

BL O/0322/23

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO 3533190

BY

LES GRANDS CHAIS DE FRANCE S.A.S.

TO REGISTER AS A TRADE MARK

VICTORIE L'AUDACIEUSE

IN CLASS 33

AND

THE OPPOSITION THERETO

UNDER NO 423039

BY

CHAMPAGNE G.H. MARTEL ET CIE

BACKGROUND AND PLEADINGS

1. On 14 September 2020, Les Grands Chais De France S.A.S. ("the applicant") applied to register the above trade mark in class 33 for 'Still wines of French origin'.¹ Following the addition of a limitation, the specification now stands as follows:²

"Still wines of French origin, with the exception of wines with the PDO Coteaux d'Aix en Provence and Côtes de Provence and PDO Champagne."

2. The application was published on 30 October 2020, following which Champagne G.H. Martel Et Cie ("the opponent") filed a notice of opposition against all of the goods in the application.

3. The opposition is based on sections 5(2)(b) and 5(3) and 5(4)(a) of the Trade Marks Act 1994 ("the Act").

4. For the purposes of the 5(2)(b) ground the opponent relies on the following marks and goods:

Mark	Goods relied on
<p>EUTM 8340416:</p> <p>CHAMPAGNE VICTOIRE</p> <p>Applied for on 4 June 2009 Registered on 22 October 2012</p>	<p>Class 33: Wine with the designation of origin champagne.</p>

¹ International Classification of Goods and Services for the Purposes of the Registration of Marks under the Nice Agreement (15 June 1957, as revised and amended).

² A TM21B was filed on 13 December 2021.

<p>EUTM 3730751:</p> <p>CHAMPAGNE CUVÉE VICTOIRE</p> <p>Applied for on 23 April 2004 Registered on 30 June 2005</p>	<p>Class 33: Wine of French origin with the designation of origin Champagne.</p>
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7. The opponent claims that the contested mark is visually, aurally and conceptually similar to its earlier rights. In particular:

8...the dominant and distinctive component of the Earlier Marks VICTOIRE, a French word meaning victory, is nearly identical to the first word of the Contested Mark, VICTORIE, which also means victory in Old French.

9. The addition of L'AUDACIEUSE to the Contested Mark is not sufficient to offset the similarities between the Contested Mark and the Earlier Marks, which are similar to a high or at least moderate degree when compared as a whole.

8. The opponent submits that the goods are identical, all being wines in class 33. It concludes that there exists a likelihood of confusion between the application and the opponent's earlier marks, including a likelihood of association.

9. With regard to the 5(3) ground the opponent claims that the earlier marks enjoy a reputation in the European Union.³ It submits that the application and the earlier marks are sufficiently similar that a link will be made in the minds of the relevant public and that use of the application would be without due cause and would take unfair advantage of the distinctive character and repute of the earlier marks. It further claims that such use would be detrimental to the distinctive character of the earlier marks and would be detrimental to the repute of the earlier marks.

³ The EU is the relevant territory because this application was filed before the end of the implementation period.

10. Under the 5(4)(a) ground the opponent relies on the sign VICTOIRE, used for wine of French origin with the designation of origin champagne. Use is claimed since at least 2005 throughout the UK. The opponent claims the following:

“24. Any use by the Applicant of the highly similar Contested Mark in relation to the goods of the Application, also being wines, would amount to a misrepresentation to the public that the Applicant’s goods are associated with, supplied by, endorsed by or otherwise connected with the Opponent, when this is not the case.

25. Such misrepresentation would cause damage to the Opponent, including but not limited to, damage to the goodwill accrued by the Opponent over a significant period of time and dilution of its earlier rights in the sign VICTOIRE for wines.”

11. The applicant filed a counterstatement in which it denies the grounds of opposition. The applicant denied similarity between the respective marks and goods.

12. Both sides filed evidence and skeleton arguments. A hearing took place before me on 23 November 2022 at which the opponent was represented by Georgina Messenger of Counsel, instructed by Boulton Wade Tennant. The applicant was represented by Denise McFarland of Counsel instructed by Murgitroyd.

13. I make this decision having taken full account of all the papers before me and the submissions made by both parties at the hearing.

14. 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 and, therefore, this decision continues to refer to the trade mark case law of the EU courts.

DECISION

15. I will begin by considering the opponent's marks under the 5(2)(b) ground.

16. Section 5(2)(b) of the Act states:

“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.”

Proof of use

18. The opponent's marks are earlier marks which are subject to proof of use. This is because, at the date of application of the contested mark, they had been registered for five years and the applicant has put the opponent to proof of use.

19. Section 6A of the TMA reads as follows:

“(1) This section applies where

(a) an application for registration of a trade mark has been published,

(b) there is an earlier trade mark of a kind falling within section 6(1)(a), (aa) or (ba) in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and

(c) the registration procedure for the earlier trade mark was completed before the start of the relevant period.

(1A) In this section “the relevant period” means the period of 5 years ending with the date of the application for registration mentioned in subsection (1)(a) or (where applicable) the date of the priority claimed for that application.

(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

(3) The use conditions are met if –

(a) within the relevant period 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) the earlier trade mark has not been so used, but there are proper reasons for non-use.

(4) For these purposes -

(a) use of a trade mark includes use in a form (the “variant form”) differing in elements which do not alter the distinctive character of the mark in the form in which it was registered (regardless of whether or not the trade mark in the variant form is also registered in the name of the proprietor), 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.

(5) In relation to a European Union trade mark or international trade mark (EC), any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Union.

(5A) In relation to an international trade mark (EC) the reference in subsection (1)(c) to the completion of the registration procedure is to be construed as a reference to the publication by the European Union Intellectual Property Office

of the matters referred to in Article 190(2) of the European Union Trade Mark Regulation.

(6) 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.”

20. Section 100 of the Act is also relevant. It states:

“If in any civil proceedings under this Act a question arises as to the use to which a registered trade mark has been put, it is for the proprietor to show what use has been made of it.”

The period for which genuine use must be proven is the five years prior to the date of filing of the contested application, namely, 15 September 2015 to 14 September 2020.

21. In *Walton International Ltd & Anor v Verweij Fashion BV* [2018] EWHC 1608 (Ch) Arnold J (as he then was) summarised the law relating to genuine use as follows:

“114...The CJEU has considered what amounts to “genuine use” of a trade mark in a series of cases: Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, *La Mer* (cited above), Case C-416/04 P *Sunrider Corp v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [2006] ECR I-4237, Case C-442/07 *Verein Radetsky-Order v Bunderversammlung Kamaradschaft ‘Feldmarschall Radetsky’* [2008] ECR I-9223, Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759, Case C-149/11 *Leno Marken BV v Hagelkruis Beheer BV* [EU:C:2012:816], [2013] ETMR 16, Case C-609/11 P *Centrotherm Systemtechnik GmbH v Centrotherm Clean Solutions GmbH & Co KG* [EU:C:2013:592], [2014] ETMR, Case C-141/13 P *Reber Holding & Co KG v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* [EU:C:2014:2089] and Case C-689/15 *W.F. Gözze Frottierweberei GmbH v Verein Bremer Baumwollbörse* [EU:C:2017:434], [2017] Bus LR 1795.

115. The principles established by these cases may be summarised 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]; *Leno* at [29]; *Centrotherm* at [71]; *Reber* 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]; *Leno* at [29]; *Centrotherm* at [71]. Accordingly, affixing of a trade mark on goods as a label of quality is not genuine use unless it guarantees, additionally and simultaneously, to consumers that those goods come from a single undertaking under the control of which the goods are manufactured and which is responsible for their quality: *Gözze* at [43]-[51].

(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] and [22]. 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]; *Reber* at [29].

(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]; *Leno* at [29]-[30], [56]; *Centrotherm* at [72]-[76]; *Reber* at [29], [32]-[34].

(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] and [76]-[77]; *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].”

22. With regard to use of an EU trade mark, the Court of Justice of the European Union (CJEU) noted in *Leno Merken BV v Hagelkruis Beheer BV*, Case C-149/11, that:

“36. It should, however, be observed that..... the territorial scope of the use is not a separate condition for genuine use but one of the factors determining genuine use, which must be included in the overall analysis and examined at the same time as other such factors. In that regard, the phrase ‘in the Community’ is intended to define the geographical market serving as the reference point for all consideration of whether a Community trade mark has been put to genuine use.”

And

“50. Whilst there is admittedly some justification for thinking that a Community trade mark should – because it enjoys more extensive territorial protection than a national trade mark – be used in a larger area than the territory of a single Member State in order for the use to be regarded as ‘genuine use’, it cannot be ruled out that, in certain circumstances, the market for the goods or services for which a Community trade mark has been registered is in fact restricted to the territory of a single Member State. In such a case, use of the Community trade mark on that territory might satisfy the conditions both for genuine use of a Community trade mark and for genuine use of a national trade mark.”

And

“55. Since the assessment of whether the use of the trade mark is genuine is carried out by reference to all the facts and circumstances relevant to establishing whether the commercial exploitation of the mark serves to create or maintain market shares for the goods or services for which it was registered, it is impossible to determine a priori, and in the abstract, what territorial scope

should be chosen in order to determine whether the use of the mark is genuine or not. A *de minimis* rule, which would not allow the national court to appraise all the circumstances of the dispute before it, cannot therefore be laid down (see, by analogy, the order in *La Mer Technology*, paragraphs 25 and 27, and the judgment in *Sunrider v OHIM*, paragraphs 72 and 77).”

23. The court held that:

“Article 15(1) of Regulation No 207/2009 of 26 February 2009 on the Community trade mark must be interpreted as meaning that the territorial borders of the Member States should be disregarded in the assessment of whether a trade mark has been put to ‘genuine use in the Community’ within the meaning of that provision.

A Community trade mark is put to ‘genuine use’ within the meaning of Article 15(1) of Regulation No 207/2009 when it is used in accordance with its essential function and for the purpose of maintaining or creating market share within the European Community for the goods or services covered by it. It is for the referring court to assess whether the conditions are met in the main proceedings, taking account of all the relevant facts and circumstances, including the characteristics of the market concerned, the nature of the goods or services protected by the trade mark and the territorial extent and the scale of the use as well as its frequency and regularity.”

24. In *The London Taxi Corporation Limited v Frazer-Nash Research Limited & Ecotive Limited*, [2016] EWHC 52, Arnold J. (as he then was) reviewed the case law since the *Leno* case and concluded as follows:

“228. Since the decision of the Court of Justice in *Leno* there have been a number of decisions of OHIM Boards of Appeal, the General Court and national courts with respect to the question of the geographical extent of the use required for genuine use in the Community. It does not seem to me that a clear picture has yet emerged as to how the broad principles laid down in *Leno* are

to be applied. It is sufficient for present purposes to refer by way of illustration to two cases which I am aware have attracted comment.

229. In Case T-278/13 *Now Wireless Ltd v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* the General Court upheld at [47] the finding of the Board of Appeal that there had been genuine use of the contested mark in relation to the services in issue in London and the Thames Valley. On that basis, the General Court dismissed the applicant's challenge to the Board of Appeal's conclusion that there had been genuine use of the mark in the Community. At first blush, this appears to be a decision to the effect that use in rather less than the whole of one Member State is sufficient to constitute genuine use in the Community. On closer examination, however, it appears that the applicant's argument was not that use within London and the Thames Valley was not sufficient to constitute genuine use in the Community, but rather that the Board of Appeal was wrong to find that the mark had been used in those areas, and that it should have found that the mark had only been used in parts of London: see [42] and [54]-[58]. This stance may have been due to the fact that the applicant was based in Guildford, and thus a finding which still left open the possibility of conversion of the Community trade mark to a national trade mark may not have sufficed for its purposes.

230. In *The Sofa Workshop Ltd v Sofaworks Ltd* [2015] EWHC 1773 (IPEC), [2015] ETMR 37 at [25] His Honour Judge Hacon interpreted *Leno* as establishing that "genuine use in the Community will in general require use in more than one Member State" but "an exception to that general requirement arises where the market for the relevant goods or services is restricted to the territory of a single Member State". On this basis, he went on to hold at [33]-[40] that extensive use of the trade mark in the UK, and one sale in Denmark, was not sufficient to amount to genuine use in the Community. As I understand it, this decision is presently under appeal and it would therefore be inappropriate for me to comment on the merits of the decision. All I will say is that, while I find the thrust of Judge Hacon's analysis of *Leno* persuasive, I would not myself express the applicable principles in terms of a general rule and an exception to

that general rule. Rather, I would prefer to say that the assessment is a multi-factorial one which includes the geographical extent of the use.”

25. The General Court restated its interpretation of *Leno Merken* in Case T-398/13, *TVR Automotive Ltd v OHIM* (see paragraph 57 of the judgment). This case concerned national (rather than local) use of what was then known as a Community trade mark (now a European Union trade mark). Consequently, in trade mark opposition and cancellation proceedings the registrar continues to entertain the possibility that use of an EUTM in an area of the Union corresponding to the territory of one Member State may be sufficient to constitute genuine use of an EUTM. This applies even where there are no special factors, such as the market for the goods/services being limited to that area of the Union.

26. Whether the use shown is sufficient for this purpose will depend on whether there has been real commercial exploitation of the EUTM, in the course of trade, sufficient to create or maintain a market for the goods/services at issue in the Union during the relevant 5 year period. In making the required assessment I am required to consider all relevant factors, including:

- i) The scale and frequency of the use shown
- ii) The nature of the use shown
- iii) The goods and services for which use has been shown
- iv) The nature of those goods/services and the market(s) for them
- iv) The geographical extent of the use shown

Evidence

27. The opponent’s evidence of use is provided by Corinne Couchou-Meillot who is the export manager for Europe at Champagne G.H. Martel Et Cie (the opponent). She has held that position since 1997. Her statement is dated 28 June 2021. She provides the following background to the opponent’s champagne house:

“6. Maison G.H. Martel & Co was founded in 1869 by the Tabourin family, owners of Avenay Val d’Or, a village not far from Epernay in the

Champagne region of France. In 1979, upon the death of Andre Tabourin, Maison Ernest Rapeneau, a wine and champagne merchant founded in 1901, acquired a majority stake in the capital of the company GH Martel with the intention of establishing GH Martel & Co as the spearhead of its Champagne activities. Today it is headed by the descendants of Ernest, Jean-Francois and Christophe Rapeneau, as well as by the next generation, Vincent and Jean-Remy. The Maison celebrated its 150th anniversary in 2019.”

28. Ms Couchou-Meillot states:

“7. The earlier trade marks relied on by the Opponent, CHAMPAGNE VICTOIRE and CHAMPAGNE CUVÉE VICTOIRE (collectively, “the VICTOIRE Marks”) have been extensively used by the Opponent in the UK and EU in connection with a popular range of sparkling wines since at least the year 2005 and have been continuously sold since then.”

29. She provides the following list of products which are sold under the VICTOIRE marks:

GH Martel CUVÉE VICTOIRE BRUT 1ER CRU (15,80 € for 75 CL)
GH Martel CUVÉE VICTOIRE MIL 07 (75 CL for 18,00 €)
GH Martel VICTOIRE ROSÉ (75 CL for 16,22 €)
GH Martel VICTOIRE ROSÉ (1500 M for 45,00 €)
VICTOIRE BLANC DE BLANCS BRUT (75 CL for 6,90 €)
VICTOIRE BLANC DE NOIRS (75 CL for 15,10 €)
VICTOIRE BRUT 1ER CRU (75 CL for 15,10 €)

30. Wayback machine pages dated 30 December 2016 show the opponent’s ‘Martel’ and ‘Victoire’ ranges of champagne, the Victoire range being shown as follows:



31. Pages dated 19 May 2020 and 21 June 2018 show one of the bottles from the range, with product details alongside the image:⁴



32. Ms Couchou-Meillot provides EU turnover figures (which include the UK) for sales of what she describes as ‘VICTOIRE branded wines’:

⁴ In paragraph 11 of CCM’s witness statement she confirms that the Martel website has been available in French and English since 2005.

(i) EU (including UK) sales			
Year	Units sold (#)	Revenue (EUR)	EU MS represented
2015	433,473	8,370,266	12 of 28
2016	154,199	2,401,664	11 of 28
2017	193,205	3,094,534	10 of 28
2018	189,334	2,876,443	9 of 28
2019	191,214	2,508,716	10 of 28
2020	57,455	900,271	7 of 28
TOTALS (for 6 year period)	1,218,880	20,151,895	21 of 28

33. Detailed breakdowns are provided for individual countries. For ease of reference, I present the figures for France and the UK in table form, as follows:⁵

	Year	Units sold	Revenue (€)
UK	2015	3876	59,298
	2016	2850	56,700
	2017	3902	58,680
	2018	3990	59,618
	2019	3360	50,400
	2020	1026	15,630
Total		19,004	300,326
France	2015	423,828	8,203,159
	2016	146,460	2,252,522
	2017	185,294	2,952,977
	2018	182,188	2,764,740
	2019	180,719	2,340,025
	2020	52,103	801,409
Total		1,170,592	19,314,832

⁵ The opponent has provided data for a large number of countries. I have decided to focus on sales in France and the UK for the purposes of this decision.

34. Sample invoices are provided in support of the sales figures.⁶ In the following table I include examples of three from sales made in France and three from sales to the UK:

Date	Product	Cost	Buyer	Location	
21.07.16	Victoire Rosé	6,400	Mars & Co	France	
24.01.18	Cuvee Victoire Brut	25,452	Scapest	France	
24.07.20	Cuvee Victoire Brut	18,294.21	Socasa	France	
	Cuvee Victoire Demi-sec	7,826.40			
20.08.15	Cuvee Victoire Brut	18,000.00	The Athenaeum Club	UK	
02.12.15	Champagne Victoire	9,108	Mylico International Wines	UK	
03.08.20	Cuvee Victoire Brut	1,152	Gondrand UK	UK	
	Victoire Rosé				

35. The opponent lists its UK stockists as, Soho Wines, Le Colombier, Athenaeum, Le Gavroche, GHM UK and the Co-op supermarket. Its online UK stockists include the websites www.tellmewine.co.uk, www.amazon.co.uk, www.streetwines.co.uk, and www.drinksandco.co.uk.

36. The opponent's wine is also available on www.vivino.com, www.au-droit-de-bouchon.com, www.vinsfamillefayat.com, www.supermercadosoncotoner.com, www.tastefrance-wineandspirits.com and www.winesearcher.com.

37. Undated examples are provided which show the opponent's products for sale on some of the sites listed above, for example:⁷

⁶ See exhibits CCM4-CCM21 for a full list of invoices from nineteen countries.

⁷ See exhibit CCM22.



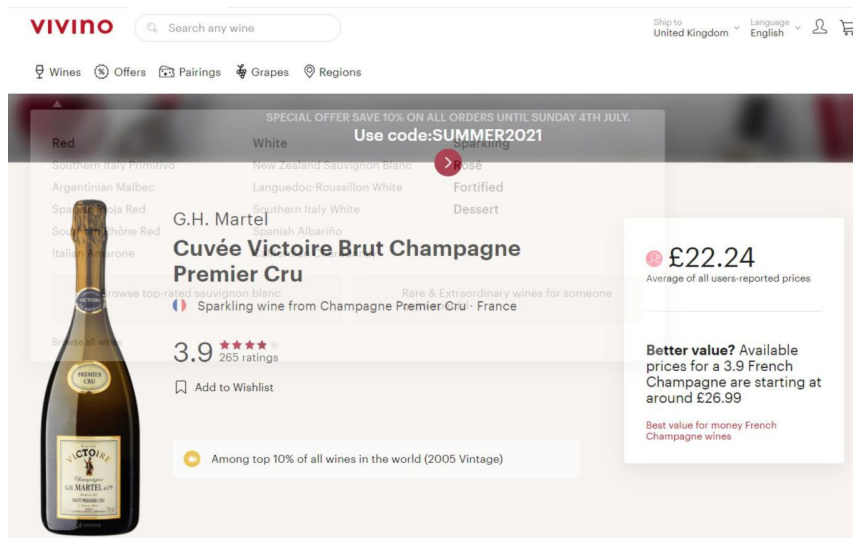
Street Wines View:

75cl bottle.

Golden yellow fizz. Slightly toasted on the nose with creamy nuances. Floral notes and subtle dried fruits character. A surprising palate reminiscent of grilled almond and vanilla. A very elegant Granny Smith finish. Pair with Lobster, smoked fish, ham and tropical fruits.

Critic Reviews:

38. And:



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39. A useful description of the opponent's 'Victoire' champagnes is provided in an article from TrendSpotter, titled, '30 Best Champagne Brands to Know'. It is not dated:

23. Victoire

Champagne Victoire comes from the house of G.H. Martell & Co in Epernay, France, where The Tabourin family created the Maison in 1869. Victoire is just one of their collections, the other being the Martel Range. Withing the Victoire selection, there are five expressions. The Brut Fut de Chêne is best enjoyed with lobster or truffles, as the strong mouthfeel cuts through the indulgent flavors. Meanwhile, the Brut Victory is smooth and harmonious, mixing Chardonnay, Pinot Noir, and Miller. If you prefer your wine pink, then the Victoire Rosé is perfect served with fresh fruit or chocolatey desserts. The final two options are the 2005 Vintage with Chardonnay from Grand and Premier Crus and the fresh and elegant Victoire Premier Cru, which boasts notes of citrus fruit and Mirabelle plums.

40. Sample reviews⁸ are provided and include a review of Champagne Victoire Brut Prestige NV by Anthony Gismondi. The review states that the wine was tasted on 9 December 2017. It is accompanied by the following image:



41. A further review, by Buena Vista Winery, gives La Victoire Brut Champagne a score of 96/100. It states that the wine was tasted on 1 August 2018.

42. Ms Couchou-Meillot provides market share details, as follows:

“19. There are over 360 Maisons de Champagne (Champagne houses) many selling more than one brand of champagne and competition in the market is intense. The EU and UK market share for Champagne sold under the VICTOIRE Marks for the period 2016-2020 is set out in the table below. The figures in respect of total market values were obtained from the Comité interprofessionnel des vins de Champagne (CIVC), the trade association which represents the interests of Maisons de Champagne and independent Champagne producers, known as vigneronns.”

43. She gives the opponent’s market share for its Champagne Victoire and Cuvée Victoire marks (as a share of the total EU market for champagne) as 0.086% of 3336 million in 2018 and 0.076% of 3300 million in 2019.

44. For the UK these figures are 0.018% of 338 million in 2018 and 0.012% of 433 million in 2019.

⁸ See exhibit CCM22.

Advertising and marketing

45. Ms Couchou Meillot describes a collection of vintage 2012 champagnes intended to be a festive advent calendar for the period after Christmas. Six bottles are included in the set which ends with, *“the bottle of CHAMPAGNE VICTOIRE allocated to New Year’s Eve as the bottle is particularly festive in its design.”*⁹

The set is presented, as follows:



46. The bottle described as ‘particularly festive’ is this one:



⁹ See exhibit CCM23.

47. The selection is shown for sale on the Vitisphere website in a promotion dated 22 December 2018 and in a Le Point catalogue dated 15 November 2018.¹⁰

48. The opponent includes an example of its Christmas card for 2017 which included the following image:¹¹



49. Ms Couchou-Meillot provided a copy of a tasting menu distributed at a champagne tasting event held by the Opponent on 9 March 2016 at One Great George Street, described as 'an award winning conference, wedding, and events venue in Westminster, London'. Three Martel champagnes are listed, the third being Cuvée Victoire 2008.¹²

50. On 1 April 2019 the opponent celebrated 150 years of its champagne house. A copy of the lunch menu for that event is provided and shows Cuvée Victoire Premier Cru and Cuvée Victoire Rosé on the menu.¹³

51. The opponent attends SuperVin festival in Denmark and the Riga Wine and Champagne event in Latvia each year. The opponent provides evidence of its

¹⁰ See exhibit CCM29.

¹¹ See exhibit CCM24.

¹² See exhibit CCM25.

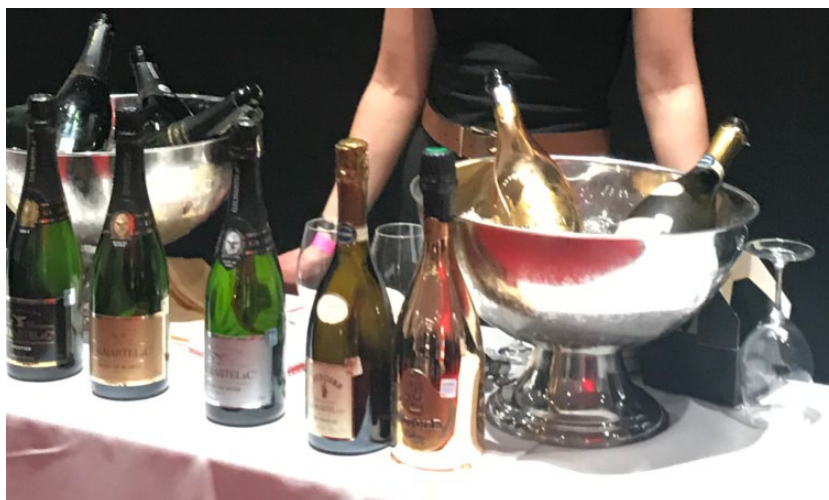
¹³ See exhibit CCM26.

appearance as an exhibitor at the 2017 SuperVin festival and its products feature in the catalogue for that year:¹⁴



52. Catalogues for the Riga festival for 2018 and 2019 show the opponent as an exhibitor. Only the 2019 catalogue refers to products in the Victoire range of champagnes. These are Cuvée Victoire Gold Vintage Brut and Cuvée Victoire Premier Cru.¹⁵

53. Ms Couchou-Meillot also provides images of the opponent's stands which she describes as typical of its stands at such events. It shows bottles of champagne in the VICTOIRE and MARTEL ranges of champagne on the display, though the images are not dated:¹⁶



¹⁴ See exhibit CCM27.

¹⁵ See exhibit CCM27.

¹⁶ See exhibit CCM27, page 183.



54. Ms Couchou-Meillot provides press articles which refer to the opponent's champagne house, many of which relate to its 150th anniversary in 2019. The following is taken from an article in a L'Equipe¹⁷ supplement and refers to the Victoire range of champagne:¹⁸

“This clear move upmarket for champagnes that are rather accessible and available in supermarkets, had a precedent in 1989 with the Victoire vat, synonymous with vigorous, fresh and lively champagne, and above all a symbol of joy and success. Coming from the family vineyard, in particular from Premiers Crus-class terroirs, this vat was a huge success. Victoire has become a prestigious range, with Victoire Premier Cru, Victoire Rosé and Victoire Gold 2008. Alongside the “timeless” Martel range (Blanc de Blancs, Blanc de Noirs, Rosé, Demi-Sec, Prestige, etc.).”

55. An article from Revue Vinicole Internationale,¹⁹ dated November-December 2019, includes the following:²⁰

“In 1989, launch of a top-of-the-range cuvée: La cuvée Victoire

Jean-François and Christophe Rapeneau not only wanted to be heirs but also wanted to showcase their know-how. The choice of the name Victoire for their cuvée is a reflection of the success and celebration, symbol of

¹⁷ L'Equipe had an average monthly circulation of 200k in 2020.

¹⁸ See exhibit CCM30 – original text is French, an English translation has been provided.

¹⁹ Revue Vinicole Internationale has a circulation of 8,500.

²⁰ See exhibit CCM30 – original text is French, an English translation has been provided, reproduced as written.

Champagne. Christophe Rapeneau was inspired by this by creating a cuvée full of freshness, vitality and vigor. The Victoire vintages come from the family vineyard and made from a very meticulous selection of terroirs, mainly favoring vineyards classified as Premiers Crus.”

56. An article in Vins & Gastronomie, dated 1 July 2019, lists its top choice of rosé champagnes. Number 39 in that list is the opponent’s Victoire Rosé.²¹

57. Ms Couchou-Meillot provides examples of awards won by the opponent’s Victoire range of champagnes.²² The following awards relate to the relevant period for which proof of use of the earlier marks is required:

- Champagne Victoire Prestige Brut NV - ranked outstanding in the International Wine and Spirits Competition 2015
- Champagne Victoire Fut Gold Vintage 2012 - ranked Gold in the Vinalies Internationales award 2021
- Brut Cuvee Victoire - ranked silver in Citadelles du Vin awards 2021
- Cuvee Victoire - awarded a silver medal by the Champagne Masters in 2016
- Cuvee Victoire - awarded a silver medal by the Champagne Masters in 2015

58. It is clear from the evidence provided that the opponent produces and sells champagne. I note that Ms Couchou-Meillot refers consistently to the opponent’s ‘wines’, but all of the use shown by the opponent is in respect of champagne. The figures provided for its business in France are, perhaps not surprisingly, the highest for any country in which it sells its goods, with total sales for its Victoire champagnes in the region of €19.3m for the period 2015-2020. The opponent has a smaller turnover in countries outside France, which in the UK amounted to €300,326 for the same five-year period. The two ranges of champagne it offers are the ‘Martel’ range and the ‘Victoire’ range. The applicant submitted to me at the hearing that to refer to the opponent’s marks as ‘Victoire’ marks is misleading. I agree to the extent that I must consider the earlier marks relied on by the opponent as they appear on the register

²¹ See exhibit CCM30.

²² See exhibit CCM31.

and not the shorthand form by which they are referred to in materials filed by the opponent. However, it is clear from the evidence that the opponent sells a Martel range of champagne and a Victoire range of champagne and those ranges are presented separately on its own website, under their own range headings. In addition, narrative evidence in third party publications and the opponent's own press pack describe the launch of a 'Victoire' range of champagne in 1989 and the evidence provides details of a number of different champagne products which have the word VICTOIRE as their brand origin with a range of other descriptors.

59. These descriptors include terms which refer to the dryness of the champagne such as 'brut' and 'demi-sec' and terms such as 'cuvée' and 'vintage' as well as the word 'champagne'. There is evidence of the use of 'Champagne Victoire' on invoices, on bottles, including the sixth bottle in the 2012 vintage set, which has been sold in the relevant period. It also appears on menus and in press articles and in the first two champagnes listed in the awards paragraph at 57.

60. Reproduced below is the label for the sixth bottle in the 2012 vintage six bottle set:



61. The first two words presented on the bottle label are Champagne and Victoire. Additional wording simply indicates that this bottle is a celebration bottle produced in 2012.

62. The opponent also uses a number of other labels which, as is common in the wine industry, include the words 'Champagne' and 'Victoire' on its bottle labels but with additional elements. For example:



63. In *Colloseum Holdings AG v Levi Strauss & Co.*,²³ which concerned the use of one mark with, or as part of, another mark, the Court of Justice of the European Union found that:

“31. It is true that the ‘use’ through which a sign acquires a distinctive character under Article 7(3) of Regulation No 40/94 relates to the period before its registration as a trade mark, whereas ‘genuine use’, within the meaning of Article 15(1) of that regulation, relates to a five-year period following registration and, accordingly, ‘use’ within the meaning of Article 7(3) for the purpose of registration may not be relied on as such to establish ‘use’ within the meaning of Article 15(1) for the purpose of preserving the rights of the proprietor of the registered trade mark.

32. Nevertheless, as is apparent from paragraphs 27 to 30 of the judgment in *Nestlé*, the ‘use’ of a mark, in its literal sense, generally encompasses both its independent use and its use as part of another mark taken as a whole or in conjunction with that other mark.

²³ See Case C-12/12.

33. As the German and United Kingdom Governments pointed out at the hearing before the Court, the criterion of use, which continues to be fundamental, cannot be assessed in the light of different considerations according to whether the issue to be decided is whether use is capable of giving rise to rights relating to a mark or of ensuring that such rights are preserved. If it is possible to acquire trade mark protection for a sign through a specific use made of the sign, that same form of use must also be capable of ensuring that such protection is preserved.

34. Therefore, the requirements that apply to verification of the genuine use of a mark, within the meaning of Article 15(1) of Regulation No 40/94, are analogous to those concerning the acquisition by a sign of distinctive character through use for the purpose of its registration, within the meaning of Article 7(3) of the regulation.

35 Nevertheless, as pointed out by the German Government, the United Kingdom Government and the European Commission, a registered trade mark that is used only as part of a composite mark or in conjunction with another mark must continue to be perceived as indicative of the origin of the product at issue for that use to be covered by the term ‘genuine use’ within the meaning of Article 15(1). (emphasis added)

64. Having regard to the nature of the industry concerned, in this case the wine industry, I bear in mind the decision in *Castellblanch SA v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* in which the General Court (GC) found that:²⁴

“33. In the contested decision the Board of Appeal found that there is no precept in the Community trade mark system that obliges the opponent to prove the use of his earlier mark on its own, independently of any other mark. According to the Board of Appeal, the case could arise where two or more trade marks are used jointly and autonomously, with or without the

²⁴ Case T-29/04.

name of the manufacturer's company, as is the case particularly in the context of the automobile and wine industries.

34. That approach must be followed. The situation is not that the intervener's mark is used under a form different to the one under which it was registered, but that several signs are used simultaneously without altering the distinctive character of the registered sign. As OHIM rightly pointed out, in the context of the labelling of wine products, joint affixing of separate marks or indications on the same product, in particular the name of the winery and the name of the product, is a common commercial practice.

65. This is the case here. The opponent's mark is not being used in a different form, but rather, is used alongside other elements such as the name of the champagne house, the year of production and the type of product, for example, 'vintage'. In each case 'Champagne' appears first on the label and is a description of the goods. 'Victoire' is the next word on the bottle and is the largest and most prominent word on each of the labels providing the message that this is a VICTOIRE champagne.

66. The use of a bird or a winged figure in the context of wine labels is simply decorative and does not alter the use of the mark, Champagne Victoire, which remains the indicator of origin on all of the labels shown in evidence. The lower part of the label is reserved for the identity of the Martel Champagne house, along with dates and character descriptions, such as 'brut'.

67. Considering the evidence as a whole, I find that the opponent has made sufficient use of the mark CHAMPAGNE VICTOIRE for champagne in the relevant period. The use shown is sufficient for me to conclude that it supports use of an EU trade mark. At the hearing the opponent's counsel made clear that if I found use for this mark, then I need not consider the second mark relied on by the opponent. This supports its position in the skeleton argument in which it identified its best case as that based on the CHAMPAGNE VICTOIRE mark under the 5(2)(b) ground. I will proceed on the basis of the CHAMPAGNE VICTOIRE mark.

The opponent's case under section 5(2)(b)

68. I bear in mind the following principles 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 the earlier mark to mind, is not sufficient;

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

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

The average consumer and the nature of the purchasing act

69. 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*²⁵, Birss J. (as he then was) 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

²⁵ [2014] EWHC 439 (Ch).

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.”

70. In their respective skeleton arguments, the parties agree that the consumer of these goods is a member of the general public and that an average or medium degree of attention is likely to be paid to the purchase. I agree, but would add that the purchase concerns adult members of the general public, as the goods are alcoholic in nature. The applicant makes much of the differing prices in the wine and champagne markets, to draw a distinction between them. The parties’ goods certainly do range from reasonably low prices to very high prices and that is true of both wine and champagne. Purchasers of wines are likely to consider factors such as, inter alia, origin, flavour, grape type, vintage and strength, which would result in at least a medium degree of attention being paid to the purchase.

71. The purchase is likely to be a primarily visual one, being made from a website or in a store or restaurant. However, I do not rule out an aural element where word of mouth recommendation plays a part, though this would be unlikely to occur in isolation and the purchaser would still likely look at the bottle and label prior to or during the serving of the wines.

Comparison of goods

72. The goods to be compared are as follows:

The opponent’s goods	The applicant’s goods
<p><u>Class 33</u> Wines with the designation of origin Champagne.</p>	<p><u>Class 33</u> Still wines of French origin, with the exception of wines covered by the PDO Côteaux d’Aix en Provence and Côtes de Provence.</p>

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73. The opponent relies on the reasoning of the EUIPO opposition division in a case between the same parties, in respect of the same marks.²⁶ It should be noted that the concluding paragraph of that decision makes clear that the finding of a likelihood of confusion in that case related only to the Slovak and Czech speaking part of the public.

74. The reasoning reproduced in the opponent's skeleton argument is as follows:

“10.1. Even if it is likely that Champagne wines are used more than still wines for aperitifs, parties or celebrations, the wines involved nevertheless enter into competition and may be offered to the same actual and potential customers such that they can be defined as "substitutable". It considered, for example, that champagne can be consumed during a meal and a still wine during a festive event such that their method of use may, at the very least, strongly coincide;

10.2. There is a high degree of similarity with regard to the nature of the products since they share the fact of being wines, i.e. alcoholic beverages obtained by the fermentation of grapes, fruit of the wine vine;

10.3. Although the public may have doubts that the products concerned have the same commercial origin because of the different methods of production and resulting types of wine, the products can be found in the same shops, including specialty shops, close to each other in the sections reserved for wines;

10.4. Since the products are in competition and coincide with regard to their nature, the method of use and distribution channels, they are similar;

²⁶ Decision B 3 128 616, dated 29 September 2021.

10.5. The average consumers of the goods were held to be the public at large and it was considered that an average degree of attention would be paid to the purchasing act.”

75. The applicant claims that:²⁷

“20. What cannot be denied by either party is that the PDO Champagne is specific, and would never include ‘still wines’. Moreover, via means of the amendment to the Class 33 specification, the Mark applied for has specifically discounted any PDO Champagne wines (amongst others).

21. What also cannot be denied by either party is that on average the price points of champagne and still wines are different, and that both tend to be listed in different parts of wine lists in restaurants, or wine shops, and stocked on different shelving in supermarkets and retails stores that sell both.

22. Moreover, we would contend that it is a matter of common general knowledge that champagne is traditionally associated with celebrations or ‘special events’ and it is (for average persons) not a ‘regular drink’, whereas in contrast, it is not uncommon amongst average persons to drink ordinary (still) table wine at home or when out, perhaps in a pub or with a meal in relatively mundane day to day circumstances, without the ‘excuse’ of a particularly special event or celebration.

23. It is always the case that exceptions can be found, and of course, if a particularly expensive or rare vintage wine has a price tag of thousands of pounds per bottle, that is hardly an ‘average’ bottle of wine. Likewise, it may be possible to buy ‘special offer champagnes’ in bulk at relatively inexpensive prices, but the fact remains that they are not the same products. Indeed, there would be no need for the Champagne Houses to make such a fuss (as they are internationally famous for) in protecting the

²⁷ See the applicant’s skeleton argument, dated 21 November 2022.

integrity of their PDO if there was no difference between generic (ie: non-PDO) French wine, and Champagne!”

76. With regard to assessing similarity between goods, I bear in mind the judgment of the Court of Justice of the European Union in *Canon*,²⁸ in which 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”.

77. In *Treat*,²⁹ Jacob J (as he then was) identified the following factors as relevant for the assessment of similarity:

- (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;

²⁸ Case C-39/97.

²⁹ [1996] R.P.C. 281.

(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.”

78. The users of the parties’ goods are likely to be the same, namely adults over the age of 18. The uses are likely to be broadly the same as the goods will be consumed to enjoy their particular flavour and/or experience the effect of alcohol. The nature of the goods is very similar, both being wines, derived from grapes. The goods are in direct competition as a consumer may choose a bottle of still wine or a champagne for the same occasion. I do not accept the applicant’s submission that drinking champagne must always be in the context of a special or celebratory event. There is no evidence on this point and even if it were shown to be the case, there is nothing before me to show that a ‘good’ bottle of wine could not be chosen just as readily, or that champagne could not be selected for a ‘non celebratory’ event.

79. The applicant makes much of the price difference between champagne and wine, but this does not assist their case. Both champagne and wines are sold across a very broad range of prices and I must consider the full scope of the terms as they appear in the specifications of the parties’ respective marks.

80. In any case, even if price were a relevant factor in this assessment, the evidence shows that the opponent’s Victoire range of champagnes are routinely sold at under £20 per bottle in the UK. In my experience, many still wines are also sold in this same range.

81. The goods are likely to be displayed in close proximity, both being wines of French origin. I do not find the goods to be complementary in nature. Overall, I find the parties’ competing goods to be similar to a fairly high degree.

Comparison of marks

82. The marks to be compared are as follows:

The opponent's mark	The applicant's mark
CHAMPAGNE VICTOIRE	VICTORIE L'AUDACIEUSE

83. In making a comparison between the marks, I must consider the respective marks' visual, aural and conceptual similarities with reference to the overall impressions created by them, bearing in mind their distinctive and dominant components but without engaging in an artificial dissection of the marks, because the average consumer normally perceives a mark as a whole and does not analyse its details.³⁰

84. The earlier mark is a word mark, presented in plain black upper case letters. The first word of the mark is CHAMPAGNE, which has no capacity to distinguish between providers of goods which are champagne. The second word VICTOIRE is likely to be seen as a name or a word from another language, not readily understood by the average consumer and consequently, it is the second word VICTOIRE which plays the greater role in the overall impression of the mark.

85. The applicant's mark is presented in plain black upper case letters and comprises two words. The first, VICTORIE may be seen as a name or a foreign word related to 'victory' or it may be seen as a foreign word which the average consumer does not infuse with any particular meaning. The second part of the mark, L' AUDACIEUSE is unlikely to be understood by the average consumer. The overall impression rests in the whole mark.

Visual and aural comparison

³⁰ *Sabel v Puma AG*, para.23.

86. With regard to the visual comparison, the applicant submits that the word marks are very different in length and content with the only similarity being the three-letter element “Vic” present in only one single word of multiple word marks.

87. The opponent submits that the dominant and distinctive component of the earlier mark is VICTOIRE, a French word meaning victory, and is nearly identical to the first word of the Contested Mark, VICTORIE. The addition of L’AUDACIEUSE to the Contested Mark is not sufficient to offset the similarities between the application and the earlier mark.

88. The words VICTOIRE in the earlier mark and VICTORIE in the application differ only in the transposing of the letters ‘I’ and ‘R’. The first word CHAMPAGNE in the earlier mark and the second word L’AUDACIEUSE in the application have no counterpart in the competing mark and I find that the marks are visually similar to a slightly lower than medium degree.

89. Considering aural similarity, the opponent submits that the competing marks are aurally similar to a lower degree than comparisons of visual and aural similarity. The applicant submits that the earlier mark will be pronounced ‘SHAM-PAYNE VIK-TWAR’ and the application will be pronounced, ‘VIK-TOR-EE OR-DAYS-EE-URZE’ and finds the marks aurally dissimilar. I agree with the pronunciations put forward by the applicant and I find any aural similarity to be at a fairly low level.

Conceptual comparison

90. With regard to this comparison the opponent submits:

“44. The French word L’ AUDACIEUSE will have no meaning to a significant proportion of the general public in the UK, although it may be perceived as being a French word, and as such will be distinctive but conceptually of no meaning to those consumers.

45. Insofar as consumers perceive a conceptual meaning from either mark it arises from the words VICTORIE and VICTOIRE which either convey the

concept of victory or the concept of a female name. In either case, the conceptual meaning is the same.”

91. The applicant submits:

“11... the term “VICTOIRE” is also not only a word well known in the French language but is also a feminine forename. Which has been used both on a contemporary and on an historical basis. By way of former example, Victoire Thivisol and Victoire Doutreleau are a twentieth century French film actress and fashion model (respectively) and Victoire of France was the daughter of King Louis XV of France. The British have named warships HMS Victoire.

43. In terms of a conceptual comparison, we contend that the ‘audacious’ element of the mark applied for will be particularly memorable, and that the prefixes of the earlier marks ie: “Champagne” or “Champagne Cuvee” will signal to any ordinary consumer that the goods under such mark are PDO Champagne. What other important message could be conveyed ? And that conceptual message is not only wholly absent from the application mark in suit but is, moreover, expressly excluded from the class 33 list of goods.”

92. For a conceptual message to be relevant it must be capable of immediate grasp by the average consumer.³¹ I do not find that the average consumer would understand the L'AUDACIEUSE part of the application to mean ‘audacious’, or that that part of the application will be particularly memorable, despite the applicant’s comment to the contrary. It is likely to be considered a word in another language with which the average consumer is not familiar. The ‘champagne’ part of the earlier mark is simply descriptive of the goods. The earlier mark will be seen as a champagne named VICTOIRE which may be seen as a name and may not, possibly being seen as a word in another language with which the average consumer may not be familiar. The application VICTORIE L'AUDACIEUSE may also be seen as a name, or as a word for

³¹ 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.

'victory', though this is less likely when the whole mark is taken into account. Any conceptual similarity arises from the similar elements VICTOIRE and VICTORIE, and is, taking all factors into account, at a low to medium degree where the French words (other than 'champagne') are seen as names.

Distinctive character of the earlier mark

93. In determining the distinctive character of a trade mark and, accordingly, in assessing whether it is highly distinctive, it is necessary to make an overall assessment of the greater or lesser capacity of the trade mark to identify the goods for which it has been used as coming from a particular undertaking and thus to distinguish those goods from those of other undertakings - *Windsurfing Chiemsee v Huber and Attenberger*.³²

94. The earlier mark includes the word 'champagne' which is clearly descriptive of the goods which are sold under the PDO champagne and has no distinctive character. Any brand message comes from the word VICTOIRE which does not describe the goods or allude to a characteristic of them and has an average degree of distinctiveness. Where the earlier mark is considered to be a name, I find it distinctive to a medium degree. Where the average consumer sees it as a foreign word with which they are not familiar, the inherent distinctiveness of the earlier mark is a little higher.

95. Having considered the evidence in detail, it is clear that the opponent's market share in terms of the champagne market is small being less than 1% of the EU market, which drops to less than 0.2% for the UK. The rest of the evidence supports these figures and whilst I am satisfied that the earlier mark is used, I do not find it benefits from enhanced distinctive character.

Likelihood of confusion

96. In assessing the likelihood of confusion, I must adopt the global approach

³² Joined Cases C-108/97 and C-109/97 [1999] ETMR 585.

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 that they have kept in mind.³³ I must also keep in mind the average consumer for the goods, the nature of the purchasing process and have 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.

97. I have made the following findings:

- The average consumer is an adult member of the general public.
- The parties' goods are similar to a fairly high degree.
- The level of attention paid to the purchase will be at least medium.
- The purchase will be primarily visual, though I do not rule out an aural element where word of mouth recommendation plays a part.
- The parties' marks are visually similar to a slightly lower than medium degree. They are aurally similar to a low degree and are conceptually similar to (at their highest) a low to medium degree, where the words VICTOIRE and VICTORIE are seen as names.
- The earlier mark has a medium degree of inherent distinctive character.

98. The types of confusion were explained in *L.A. Sugar Limited v By Back Beat Inc*,³⁴ by Mr Iain Purvis Q.C., sitting as the Appointed Person:

“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 recognized 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

³³ *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* paragraph 27.

³⁴ BL O/375/10.

earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark’.”

99. I also bear in mind *Liverpool Gin Distillery Ltd & Ors v Sazerac Brands, LLC & Ors*³⁵, in which Arnold LJ referred to the comments of James Mellor QC (as he then was), sitting as the Appointed Person in *Cheeky Italian Ltd v Sutaria*³⁶, where he said at [16] that “a finding of a likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion”. Arnold LJ agreed, pointing out that there must be a “proper basis” for concluding that there is a likelihood of indirect confusion where there is no likelihood of direct confusion.

100. I also bear in mind the decision in *Whyte and Mackay Ltd v Origin Wine UK Ltd and Another*,³⁷ in which Arnold J. (as he then was) considered the impact of the CJEU’s judgment in *Bimbo*, Case C-591/12P, on the court’s earlier judgment in *Medion v Thomson*. The judge said:

“18. The judgment in *Bimbo* confirms that the principle established in *Medion v Thomson* is not confined to the situation where the composite trade mark for which registration is sought contains an element which is identical to an earlier trade mark, but extends to the situation where the composite mark contains an element which is similar to the earlier mark. More importantly for present purposes, it also confirms three other points.

19 The first is that the assessment of likelihood of confusion must be made by considering and comparing the respective marks — visually, aurally and conceptually — as a whole. In *Medion v Thomson* and subsequent case law, the Court of Justice has recognised that there are situations in which the average consumer, while perceiving a composite mark as a whole, will also perceive that it consists of two (or more) signs one (or more) of which has a distinctive significance which is independent of the significance of the

³⁵ [2021] EWCA Civ 1207.

³⁶ BL O/219/16.

³⁷ [2015] EWHC 1271 (Ch)

whole, and thus may be confused as a result of the identity or similarity of that sign to the earlier mark.

20 The second point is that this principle can only apply in circumstances where the average consumer would perceive the relevant part of the composite mark to have distinctive significance independently of the whole. It does not apply where the average consumer would perceive the composite mark as a unit having a different meaning to the meanings of the separate components. That includes the situation where the meaning of one of the components is qualified by another component, as with a surname and a first name (e.g. BECKER and BARBARA BECKER).

21 The third point is that, even where an element of the composite mark which is identical or similar to the earlier trade mark has an independent distinctive role, it does not automatically follow that there is a likelihood of confusion. It remains necessary for the competent authority to carry out a global assessment taking into account all relevant factors.”

101. In this case the earlier mark is CHAMPAGNE VICTOIRE used for a range of champagnes. The application is VICTORIE L'AUDACIEUSE used for French wines. I agree with the opponent that the average consumer, bearing in mind the concept of imperfect recollection, is unlikely to retain in their mind the difference between VICTOIRE and VICTORIE. This is particularly so as neither of these words can be considered everyday words with which the average consumer is familiar and the only difference between them is the transposing of the letters 'I' and 'R'. I also bear in mind that for some consumers the VICTORIE and the L'AUDACIEUSE elements of the application will retain independence in the mark as a whole, especially as the first part is a little more easily remembered than the second, for non-French speakers. I find that an average consumer having encountered the opponent's champagne, the origin message of which is VICTOIRE (Champagne being entirely descriptive of the goods) would, on encountering the applicant's wine, also from France, simply see it as brand extension from the same undertaking as the champagne. This is particularly so in the wine industry where average consumers will be familiar, as discussed above, with the concept of additional words and sub brands used on labels and in nomenclature for

wines. In other words, having considered all of the relevant factors, I find there is a likelihood of confusion between the application and the earlier mark.

102. I have considered the applicant's submissions concerning the differing natures of the wine and champagne industries and that producers of one good may not necessarily also produce the other, but the average consumer is not an expert in the wine and champagne trades and is unlikely to make such considerations when purchasing these goods. A sophisticated consumer with detailed knowledge of these industries is, by definition, not average.

The opposition succeeds under section 5(2)(b) of the Act.

103. In submissions and at the hearing the opponent put forward 5(2)(b) as its best case. It also submitted that if I found for the opponent under 5(2)(b) then it was not necessary for me to consider the remaining grounds. Having found for the opponent under the 5(2)(b) ground, I will not deal with 5(3) and 5(4)(a).

Costs

104. Champagne G.H. Martel Et Cie has been successful under 5(2)(b) and is entitled to a contribution towards its costs which I award on the following basis:

Official Fee	£200
Preparing a statement and considering the other side's statement	£400
Preparing evidence and considering and commenting on the other side's evidence	£800
Preparing for and attending a hearing	£700
Total	£2100

105. I order Les Grands Chais De France S.A.S. to pay Champagne G.H. Martel Et Cie the sum of £2100. This sum is to be paid within 21 days of the expiry of the appeal period or within 21 days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 31st day of March 2023

Al Skilton

**For the Registrar,
the Comptroller General**