

O/774/21

TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK APPLICATION NUMBER 3489170

BY

GRAPE PASSIONS LTD

TO REGISTER THE FOLLOWING TRADE MARK IN CLASS 33

COLO GATO

AND OPPOSITION THERETO UNDER NUMBER 421631

BY

VINA SAN PEDRO TARAPACA S.A.

Background and Pleadings

1. On 12 May 2020, Grape Passions Ltd (“the Applicant”) applied to register in the UK the trade mark COLO GATO numbered 3489170 for goods in class 33 namely *alcoholic beverages (except beers), wines, red wines, white wines, sparkling wines, fortified wines, spirits and liqueurs*. It was accepted and published on 3 July 2020.

2. Vina San Pedro Tarapaca S.A. (“the Opponent”) opposes the application¹ under section 5(2)(b) of the Trade Marks Act 1994 (“the Act”) relying on two of its European Union trade marks (“EUTMs”) as set out below.

i. EUTM 14424246 (“the first earlier mark”)

GATO NEGRO ADORED EVERYWHERE

Filed 29 July 2015 and registered 11 November 2015 for *wine* in class 33.

ii. EUTM 18211763 (“the second earlier mark”)

Gato
Negro



Filed 18 March 2020 and registered 1 July 2020 for *wine* in class 33.

3. The Opponent contends that there is a likelihood of confusion between the respective marks including a likelihood of association as a result of the Applicant’s mark covering identical goods and the visual and phonetical similarity between the marks. It contends that the marks share the element GATO which is the prefix in the Opponent’s marks and has an independent and distinctive role in each of the respective marks. In addition, it claims that “the Opponent is the proprietor of a family

¹ By way of application dated 30 September 2020

of marks containing GATO and as such the Opponent's Mark(s) has an enhanced distinctive character.”

4. The Applicant filed a defence and counterstatement denying the claims made submitting that despite the identity/similarity between the goods, the marks are not similar and therefore the Opponent's claim should be dismissed without a need to consider whether there is a likelihood of confusion. In the alternative, it is contended that even if a low level of similarity is found then this is insufficient to lead the relevant public to make a connection between the respective marks. It is denied that the Opponent is the proprietor of a family of marks and that its marks have enhanced distinctive character.

5. In these proceedings the Opponent is relying on its two EUTMs as shown above which qualify as earlier marks under section 6 of the Act because they have a filing date that is earlier than that of the contested mark. Although within its original defence and counterstatement the Applicant requested the Opponent to file evidence of proof of use of its mark numbered 13529193, this mark was not relied upon by the Opponent in these proceedings. Since the Opponent's EUTMs have been registered for less than five years as at the date the application was filed they are not subject to the proof of use provisions contained in section 6A of the Act. Consequently, the Opponent may rely upon all of the goods of its registrations without having to demonstrate use.

6. Both parties are professionally represented; the Applicant by Sandersons and the Opponent by Murgitroyd & Company. Both parties filed submissions and evidence during the evidence rounds. The evidence shall be summarised below to the extent that it is considered necessary. Neither party asked to be heard on the matter however the Applicant filed submissions in lieu of hearing. Whilst I have read all the submissions filed by both parties, I do not propose to summarise them here but will refer to them where appropriate during my decision. This decision is taken following a careful perusal of all the papers.

7. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Act relied upon in these proceedings are derived from an EU Directive. That is why this decision continues to refer to EU trade mark law.

Evidence

8. The Applicant's evidence consists of the witness statement of James Sanderson dated 10 May 2021 accompanied by three exhibits marked JS1-JS3. Mr Sanderson is a patent attorney and the Applicant's representative. He confirms that he has the authority to complete a statement on the Applicant's behalf. Mr Sanderson's statement serves to introduce the three exhibits which accompany his statement. These exhibits consist of a number of screenshots and print outs taken from various websites showing examples of wines and spirits sold by reference to a common animal name, in particular, a frog or a goat. In addition Exhibit JS3 consists of a screenshot displaying a bottle of wine with reference to 'Schwarze Katz' as the name on the label which it is submitted means black cat in German. Mr Sanderson (in his submissions which accompany his statement) submits that these printouts are filed to support the Applicant's claim that a common animal name, such as a cat, is not greatly distinctive for wines. Furthermore it is submitted that "*this demonstrates that the average consumer of wines/spirits does not assume (due to one small common animal name) that the wines/spirits come from the same undertaking or are linked.*" Since neither the earlier marks, nor the application make reference to either frogs or goats or include the words 'Schwarze Katz' (and it cannot be assumed that the average consumer would know that Katz means cat in German or that GATO means cat in Spanish – see below) it is not particularly clear to me the relevance of this evidence.

9. The Opponent did not file evidence in chief during the evidence rounds preferring to file submissions dated 8 March 2021. It did, however, file evidence in reply consisting of the witness statement of Alison Wilson dated 9 July 2021 accompanied by one exhibit marked AW1. Ms Wilson is a trade mark attorney working for the Opponent's representative. The purpose of Ms Wilson's statement is to produce print outs of eight trade mark registrations present on the UK Trade Marks Register which contain the element GATO for wine in class 33, which, it is said demonstrates that GATO is not a common word element when used in relation to wines and is distinctive of such goods. I note that two of these registrations relate to different proprietors, whereas, the remaining are all registrations connected with the Opponent or the Applicant, to include the two earlier EUTMs as relied upon and the application.

Decision

Section 5(2)(b)

10. Section 5(2)(b) of the Act states 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,

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.

11. Section 5A of the Act is as follows:

“5A Where grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the trade mark is applied for, the application is to be refused in relation to those goods and services only.”

12. 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*:

(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 greater 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 to mind the earlier mark, 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 will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of the goods

13. When conducting a goods comparison, all relevant factors should be considered as per the judgment of the Court of Justice of the European Union (“CJEU”) in *Canon Kabushiki Kaisha v Metro Goldwyn Mayer Inc* Case C-39/97, where the court stated at paragraph 23 of its judgment that:

“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”.

14. I am also guided by the relevant factors for assessing similarity identified by Jacob J in *Treat*, [1996] R.P.C. 281 namely:

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

15. In *Gérard Meric v Office for Harmonisation in the Internal Market (“OHIM”)*, Case T-133/05, the General Court (“GC”) 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 für Lernsysteme v OHIM- Educational Services (ELS) [2002] ECR II-4301, paragraph 53) or Applicant relies on those goods as listed in paragraph where the goods designated by the trade mark application are included in a more general category designated by the earlier mark.”

16. The parties appear to be in agreement regarding the respective goods in so far as the Applicant concedes that its *alcoholic beverages (except beers), wines, red wines, white wines, sparkling wines, fortified wines* are identical to the Opponent’s *wines*. I agree. The respective goods of each party are identical either because the same term is used or are identical according to *Meric* falling within the scope of the other’s broader category.

17. In so far as the contested *spirits and liqueurs*, the Applicant concedes similarity with the Opponent’s *wines* but not the extent or degree of similarity. To my mind spirits and liqueurs are alcoholic beverages with a high alcohol content. Whilst both spirits and liqueurs are generally produced from different core ingredients to wines and have different manufacturing processes, they are in general terms all similar in nature, each being an alcoholic beverage with the same end purpose namely to be consumed for pleasure. The respective goods are likely to reach the market through the same trade channels and will be found in general retail outlets such as supermarkets, off-licences, bars and the like. I consider that whilst the respective goods are unlikely to be sold on the same shelves of supermarkets, they will nevertheless be displayed in close proximity to each other in the same aisles. There may be a degree of competition between them in that a consumer may prefer to purchase a bottle of wine as opposed to a spirit/liqueur and vice versa, but I consider this to be an overgeneralisation and not in the spirit of the factors as set out in *Treat*. When assessing the degree of similarity between goods, as Mr Philip Johnson (sitting as the Appointed Person) observed, in *Clinton Ogbenna v Nike Innovate C.V.* (GRAVITY) BL O/683/21

“It must be remembered that this is not a counting exercise. So just because numerous factors point against similarity does not preclude this being more than counterbalanced by one factor pointing strongly towards goods being similar.”

18. Taking all these matters into account I consider that the respective goods will overlap in nature, end users and trade channels. In my view the respective goods are similar to a medium degree.

Average consumer and the purchasing process

19. When considering the opposing trade marks, I must determine, first of all, who the average consumer is for the goods. I must then determine the purchasing process. The average consumer is deemed reasonably well informed and reasonably observant and circumspect. For the purposes of assessing the likelihood of confusion the average consumer's level of attention is likely to vary according to the category of goods and services in question.²

20. 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 words “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

21. Neither party provided submissions regarding the average consumer or the purchasing process. Given the nature of the goods, the average consumer will be a member of the general public having attained the age of 18 years. Notwithstanding that there may be variations in the price of the goods, overall, they are consumable goods, drunk on a fairly frequent basis. Considerations such as personal taste, alcoholic strength and cost will play a part in the selection process leading to an average level of attention being undertaken.

² *Lloyd Schuhfabrik Meyer*, case C-342/97.

22. The goods will be self selected from display shelves of retail outlets or their online equivalents, where visual considerations would dominate. I acknowledge that the goods may also be consumed in public houses, bars, restaurants and the like where an oral aspect in the selection process will arise following requests made to serving staff. Even in these settings, however, visual considerations would still play a part before the goods are selected, given that consumers will often peruse a menu or search for the goods from a display stand behind the counter or from a dispenser, at the point of purchase.³

Comparison of the trade marks


23. 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.”

24. It would be wrong, therefore, to dissect the trade marks artificially, although it is necessary to consider 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 trade marks.

³ *Simonds Farsons Cisk Plc v OHIM* T-3/04.

25. The respective trade marks are as follows:

Opponent's trade marks	Applicant's trade mark
<p><u>First earlier mark</u></p> <p>GATO NEGRO ADORED EVERYWHERE</p> <p><u>Second earlier mark</u></p> 	<p>COLO GATO</p>

26. The Opponent submits that the dominant and distinctive element in the marks is the word GATO which plays an independent and distinctive role in all the marks. Furthermore, it submits that:

“GATO in Spanish means cat.

The relevant consumer is also likely to know that NEGRO means black.

The element GATO is distinctive to both [parties] goods of wine as it has no meaning in relation to these goods. The relevant consumer in the UK is familiar with basic Spanish words as they were taught the same at school and have picked up basic phrases when holidaying/working in Spanish speaking countries....

...negro means black and this is the descriptor (the adjective) of the colour of the cat (the noun) and as such it is GATO that is the dominant and distinctive element in that it is a black CAT. The relevant consumer is familiar with basic

Spanish words and will know that negro means black. The consumer will also be aware that negro was once a derogatory term used for people of colour which will reinforce the word also meaning black. The relevant consumer is also likely to recognise the term GATO as meaning cat so that they will read the Opponents Marks as black cat/black cat adored everywhere. It is however the cat, the element GATO that will be remembered because that is the noun/the main character that is taken away by the relevant consumer when viewing the Opponents Marks as a whole.

The relevant consumer however will not be able to put a meaning on the element COLO and accordingly will put less emphasis on the COLO element as a result. The relevant consumer generally remembers elements of a mark that has a meaning and takes less notice of elements that have no meaning to them.”

27. The Applicant submits:

“...the only common element between the prior marks and the opposed mark is the four letters GATO. This appears at the start of the prior marks but the end of the opposed marks. The prior figurative mark has a dominant image of a black cat leaping from a crescent, which is wholly absent from the opposed mark. The Prior word mark is 4 words and 25 characters long as compared to the 2 words and 8 characters of the opposed mark. The opposed mark has the highly distinctive word COLO at the start which is wholly absent in the prior marks.

The marks are not aurally similar as the only common element is the GATO sound which is a small part of prior marks and appears in different places within the prior marks (beginning) as compared to the opposed mark (end). The opposed mark has the highly aurally distinctive word COLO at the start which is wholly absent in the prior marks. It is therefore denied that there is a phonetic resemblance between the marks.”

Overall impressions

28. The Applicant’s mark consists of two foreign words COLO and GATO presented in upper case in an unremarkable font. Both words are of equal length being four letters

long. When regarding the mark as a whole, the words do not form a unit simply because the average consumer will not know the meaning of the words. The mark will be seen as a combination of two foreign words with neither word dominating the other and therefore the overall impression resides in the combination of these two words.

29. The Opponent's first mark consists of four words presented in capitals, with no additional stylisation. The last two words ADORED EVERYWHERE are English words which hang together as a phrase. The first two words GATO and NEGRO will be seen as foreign words neither dominating the other, despite the Opponent's submissions. Given that the words ADORED EVERYWHERE will be seen as a laudatory slogan qualifying the first two words, less weight will be afforded to them in the overall impression of the mark as a whole. The overall impression of the mark is, therefore, dominated by the two words GATO and NEGRO (perceived as two individual words of foreign origin with no meaning) with the words ADORED EVERYWHERE playing a lesser role, due to their laudatory connotation and their position at the end of the mark.

30. The Opponent's second mark consist of the same two foreign words GATO NEGRO but, on this occasion, they are presented one above the other, in a slightly stylised black, title case font with a gold outline. The letters G and N are considerably larger than the remaining letters, highlighting that they are two separate words. Beneath the words, is a device consisting of a black cat (also outlined in gold) contained within a grey stylised crescent. I consider that the device and the words contribute to the overall impression of the trade mark, but that the words GATO NEGRO play the greater role due to their size and positioning within the mark and the fact that the eye is naturally drawn to elements that can be read despite being in a foreign language, since as a general principle words speak louder than devices. The colours and the stylisation of the words will make a limited contribution to the mark as a whole.

Visual comparison

Opponent's first earlier mark

31. Visually the marks coincide only to the extent that both marks include the word GATO which is the first word in the Opponent's mark and the second word in the Applicant's mark. The Opponent's mark also includes the words NEGRO and the phrase ADORED EVERYWHERE whereas the Applicant's mark includes the word

COLO there being no corresponding counterpart of these words in the other's mark. Weighing up the similarities and the differences and given the positioning of the word GATO in each mark, I consider that overall the marks are visually similar to a medium degree.

The Opponent's second earlier mark

32. Again the only point of visual similarity resides in the word GATO. The differences arise with the device, colour and stylisation of the words and the addition of the word NEGRO within the Opponent's mark. In addition, the word COLO is present in the Applicant's mark. Weighing up the differences and the similarities, I consider that overall the degree of visual similarity is medium.

Aural comparison

33. In both of the Opponent's marks the elements GATO NEGRO are not words familiar to the English-speaking average consumer but I consider that, following normal patterns and absent evidence to the contrary, they will be pronounced as GAH-TOH NEH-GROH. For the same reasons, the Applicant's mark will be pronounced as COH-LOH-GAH-TOH. The words ADORED EVERYWHERE in the Opponent's first mark are common dictionary words which will be given their normal English pronunciations. However, as these words are likely to be seen as a descriptive slogan they may not be pronounced. No pronunciation will be given to the device in the Opponent's second mark. The element GATO will therefore be pronounced identically in all marks which is the only point of aural similarity between them. As a result of the common element GATO, if the slogan is not pronounced in the Opponent's first mark, both the Opponent's marks are aurally similar to the contested mark to a medium degree, otherwise, the first earlier mark and the Applicant's mark will be similar to a low degree.

Conceptual comparison

34. The Opponent submits that the words GATO and NEGRO will be familiar to a significant part of the UK public and be understood to mean black cat in Spanish and likewise the element NEGRO will be understood to mean the colour black. It is contended that since the dominant element of both marks will be GATO the marks are conceptually identical. Conversely the Applicant argues that "in the opposed mark

COLO has no clear meaning, so even if GATO might be understood as referring to a cat this would not lead to a conceptual link in the mind of the average consumer...If the average UK consumer is held not to understand the Spanish meaning of GATO and NEGRO then the marks would have little or no obvious conceptual meaning and as such there can be no similarity.”

35. Whilst there may be a proportion of UK consumers that speak or understand Spanish and therefore understand the meaning of these words, I do not consider that this is a large percentage and it cannot be assumed that the majority of UK consumers are familiar with the Spanish language. Notwithstanding that the average consumer may understand the historical use of the word negro as a term associated with black African heritage or that the word has something to do with the colour black, I do not consider this word is routinely encountered in relation to goods sold in the UK, such that it can be assumed to be understood to refer to the colour black in this context, particularly in relation to alcoholic beverages. In my view, it is unlikely, therefore, that the average consumer will understand that GATO is Spanish for cat or that NEGRO is the colour black given that neither Spanish word has entered into common usage in the English language.

36. It is my view that a greater proportion of the English speaking public will either consider the elements COLO GATO and GATO NEGRO in the respective marks, as foreign language words or invented and attribute no meaning to them. In either of these scenarios since no conceptual comparison is possible, they will be conceptually neutral. The words ADORED EVERYWHERE in the Opponent’s first mark will be regarded as a laudatory slogan qualifying the first two words and that the brand or goods are universally liked. The device in the Opponent’s second mark includes an image of a black cat, which, if the meaning of GATO and NEGRO is known, is reinforced by this device. These additional elements in the Opponent’s marks (whether the relevance of the device in relation to the words is known or not) will act as points of conceptual difference.

Distinctive character

37. The Opponent contends that as a result of its use of the common word GATO as part of its family of marks, it enjoys an enhanced degree of distinctive character such that the average consumer will view the Applicant’s mark as part of the Opponent’s

family of GATO marks. The leading case on a family of marks argument is *Il Ponte Finanziaria SpA v OHIM* (Bainbridge), case C-234/06 P, EU: C: 2007:514, in which the CJEU said:

“62. While it is true that, in the case of opposition to an application for registration of a Community trade mark based on the existence of only one earlier trade mark that is not yet subject to an obligation of use, the assessment of the likelihood of confusion is to be carried by comparing the two marks as they were registered, the same does not apply where the opposition is based on the existence of several trade marks possessing common characteristics which make it possible for them to be regarded as part of a ‘family’ or ‘series’ of marks.

63. The risk that the public might believe that the goods or services in question come from the same undertaking or, as the case may be, from economically-linked undertakings, constitutes a likelihood of confusion within the meaning of Article 8(1)(b) of Regulation No 40/94 (see *Alcon v OHIM*, paragraph 55, and, to that effect, *Canon*, paragraph 29). Where there is a ‘family’ or ‘series’ of trade marks, the likelihood of confusion results more specifically from the possibility that the consumer may be mistaken as to the provenance or origin of goods or services covered by the trademark applied for or considers erroneously that that trademark is part of that family or series of marks.

64. As the Advocate General stated at paragraph 101 of her Opinion, no consumer can be expected, in the absence of use of a sufficient number of trade marks capable of constituting a family or a series, to detect a common element in such a family or series and/or to associate with that family or series another trade mark containing the same common element. Accordingly, in order for there to be a likelihood that the public may be mistaken as to whether the trade mark applied for belongs to a ‘family’ or ‘series’, the earlier trade marks which are part of that ‘family’ or ‘series’ must be present on the market.

65. Thus contrary to what the appellant maintains, the Court of First Instance did not require proof of use as such of the earlier trade marks but only of use of a sufficient number of them as to be capable of constituting a family or series

of trade marks and therefore of demonstrating that such a family or series exists for the purposes of the assessment of the likelihood of confusion.

66. It follows that, having found that there was no such use, the Court of First Instance was properly able to conclude that the Board of Appeal was entitled to disregard the arguments by which the appellant claimed the protection that could be due to ‘marks in a series’.

38. When a “family of marks” is argued, evidence will need to be filed of presence of the marks in the market, as at the relevant date, in order to support such a claim. In the decision in suit, the relevant date is the date the application was filed, namely 12 May 2020.

39. The only evidence filed by the Opponent is an extract taken from the UK Trade Mark Register displaying eight trade mark registrations, where the element GATO has been used within these marks. Six of these registrations belong to the Opponent, four of which include the identical words GATO NEGRO, either solus or in combination with a device or a laudatory slogan. Only two of these trademarks are relied on, however, for the purposes of this opposition. No evidence has been submitted of turnover figures, sales or exposure of the brand through advertising or social media. Evidence of registration alone, is not sufficient to demonstrate presence on the market. There is no evidence at all which supports a finding that the element GATO belongs to a “family of marks” indicating a common origin. In any event, even if the Opponent had filed evidence, relying on two marks alone (which are identical save for the use of a laudatory slogan and device) are unlikely to be a sufficient number capable of constituting a family of marks.

40. Furthermore, whilst the Opponent has claimed that its marks have achieved an enhanced degree of distinctiveness, no evidence has been filed to demonstrate that it has achieved any sales either within the UK or otherwise. Since enhanced distinctiveness must also be established from the perspective of the UK public, without any evidence to support such a claim, I am only able to consider the position based on inherent characteristics.

41. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 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).”

42. Registered trade marks possess varying degrees of inherent distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the goods or services, to those with high inherent distinctive character, such as invented words which have no allusive qualities. The degree of distinctiveness is an important factor as it directly relates to whether there is a likelihood of confusion; the more distinctive the earlier mark the greater the likelihood of confusion.

43. The Opponent’s earlier marks consist of the words GATO and NEGRO in combination with either the slogan ADORED EVERYWHERE, or a device as previously described. As noted above, these words will be regarded as invented or foreign language words, which to a greater proportion of the UK public will not be attributed any meaning. I consider that the distinctive character of both the Opponent’s marks lie in the words GATO and NEGRO each word making a distinctive contribution independently of the other.⁴ The stylisation of the words and the device in the

⁴ *Whyte and Mackay Ltd v Origin Wine UK Ltd and Another* [2015] EWHC 1271 (Ch)

Opponent's second mark add some distinctiveness to the mark, but not considerably so, in light of the high distinctiveness already achieved by the words per se. Consequently, the marks as wholes will be inherently distinctive to a high degree. For the purposes of the likelihood of confusion assessment, however, it is the only the distinctiveness of the common element which is relevant.

Likelihood of confusion

44. When considering whether there is a likelihood of confusion between the respective marks I must consider whether there is direct confusion, where one mark is mistaken for the other or whether there is indirect confusion where the similarities between the marks lead the consumer to believe that the respective goods originate from the same or related source.

45. A number of factors must also be borne in mind when undertaking the assessment of confusion. The first is 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 or services and vice versa. As I mentioned above, it is also necessary for me to keep in mind a global assessment of all relevant factors when undertaking the comparison and that the purpose of a trade mark is to distinguish the goods and services of one undertaking from another. In doing so, I must consider that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them that he has retained in his mind.

46. Earlier in my decision I found that the goods were either identical or similar to a medium degree. I identified the average consumers of the goods to be a member of the general public over the age of 18, who would primarily select the goods via visual means but not discounting aural considerations. In light of the nature of the goods, I considered that an average level of attention would be undertaken in the selection process. I found the marks to be visually similar to a medium degree and aurally similar to either a medium or low degree depending on whether all the words are pronounced or not in the first earlier mark. I will proceed with the assessment taking the position more favourable to the Applicant. I found the words GATO NEGRO and COLO GATO to be conceptually neutral but that the device and the words ADORED EVERYWHERE act as points of conceptual difference. The conceptual differences between the marks,

however, are not derived from the shared element GATO which is per se highly distinctive. I have found the earlier marks as a whole to be inherently distinctive to a high degree and that the common element GATO is also inherently highly distinctive. Due to no relevant evidence being filed neither of the marks' distinctive character have been enhanced further through use.

47. Dealing with direct confusion first, taking into account that visual considerations will dominate the purchasing process the additional elements namely the addition of the words COLO and NEGRO, the device and the words ADORED EVERYWHERE are unlikely to go unnoticed by the relevant public. On this basis it is unlikely that the respective marks will be misremembered or mistakenly recalled. Consequently, I do not consider that there would be a likelihood of direct confusion.

48. However, I must also consider the possibility of indirect confusion and whether the relevant public believes that there is an economic connection between the marks or that they are variant marks from the same undertaking as a result of the shared common element GATO. The Opponent argues that "what is consistent in both of the Opponent's Marks is GATO NEGRO and since both marks share these string of words, this will be seen as a common factor of the marks and as such the marks will be associated with each other" claiming its marks should be regarded as part of a family of marks. It is well established that where it is shown that a proprietor "has used a "family" of trade marks with a common feature, and a third party uses a sign which shares that common feature, this can support the existence of a likelihood of confusion."⁵ An essential element for a family of trade marks to be established, however, is that they have been in use.⁶ For the reasons set out previously, since no evidence of use has been filed the Opponent has not established that its marks follow a common pattern suffixed or prefixed by the word GATO. In any event, this failure, makes little difference to my assessment as to whether there is a likelihood of indirect confusion, since the element common to all marks is the word GATO, which I have already assessed is highly distinctive.

49. In *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10, Mr Iain Purvis QC, sitting as the Appointed Person, noted that:

⁵ *EasyGroup Limited v Easyway SBH* [2021] EWHC 2007 (IPEC)

⁶ *Beck, Koller & Company (England) Limited* RPC LX1V paragraph 26

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognised that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: “The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark, I conclude that it is another brand of the owner of the earlier mark.

17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

(a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right (“26 RED TESCO” would no doubt be such a case).

(b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as “LITE”, “EXPRESS”, “WORLDWIDE”, “MINI” etc.).

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension (“FAT FACE” to “BRAT FACE” for example).”

50. In *Kurt Geiger v A-List Corporate Limited*, BL O-075-13, Mr Iain Purvis Q.C. as the Appointed Person pointed out that the level of ‘distinctive character’ is only likely to

increase the likelihood of confusion to the extent that it resides in the element(s) of the marks that are identical or similar. He said:

“38. The Hearing Officer cited *Sabel v Puma* at paragraph 50 of her decision for the proposition that ‘the more distinctive it is, either by inherent nature or by use, the greater the likelihood of confusion’. This is indeed what was said in *Sabel*. However, it is a far from complete statement which can lead to error if applied simplistically.

39. It is always important to bear in mind what it is about the earlier mark which gives it distinctive character. In particular, if distinctiveness is provided by an aspect of the mark which has no counterpart in the mark alleged to be confusingly similar, then the distinctiveness will not increase the likelihood of confusion at all. If anything it will reduce it.”

51. Whilst I accept that a shared common element alone does not necessarily lead to a likelihood of confusion⁷ it is important for me to note the aspects of the other elements within the respective marks and the part they play. I bear in mind not only the level of distinctiveness of the earlier marks as wholes but also the distinctiveness of the common element. I also accept that the examples as set out in *L.A.Sugar* (above) are not exhaustive and that they are only intended to be illustrative of the general approach.

52. Both marks include additional dominant word elements which are also distinctive in their own right since they will also be regarded as foreign words or invented, namely the word COLO (in the Applicant’s mark) and the word NEGRO (in the Opponent’s mark). The common word GATO is neither descriptive nor a non-distinctive element in either of the Opponent’s marks and is an equally distinctive element in the Applicant’s mark, despite being the second word in the application. Whilst the beginning of the marks are not the same, they overlap in the same word GATO. The GATO element is an important first element in the Opponent’s marks and therefore, use by another trade mark where this element is used will be retained in the mind of

⁷ *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17

the consumer. The element GATO retains an independent distinctive role within both marks and will not be seen in combination with the word NEGRO as a unit having a different meaning (because neither word has a meaning) in combination as compared to its meaning taken separately. Bearing in mind my assessment of the overall impression and the role each element plays within the marks as wholes, when coming across the respective marks, I find that the average consumer will consider that the same provider is responsible for the goods and that the application is a sub brand or another variety within the same alcoholic beverage range. This is even more likely given the identity/similarity of the goods and the absence of a clear conceptual hook to assist. On this basis, I consider that consumers will conclude that the Applicant's mark will be seen as a variant mark, used and provided by the same or economically linked undertaking leading to a likelihood of indirect confusion.

53. Even if I was wrong in my assessment of whether the average UK consumer would understand the meaning of GATO to be the Spanish word for cat, this does not assist the Applicant, because it follows that the likelihood of confusion is even more likely where the meaning of the word GATO is known, since consumers will make a conceptual link between the marks.

Outcome

54. The opposition under section 5(2)(b) of the Act succeeds in full. Subject to any successful appeal the application is refused in its entirety.

Costs

55. As the Opponent has been successful it is entitled to an award of costs based upon the scale as set out in Tribunal Practice Notice 2 of 2016. Applying this guidance, I award costs on the following basis:

Preparing a notice of opposition and considering the defence and counterstatement:	£200
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Preparing submissions and evidence: ⁸	£300
Preparing submissions in lieu of hearing:	£300
Official fee	£100
Total	£900

56. I order Grape Passions Ltd to pay Vina San Pedro Tarapaca S.A. the sum of £900. The sum to be paid within twenty one days of the expiry of the appeal period or within twenty one days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 15th day of October 2021

Leisa Davies
For the Registrar

⁸ The evidence was very scant and only amounted to exhibiting entries taken from the UK trade mark register which were not relevant to the decision. I therefore reduce the amount awarded accordingly to reflect this.