

O-401-03

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO 2296764
BY VINA SAN PEDRO SA
TO REGISTER THE TRADE MARK:**

VIÑA SAN PEDRO, 1865

IN

CLASS 33

AND

**THE OPPOSITION THERETO
UNDER NO 90892
BY VRANKEN MONOPOLE
BASED UPON THE EARLIER TRADE MARKS:**



AND



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**In the matter of application no 2296764
by Vina San Pedro SA
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under no 90892
by Vranken Monopole**

BACKGROUND

1) On 2 April 2002 Vina San Pedro SA, which I will refer to as VSP, applied to register the trade mark **VIÑA SAN PEDRO, 1865** for:

wines, sparkling wines, champagne.

The above goods are in class 33 of the International Classification of Goods and Services. The application was published for opposition purposes in the "Trade Marks Journal" on 22 May 2002.

2) On 29 July 2002 Vranken Monopole, which I will refer to as Vranken, filed a notice of opposition to the application. Vranken Monopole is the owner of two United Kingdom trade mark registrations:

- no 1472131 for the trade mark:



The registration is for *port wines included in Class 33*. The registration includes the following clause:

“The mark, here depicted in heraldic shading; is limited to the colours white, gold and red as shown in the representation on the form of application. In use in relation to port wines other than Ruby port wines the mark will be varied by the substitution of the description of such port wine for the word "Ruby".”

The following disclaimer is also entered:

“Registration of this mark shall give no right to the exclusive use of the word "Superior".”

- no 2107979 for the trade mark:



The registration is for *port*. The registration includes the following translation clause:

“The Portuguese words "Sao Pedro Das Aguias Porto" in the mark mean "St. Peter of the Eagles Port Wine".”

- 3) Vranken states that its two trade marks have been used in the United Kingdom on wines and port since 1997 and that it has acquired a substantial goodwill and reputation in them.
- 4) Vranken states that VSP’s trade mark is similar to its trade marks and that the respective goods are identical or similar. Consequently, there is a likelihood of confusion and registration of VSP’s trade mark would be contrary to section 5(2)(b) of the Trade Marks Act 1994 (the Act).
- 5) Vranken states that use of VSP’s trade mark is liable to be prevented in the United Kingdom by virtue of the law of passing-off on account of its substantial reputation and use of trade marks containing the element SAO PEDRO in the United Kingdom. Consequently, registration of the trade mark would be contrary to section 5(4)(a) of the Act.
- 6) VSP filed a counterstatement in which it denies the grounds of opposition. It states that Vranken does not have exclusive rights in the word PEDRO. It also states that it owns registration no 2134091 for the trade mark SAN PEDRO. It states that it has been using this trade mark for some time without any instances of confusion.
- 7) Both sides seek an award of costs. Both sides filed evidence.
- 8) After the completion of the evidence rounds both sides were advised that it was believed that a decision could be made without recourse to a hearing. However, the sides were advised that they retained their rights to a hearing. Neither side requested a hearing. Vranken filed submissions in support of its opposition. I am making this decision from all the documentation before me.

Evidence of Vranken

- 9) Vranken gives turnover figures for sales of SAO PEDRO goods in the United Kingdom. However, it does not indicate whether either or both of its trade marks has been used. It also

states that the turnover figures are for “wines and port”. The turnover figures are as follows:

YEAR	NUMBER OF BOTTLES SOLD	TURNOVER IN £
1997	390	10,543
1998	129	3,974
1999	No figures	No figures
2000	816	20,272
2001	54	298

10) Exhibited is sample invoice of 25 October 2001. This invoice is typical of those that have been issued since 1997. The invoice shows the words PORTO SAO PEDRO. At the top of the invoice various brands are listed. One of these is PORTO SAO PEDRO. The representation shows the coat of arms device of 1472131, below which is written PORTO, beneath this in larger print are the words SAO PEDRO. A price list from 2001 is exhibited. Under the title “SPIRITS 2001” various types of PORTO SAO PEDRO are listed. A further price list from Pour L’Amour du Vin for 2001 shows, under the heading for port, four types of SAN PEDRO. Mr Levefevre who makes the witness statement for Vranken refers to this as SAO PEDRO. However, the words are most definitely SAN PEDRO. It is to Pour L’Amour du Vin that the exhibited invoice is addressed. A page is exhibited from “Harpers Wine & Spirit Directory 2001”, this shows the business of Vranken in the United Kingdom. This entry shows various brands that Vranken sells, including SAO PEDRO port. The annual turnover of the business as a whole is given as approximately £250,000. A page is exhibited from “Decanter” for December 2001. Under the title “Late Bottled Vintage Port” the following is written: “DAS AGUIAS, SAO PEDRO, 1995, MATURED IN WOOD (2001) £14.99; VRA”. Exhibited is a page from “info”, which is described as the magazine of the French Chamber of Commerce in Great Britain. In an article about a port tasting a reference is made to PORTO SAO PEDRO.

11) A photocopy of a witness statement from Lesley Cifaldi is exhibited, this was prepared for other opposition proceedings between the sides. Mr Cifaldi is director of a wine wholesaler. He states that his company has stocked two types of SAO PEDRO. He states that SAO PEDRO products have been available in the United Kingdom since 2000. Mr Cifaldi states that SAO PEDRO products are well-known within the wine and spirits trade. He states that in the course of business he has not come across any other businesses which have employed the trade marks SAO PEDRO or SAN PEDRO for wines or port wines. He states that if he received a request for a SAN PEDRO product, he would assume that this was a reference to Vranken’s SAO PEDRO range. Mr Cifaldi states that orders or enquiries for products are often taken over the telephone and he would assume that a reference to SAN PEDRO was a mispronunciation of SAO PEDRO.

12) A further witness statement comes from Jacques Pechereau of Pour L’Amour du Vin. His statement is virtually to that of Mr Cifaldi verbatim. The only difference is that he states that SAO PEDRO products first appeared in 1997, rather than 2000.

Evidence of VSP

13) An affidavit has been filed by Francisco Vicuña Vicuña of VSP. VSP was founded in 1865 and is the second largest wine producer in Chile. The trade mark SAN PEDRO has been used continuously in the United Kingdom since 1988. Mr Vicuña Vicuña gives the following

figures for turnover:

Year	Turnover (\$US)
1997	6,070,810
1998	9,032,617
1999	10,000.003
2000	11,523,214
2001	12,596,667
2002	12,653,607

It is not stated if these figures relate to the United Kingdom. However, two pages from the website “International Reports.net” are exhibited. These pages deal with the business of VSP. On the second page the following is written:

“During 2001, it exported \$14 million to England and \$8.5 million to the United States – the two major markets out of the 50 countries to which the company exports.”

I see no significance in the fact that the figures are in US dollars. All it signifies is that VSP uses US dollars for its export trade. Taking into account that these proceedings relate to the United Kingdom and the website pages referred to above, I consider it reasonable to accept that the figures above relate to United Kingdom usage.

14) VSP has had a trade mark registration for SAN PEDRO since May 1997. In its counterstatement VSP attached a printout of its trade mark registration. The registration was filed on 28 May 1997, is for the trade mark SAN PEDRO (with no other matter) and is for wine, distilled spirits and liquors.

15) Invoices from 1995 and 1996 are exhibited. They are all addressed to Buckingham Vintners International in the United Kingdom. The invoices are for a variety of SAN PEDRO wines; the grape variety following the SAN PEDRO name. Various pages from wine publications are exhibited showing advertisements from VSP. In only one advertisement does a picture of a bottle appear. This shows that the main label has no reference to SAN PEDRO, the main wording on the label is 35 SOUTH. SAN PEDRO appears in small print on a label at the bottom of the bottle and also on the upper ring of the bottle. Also exhibited is a page from Vranken’s website. This refers to port wines sold under the SAO PEDRO label.

16) Cliff Roberson has filed a brief witness statement. Mr Roberson is Managing Director of Buckingham Vintners International Limited, a wholesaler of wines. He states that his company has been selling SAN PEDRO wines since 1988 throughout the United Kingdom. He states that these wines are well-known in the wine trade and that he has never come across a product called SAO PEDRO.

Evidence in reply of Vranken

17) This consists of a witness statement by Angela Claire Thornton-Jackson, who is a trade mark attorney. Most of Ms Thornton-Jackson’s statement is submission and/or a critique of the evidence of VSP rather than evidence of fact. I will deal with the evidence of fact. Ms Thornton-Jackson exhibits pages from the Vranken website. This shows that Vranken owns brands that cover various products. However, it also shows that these different products use different brand names. She also exhibits pages from the websites of Majestic, Oddbins and

Virgin Wines. She does this to show that Chilean wines and port can be ordered from the same website. She exhibits a page from the Oddbins's website which shows port and Chilean wines together. However, this is a page produced as the result of a search term being entered. I would hazard that the word PORT was put in and this is the common element between the entries. Ms Thornton-Jackson does not produce the first of the four pages. The search also picked up PORT Ellen whisky, Cragganmore PORT wood cask whisky and Glenmorangie whisky. Ms Thornton-Jackson also produces details of sales of port in the United Kingdom. I do not consider that the latter helps me with the questions I have to consider in this case.

DECISION

Preliminary point

18) In her submissions Ms Thornton-Jackson has included information and exhibits about a clash between the two sides in the United States. This is a matter for evidence. If Ms Thornton-Jackson wished it to be considered she should have filed it as evidence. As it has not been filed as part of Vranken's evidence I take no cognisance of this part of her submissions.

Likelihood of confusion – section 5(2)(b) of the Act

19) According to section 5(2)(b) of the Act a trade mark shall not be registered if because:

“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.”

The term 'earlier trade mark' is defined in section 6(1) of the Act as follows:

“a registered trade mark, international trade mark (UK) or Community trade mark which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks.”

The two trade marks of Vranken are earlier trade marks within the terms of section 6(1) of the Act.

20) In determining the question under section 5(2)(b), I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117 and *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV* [2000] FSR 77.

Comparison of goods

21) In *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281, Jacob J considered that the following should be taken into account when assessing the similarity of goods and/or services:

“(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.”

In *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117, the European Court of Justice held in relation to the assessment of the similarity of goods that the following factors, inter alia, should be taken into account: their nature, their end users and their method of use and whether they are in competition with each other or are complementary. I do not consider that there is any dissonance between the two tests. However, taking into account the judgment of the European Court of Justice, I do need to consider whether the goods are complementary.

22) Neuberger J in *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another* [2000] FSR 267 stated:

“I should add that I see no reason to give the word "cosmetics" and "toilet preparations" or any other word found in Schedule 4 to the Trade Mark Regulations 1994 anything other than their natural meaning, subject, of course, to the normal and necessary principle that the words must be construed by reference to their context. In particular, I see no reason to give the words an unnaturally narrow meaning simply because registration under the 1994 Act bestows a monopoly on the proprietor.”

I will give the words in the specifications their natural meaning, but within the context that they appear in a specification derived from the International Classification of Goods and Services. I also bear in mind the comments of Jacob J in *British Sugar Plc v James Robertson & Sons Ltd* where he stated:

“When it comes to construing a word used in a trade mark specification, one is concerned with how the product is, as a practical matter, regarded for the purposes of trade. After all a trade mark specification is concerned with use in trade.”

I take on board the class in which the goods or services are placed is relevant in determining the nature of the goods and services (see *Altecnic Ltd's Trade Mark Application* [2002] RPC 34).

23) The goods of the earlier registration are port or port wine. According to “Collins English Dictionary” (5th Ed 2000) port is:

“n. a sweet fortified dessert wine. [C17: after Oporto, Portugal, from where it came originally]”

The goods of the application are: *wines, sparkling wines, champagne*. All the goods are in

class 33 and so the class will not affect the issue. The application includes wines at large, as such it must encompass port, which is a wine. Consequently, it includes identical goods as far as port is concerned. VSP has not particularised the goods of interest to it under the general title wines. I cannot do this for it. This is not a case (as far as the section 5(2)(b) issue is concerned) where a simple exclusion or deletion can assist. If port was excluded it would still leave all other desert wines and fortified wines. In these circumstances I can only treat all the wines of the application and the port of the earlier trade marks as being identical. It will also be seen below that I come to the conclusion that other wines in the specification are similar to port; consequently, nothing turns upon this point.

24) This leaves *sparkling wines* and *champagne*. All of the goods are wines and all could be white. They are all the fruit of the vine. They are all alcoholic. The channels of trade are the same, as can be seen from Vranken's own business that includes champagne and port. They are normally in the same area of a supermarket. However, in my experience, fortified wines such as Jerez and Port are normally placed in a discrete part of this area and sparkling wines in a separate discrete part. I cannot see that the respective goods are complementary. The wines could, however, be in competition. White port is drunk as an aperitif and champagne and sparkling wine could also be drunk prior to dining. None of these products would be described normally, in my view, as table wines.

25) In *Balmoral Trade Mark* [1999] RPC 297, Mr Hobbs, sitting as the appointed person, stated:

“When the overall pattern of trade is considered in terms of the factors identified by Jacob J. in the *British Sugar* case (uses, users and physical nature of the relevant goods and services; channels of distribution, positioning in retail outlets, competitive leanings and market segmentation) it seems clear to me that suppliers of wines should be regarded as trading in close proximity to suppliers of whisky and suppliers of bar services. In my view the degree of proximity is such that people in the market for those goods or services would readily accept a suggestion to the effect that a supplier of whisky or bar services was also engaged in the business of supplying wines.”

It seems to me that there is a greater distance in the goods and services which Mr Hobbs was referring to and those I am considering. Taking all factors into account I consider that *sparkling wines* and *champagne* are similar to the goods of the earlier registration.

Comparison of trade marks

26) The trade marks to be compared are:

Vranken's trade marks:



VSP's trade mark:

VIÑA SAN PEDRO, 1865

27) The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details (*Sabel BV v Puma AG* page 224). The visual, aural and conceptual similarities of the marks must, therefore, be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components (*Sabel BV v Puma AG* page 224). Consequently, I must not indulge in an artificial dissection of the trade marks, although taking into account any distinctive and dominant components. The average consumer rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind (*Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV* page 84, paragraph 27).

28) The trade marks of Vranken include a good deal of matter. They would appear to be labels for port bottles and so this is not surprising. Wine labels often give the customer a large amount of information. However, owing to their size and position, the elements that stand out the most, in my view, are the words São Pedro and SAO PEDRO. If I was identifying the provenance of the goods, these are the words I would use. VSP's trade mark includes the word VIÑA and the number 1865. I doubt that the average United Kingdom consumer will know that viña is the Castellano for vineyard. However, I do consider that he or she will see this element as relating to wine. This average consumer is likely, in my view, to be aware of the meaning of the words vin and/or vino. In the context of the trade mark and the goods, I consider that 1865 will be seen as a date. For me the distinctive and dominant element of VSP's trade mark is the words SAN PEDRO. This is what will act as the hook for the memory to latch upon. The similarities between these two elements of the trade marks are

obvious and, in my view, overwhelming. I note that the price list or Pour L'Amour du Vin actually refers to SAN PEDRO instead of SAO PEDRO.

29) Comparing each of the trade marks against VSP's trade mark, in their entireties, I consider that VSP's trade is distinctively similar to each of them (see *Torreomar Trade Mark* [2003] RPC 4). (This is not a job lot approach. I have considered each trade mark separately, and found that each trade mark on its own is similar to that of Vranken.)

Conclusion

30) In deciding if there is a likelihood of confusion I have to consider various matters. I need to consider the degree of similarity of the goods and of the signs. I need to consider the nature of the goods and the average consumer for these goods. I also have to bear in mind the distinctiveness of the earlier trade mark(s) and if it has any reputation. These various factors have to build up to give a critical mass which will lead to a likelihood of confusion.

31) The counterstatement of VSP referred to various other PEDRO trade marks co-existing upon the register. The issue is not what exists upon the trade mark register but what exists in the market place. It is also not a matter of simply the common use of PEDRO, there is the similarity of the SA beginnings, that this first element has three letters and that it forms part of the same pattern. VSP mentions its own reputation. From the evidence it is not possible to quantify this reputation. However, if it does have a reputation I do not see that this assists it. It might be that the public will confuse Vranken's goods for VSP's goods and not vice versa. However, section 5(2)(b) is about confusion pure and simple. Who is confused for whom does not matter, unlike in passing-off.

32) The turnover figures for Vranken's goods are small by any standard. No evidence of advertising to the public is given. In no way can Vranken claim any enhancement to its case under section 5(2)(b) of the Act from the use it has made of its trade marks. This small scale use would also militate against instances of confusion in the marketplace. The respective goods and their trade marks are unlikely to have crossed. Each side denies knowledge of the other's product.

33) The distinctive character of a trade mark can be appraised only, first, by reference to the goods or services in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public (European Court of First Instance Case T-79/00 *Rewe Zentral v OHIM (LITE)*). 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, judgement 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). I consider that both trade marks of Vranken enjoy a good deal of inherent distinctiveness. There is certainly no evidence to suggest otherwise. I can see nothing in the key part of the trade marks – the SAO PEDRO element – that in anyway lacks inherent distinctiveness for the goods.

34) There is hardly an average consumer for wines. There are the connoisseurs who have a great deal of knowledge. There are the educated amateurs. There are those whose main interest is in the inebriative quality of the goods. There are occasional purchasers who might

only buy the goods for festive occasions. As can be seen from the labels of Vranken it is common for wine labels to contain a good deal of information. Consequently, a trade mark is jostling with a good deal of other material. These consumers will all bring a different amount of attention and knowledge to their purchase. It has to be kept in mind that the public seldom have the opportunity to compare trade marks directly. They have to rely upon imperfect recollection.

35) In considering the issues before me I take into account that VSP's trade mark could be used as a house mark. Indeed the evidence shows that it has been so used. I also take into account that the brand/trade mark could be used across a variety of alcoholic beverages.

36) There is the slightly odd circumstance that VSP has a registration for SAN PEDRO on its own already, for wine inter alia. However, an earlier registration is not a defence. It could be that Vranken are minded to take invalidity action. It is also the case that registration 1472131 of Vranken predates the VSP registration.

37) Taking all the above factors into account I have reached the conclusion that the critical mass for likelihood of confusion has not only been achieved but exceeded.

38) There is a likelihood of confusion in respect of all the goods of the application and the application is to be refused in its entirety.

Passing-off – section 5(4)(a) of the Act

39) Section 5(4)(a) of the Act states that a trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade. In this case the rule of law relied upon by Vranken is the law of passing-off.

40) I intend to adopt the guidance given by Mr Geoffrey Hobbs QC, sitting as the appointed person, in *Wild Child* [1998] 14 RPC 455. In that decision Mr Hobbs stated that:

"A helpful summary of the elements of an action for passing off can be found in Halsbury's Laws of England 4th Edition Vol 48 (1995 reissue) at paragraph 165. The guidance given with reference to the speeches in the House of Lords in *Reckitt & Colman Products Ltd v Borden Inc* [1990] RPC 341 and *Erven Warnink BV v J Townend & Sons (Hull) Ltd* [1979] ACT 731 is (with footnotes omitted) as follows:

"The necessary elements of the action for passing off have been restated by the House of Lords as being three in number:

(1) that the plaintiff's goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;

(2) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by the defendant are goods or services of the plaintiff; and

(3) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant's misrepresentation."

..... Further guidance is given in paragraphs 184 to 188 of the same volume with regard to establishing the likelihood of deception or confusion. In paragraph 184 it is noted (with footnotes omitted) that; "To establish a likelihood of deception or confusion in an action for passing-off where there has been no direct misrepresentation generally requires the presence of two factual elements:

- (1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and
- (2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other feature which is the same or sufficiently similar that the defendant's goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact. In arriving at the conclusion of fact as to whether deception or confusion is likely, the court will have regard to:

- (a) the nature and extent of the reputation relied upon;
- (b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;
- (c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;
- (d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and
- (e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.

In assessing whether confusion or deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action."'''

41) Pumfrey J in *South Cone Inc. v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership)* [2002] RPC 19 stated:

"There is one major problem in assessing a passing off claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case in which this ground of opposition is raised the Registrar is entitled to be presented with evidence which at least raises a prima facie case that the opponent's reputation extends to the goods comprised in the applicant's specification of goods. The requirements of the objection itself are considerably more stringent than the enquiry under s 11 of the 1938 Act (see *Smith Hayden (OVAX)* (1946) 63 RPC 97 as qualified by *BALI* [1969] RPC 472). Thus the evidence will include evidence from the trade as to reputation; evidence as to the manner in which the goods are traded or the services supplied; and so on. Evidence of reputation comes primarily from the trade and the public, and will be supported by evidence of the extent of use. To be useful, the evidence must be directed to the relevant date."

The evidence furnished by Vranken is weak. The scale of use is very limited. The amount of publicity is negligible. There are the virtually identical statements of Messrs Pechereau and Cifaldi. Lord Esher MR in *Re Christiansen's Trade Mark* [1886] 3 RPC 54 at 60 stated :

"Now, to my mind, when you have evidence given upon affidavit, and you find a dozen people, or twenty people, all swearing to exactly the same stereotyped affidavit, if I am called upon to act upon their evidence, it immediately makes me suspect that the affidavits are then not their own views of things and that they have adopted the view of somebody who has drawn the whole lot of the affidavits, and they adopt that view as a whole and say 'I think that affidavit right' and they put their names to the bottom."

This is only a matter of two statements. However, the same language is rehearsed. I cannot see how the coincidence in language could have occurred unless the statements were drafted for the two witnesses. These are not their words but words that they are signing up to. I consider that the statements must be viewed with a good deal of circumspection. Although I do not doubt the truth of the statement that their two undertakings stock SAN PEDRO goods.

42) In *Hart v Relentless Records Ltd* [2002] FSR 36 Jacob J stated:

"In my view the law of passing off does not protect a goodwill of trivial extent."

The use of SAO PEDRO has been very limited and limited to port wine. However, I do not consider that the use can be described as trivial. It has gone on for several years and generated some turnover. The law of passing-off protects the large and the small. Although the extent of the protection may be dependent on the scale of a business, as this can affect the limits and levels of deception. Ms Thornton-Jackson expresses surprise that Mr Roberson has never heard of the SAO PEDRO brand; given the turnover figures, I do not find his ignorance surprising.

43) The evidence of VSP could be more detailed. However, it does establish, in my view, a thriving business in Chilean wine in the United Kingdom related to the sign SAO PEDRO. A business that commenced in 1988 and is on a much larger scale than that of Vranken's SAN PEDRO related business, which only commenced in 1997. In the last year for which figures have been supplied by both sides, 2001, VSP had a business of US\$12,596,667 in relation to SAN PEDRO, Vranken £298 in relation to SAO PEDRO. Taking into account the advertising, the scale of the business, its long established tradition in Chile (VSP was established in 1865), I find it somewhat surprising that Messrs Pechereau and Cifaldi have never heard of SAN PEDRO wines. As SAN PEDRO is the name of the winery and the evidence indicates this is what is used as the house mark, it strikes me that VSP would be very much identified with SAN PEDRO. A matter reinforced by the fact that SAN PEDRO forms part of the company name.

44) In considering the issue under section 5(4)(a) I have to effectively decide whether Vranken could win a passing-off case against VSP, on the basis of the evidence before me. VSP's use of SAN PEDRO in the United Kingdom predates Vranken's use by nine years. VSP's use has been on an enormously greater scale. Use which has been as a house mark rather than just one limited brand. It is use for Chilean wines only and so does not cover port. However, on the evidence before me I cannot conclude that Vranken could succeed on the

basis of passing-off. The best, the very best, it might succeed in doing, in my view, is stopping VSP using the words SAN PEDRO in relation to port. The position is different from that under section 5(2)(b). It one that is based on VSP's and Vranken's actual businesses.

45) If Vranken had not succeeded under section 5(2)(b), the very best result that it could have got under section 5(4)(a) is an exclusion of port from the specification of the application.

Costs

46) Vranken Monopole has been successful in this opposition and so is entitled to a contribution towards its costs. I order Vina San Pedro SA to pay Vranken Monopole the sum of £1425. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 19th day of December 2003

**David Landau
For the Registrar
the Comptroller-General**