requested from a member of staff without its having been seen on display.

101. In *El Corte Inglés, SA v OHIM* the General Court noted that the beginnings of words tend to have more visual and aural impact than the ends.[18] This is a general rule, established in a number of cases,[19] which depends on the circumstances of each case. In this case, the clear differences between the beginnings of the respective marks would certainly be noticed by the average consumer, as would the differences in length. This, coupled with the fact that the goods are, at best, moderately similar means that there will not be a likelihood of confusion.

Conclusion

102. The invalidation under 47(2)(b) and 5(2)(a) fails.

COSTS

103. The proprietor has been successful and is entitled to an award of costs, as follows:

Preparing a statement and considering the other side's statement: £300

[18] *Cases T-183/02 and T-184/02*

[19] *See also: GC cases: Castellani SpA v OHIM, T-149/06, Spa Monopole, compagnie fermière de Spa SA/NV v OHIM, T-438/07 (similar beginnings important or decisive), CureVac GmbH v OHIM, T-80/08 (similar beginnings not necessarily important or decisive) and Enercon GmbH v OHIM, T-472/07 (the latter for the application of the principle to a two word mark).*

Preparing evidence and considering the other side's evidence:	£800
Preparation for and attendance at the hearing:	£500
Total	£1600

104. I order Global Brands Limited to pay Casamigos Tequila LLC the sum of £1600. This sum is to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 31st day of August 2016

Ms Al Skilton
For the Registrar,
the Comptroller General