

O-229-14

**TRADE MARKS ACT 1994**

**IN THE MATTER OF TRADE MARK APPLICATION 2587306  
BY ROUTE 77 ENERGY LTD  
TO REGISTER THE FOLLOWING SERIES OF TRADE MARKS IN CLASS 32:**



**AND**

**OPPOSITION THERETO (NO. 102879) BY LODESTAR ANSTALT**

## The background and the pleadings

1) The series of trade marks the subject of this dispute were filed by Route 77 Energy Ltd (the “applicant”) on 11 July 2011 and published in the Trade Marks Journal on 21 October 2011. The marks are:



2) Whilst the two marks are in different colours, there is no material difference between them in terms of what needs to be determined in these proceedings; I will, therefore, refer to the applied for marks in the singular and use just one of them in the comparison. Registration is sought for the following class 32 goods:

Non-alcoholic drinks, excluding<sup>1</sup> non-alcoholic beers.

3) Registration is opposed by Lodestar Anstalt (the “opponent”) under section 5(2)(b) of the Trade Marks Act 1994 (“the Act”), relying on Community trade mark (“CTM”) registration 3573235 for the mark: **ROUTE 66**. The opponent’s mark was filed on 5 December 2003, completing its registration process on 13 April 2005; it is registered for the following goods in class 32:

Beers; mineral and aerated waters and other non-alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages

4) Given the filing date of the opponent’s mark, it constitutes an earlier mark as defined by section 6 of the Act. The earlier mark completed its registration process more than five years prior to the publication of the applicant’s mark, the consequence of which is that the proof of use provisions set out in section 6A of the Act are applicable. The opponent made a statement of use that its mark has been used in respect of “beers”.

5) The applicant filed a counterstatement denying the claims. It put the opponent to proof of use. Both sides filed evidence. The applicant also filed written submissions. The matter was heard before me on 11 April 2014 at which the

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<sup>1</sup> The exclusion was requested by the applicant after the mark had been opposed.

applicant was represented by Mr Jonathan Moss, of counsel, instructed by Humphreys & Co; the opponent was represented by Mr Chris Hall, also of counsel, instructed by Saunders & Dolleymore LLP.

### **The evidence**

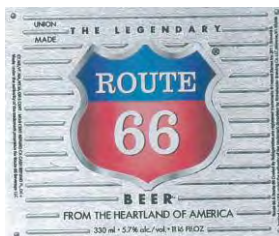
6) The opponent's evidence is given by Mr Andre Levy. Mr Levy is the owner of a company called Protégé International Limited ("Protégé") which he describes as the exclusive marketing consultant of the opponent. He explains that Protégé has been retained by the opponent since around 2000 and works closely with it in respect of the creation, marketing and distribution of the opponent's ROUTE 66 products. He has full access to the records of his company and those of the opponent insofar as they relate to the ROUTE 66 brand.

7) Mr Levy explains that the opponent has a number of registrations around the world for the ROUTE 66 mark. It is not necessary to repeat the details here. The inspiration for the mark was the "famous" road in the US. Route 66 was established in 1926 and was the original highway that linked Chicago to LA. It has now been removed from the US Highway State system, but portions of it form part of a historic byway which have been given the name "Historic Route 66". Certain parts of the road make use of historic Route 66 road signs which are shaped like a shield. Exhibit AL1 contains a large number of photographs from particular websites showing Route 66 road signs, all of which have a shield like construction. There is no indication as to whether the photographs have been taken from UK websites.

8) Mr Levy states that the opponent makes available a premium beer under the ROUTE 66 mark. He provides the following exhibits:

- AL2 – samples of the labels that appear on the bottle.
- AL3 – a beer mat showing the mark.
- AL4 – packaging used to hold six bottles of the beer.

In all of the above, the following image is representative of the labeling:



9) Some of the labeling/packaging includes the domain name [www.route66beer.com](http://www.route66beer.com). Mr Levy states that the applicant's beer is marketed

through this website. No information is provided as to whether anyone in the UK or EU has ever visited it. Screenshots of the website are provided in Exhibit AL4 showing similar imagery to that above. The screenshots are not dated.

10) Mr Levy states that the mark has been in use in the EU during the relevant proof of use period. The beer has been brewed in Germany at a brewery operated by Kaiserdom-Privatbrauerei Bamberg Worner GmbH & Co KG. Two orders placed with this brewery for the production of beer are provided in Exhibit AL6. The job titles on both are "Route 66 beer". The first is dated 6 August 2007 for 30 pallets, each consisting of 54 trays of 24 33cl bottles. The second is dated 29 February 2007<sup>2</sup> for the same quantity. The total payable in relation to the second invoice is just over €10,000.

11) Mr Levy states that the beer has been exported from the German brewery for direct sale to consumers via businesses in Sweden, Ireland and the UK. Exhibit AL7 contains sample invoices. The seller is Protégé and in each case the words ROUTE 66 are included on the actual invoice. The invoices are:

- i) An invoice dated 8 December 2006 to a company based in Manchester (identified as "3363"). The order is for one pallet (54 cases of 24 bottles) at a cost of £1332.45.
- ii) An invoice dated 23 February 2007 to a company in Sweden (ME Group AB). The order is for two pallets at a cost of €1350.00.
- iii) An invoice dated 16 March 2007 to the same company as in i) above. The order is for one pallet at a cost of £1233.75.
- iv) A further invoice dated 10 May 2007 to the same company. The order is for one pallet at a cost of £1332.45.
- v) A further invoice dated 23 July 2007 to the same company. The order is for one pallet at a cost of £1332.45.
- vi) A further invoice dated 7 September 2007 to the same company. The order is for one pallet at a cost of £1332.45.
- vii) This appears to be a duplicate of the invoice at ii) above.
- viii) An invoice dated 30 October 2008 to a company in Eire (Allied Foods). It is for a total of 844 cases at a cost of €29,105. The invoice is for various deliveries that took place over the course of 2008.

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<sup>2</sup> The opponent filed a witness statement (from a Mr Venables of Protégé) shortly before the hearing explaining that this date must have been an error given that 2007 was not a leap year. The order was actually placed on 1 March and evidence provided to support this. It is not necessary to consider this further – the applicant accepts the explanation.

- ix) An invoice dated 31 October 2008 to a company in Eire (Kings Off License). It is for 11 cases (one was provided free of cost) at a total cost of €344.85.
- x) An invoice dated 3 November 2008 to a company in Eire (The Academy). It is for 10 cases of beer at a total cost of € 344.85.
- xi) A further invoice to Kings Off Licence in Eire dated 3 November 2008. It is for 29 cases at a total cost of €689.70.
- xii) An invoice to Tesco in Cardiff dated 4 November 2008. It is for 54 cases at a total cost of €1,404.81.
- xiii) A further invoice to Allied Foods in Eire dated 13 November 2008. It is for 54 cases at a total cost of €1,862.19.
- xiv) A further invoice to Allied Foods in Eire dated 10 December 2008. It is for 54 cases at a total cost of €1,869.89.
- xv) A further invoice to Allied Foods in Eire dated 12 December 2008. It is for 54 cases at a total cost of €1,869.89.
- xvi) A further invoice to Allied Foods in Eire dated 12 January 2009. It is for 54 cases at a total cost of €1,869.89.
- xvii) An invoice to a company in Eire (Buck Whaleys) dated 22 September 2009. It is for 40 cases at a total cost of € 583.20.

12) The applicant's evidence comes from Mr Tristan Morse, a solicitor at the firm Humphreys & Co. He provides an extract from the opponent's website showing the "Where to find us" page. On a page headed "STORE FINDER" there is a map of the world with certain countries named. Above the US there is an icon indicating "189". I assume this means 189 stores in the US which sell the beer. A similar page for "BAR FINDER" indicates 80 outlets in the US. No countries other than the US have numbers above them on either page.

13) Mr Tristan also provides two Wikipedia entries. One is about road signs in the US and indicates that some types of highway use shield outlines. The other is the entry for US Route 77, demonstrating that it is an actual highway in the US.

### **The proof of use provisions**

14) The use conditions are set out in Section 6A of the Act as follows:

“(3) The use conditions are met if –

(a) within the period of five years ending with the date of publication of the application 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 [.....]"

(4) For these purposes -

(a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered [.....]

(5) "In relation to a Community trade mark [.....], any reference in subsection (3) [.....] to the United Kingdom shall be construed as a reference to the European Community".

15) Section 100 is also relevant; it reads:

"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."

16) In *Stichting BDO and others v BDO Unibank, Inc and others* [2013] EWHC 418 (Ch), Arnold J commented on the case-law of the Court of Justice of the European Union ("CJEU") in relation to genuine use of a trade mark:

"In *SANT AMBROEUS Trade Mark* [2010] RPC 28 at [42] Anna Carboni sitting as the Appointed Person set out the following helpful summary of the jurisprudence of the CJEU in Case C-40/01 *Ansul BV v Ajax Brandbeveiliging BV* [2003] ECR I-2439, Case C-259/02 *La Mer Technology Inc v Laboratories Goemar SA* [2004] ECR I-1159 and Case C-495/07 *Silberquelle GmbH v Maselli-Strickmode GmbH* [2009] ECR I-2759 (to which I have added references to Case C-416/04 P *Sunrider v OHIM* [2006] ECR I-4237):

"(1) Genuine use means actual use of the mark by the proprietor or a third party with authority to use the mark: *Ansul*, [35] and [37].

(2) The use must be more than merely 'token', which means in this context that it must not serve solely to preserve the rights conferred by the registration: *Ansul*, [36].

(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, without any possibility of confusion, to distinguish the goods or services from others which have another origin: *Ansul*, [36]; *Sunrider*, [70]; *Silberquelle*, [17].

(4) The use must be by way of real commercial exploitation of the mark on the market for the relevant goods or services, i.e. exploitation that is aimed at maintaining or creating an outlet for the goods or services or a share in that market: *Ansul*, [37]-[38]; *Silberquelle*, [18].

(a) Example that meets this criterion: preparations to put goods or services on the market, such as advertising campaigns: *Ansul*, [37].

(b) Examples that do not meet this criterion: (i) internal use by the proprietor: *Ansul*, [37]; (ii) the distribution of promotional items as a reward for the purchase of other goods and to encourage the sale of the latter: *Silberquelle*, [20]-[21].

(5) All the relevant facts and circumstances must be taken into account in determining whether there is real commercial exploitation of the mark, including in particular, the nature of the goods or services at issue, the characteristics of the market concerned, the scale and frequency of use of the mark, whether the mark is used for the purpose of marketing all the goods and services covered by the mark or just some of them, and the evidence that the proprietor is able to provide: *Ansul*, [38] and [39]; *La Mer*, [22]-[23]; *Sunrider*, [70]-[71].

(6) Use of the mark need not always be quantitatively significant for it to be deemed genuine. There is no *de minimis* rule. Even minimal use may qualify as genuine use if it is the sort of use that is appropriate in the economic sector concerned for preserving or creating 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: *Ansul*, [39]; *La Mer*, [21], [24] and [25]; *Sunrider*, [72]”

17) The earlier mark is a CTM which means that genuine use must be in the EC. In its judgment in *Leno Merken BV v Hagelkruis Beheer BV* C-49/11 (“*ONEL*”) the CJEU said:

“28 The Court has already - in the judgments in *Ansul* and *Sunrider v OHIM* and the order in *La Mer Technology* - interpreted the concept of 'genuine use' in the context of the assessment of whether national trade marks had been put to genuine use, considering it to be an autonomous

concept of European Union law which must be given a uniform interpretation.

29 It follows from that line of authority that there is 'genuine use' of a trade mark where the mark is used in accordance with its essential function, which is to guarantee the identity of the origin of the goods or services for which it is registered, in order to create or preserve an outlet for those goods or services; genuine use does not include token use for the sole purpose of preserving the rights conferred by the mark. When assessing whether use of the trade mark is genuine, regard must be had to all the facts and circumstances relevant to establishing whether there is real commercial exploitation of the mark in the course of trade, particularly the usages regarded as warranted in the economic sector concerned as a means of maintaining or creating market share for the goods or services protected by the mark, the nature of those goods or services, the characteristics of the market and the scale and frequency of use of the mark (see *Ansul*, paragraph 43, *Sunrider v OHIM*, paragraph 70, and the order in *La Mer Technology*, paragraph 27).

30 The Court has also stated that the territorial scope of the use is only one of several factors to be taken into account in the determination of whether that use is genuine or not (see *Sunrider v OHIM*, paragraph 76).

31 That interpretation may be applied by analogy to Community trade marks since, in requiring that the trade mark be put to genuine use, Directive 2008/95 and Regulation No 207/2009 pursue the same objective.”

18) Regarding the territorial scope of the use, the CJEU went on to say:

“52 Some of the interested persons to have submitted observations to the Court also maintain that, even if the borders of the Member States within the internal market are disregarded, the condition of genuine use of a Community trade mark requires that the trade mark should be used in a substantial part of the Community, which may correspond to the territory of a Member State. They argue that such a condition follows, by analogy, from Case C-375/97 *General Motors* [1999] ECR I-5421, paragraph 28, Case C-328/06 *Nieto Nuño* [2007] ECR I-10093, paragraph 17, and Case C-301/07 *PAGO International* [2009] ECR I-9429, paragraph 27).

53 That argument cannot be accepted. First, the cases in question concern the interpretation of provisions relating to the extended protection conferred on trade marks that have a reputation or are well known in the Community or in the Member State in which they have been registered. However, the requirement for genuine use, which could result in an opposition being rejected or even in the trade mark being revoked, as



provided for in particular in Article 51 of Regulation No 207/2009, pursues a different objective from those provisions.

54 Second, whilst it is reasonable to expect that a Community trade mark should be used in a larger area than a national mark, it is not necessary that the mark should be used in an extensive geographic area for the use to be deemed genuine, since such a qualification will depend on the characteristics of the product or service concerned on the corresponding market (see, by analogy, with regard to the scale of the use, *Ansul*, paragraph 39).

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)."

19) The relevant period in which the earlier mark must have been genuinely used is 22 October 2006 to 21 October 2011.

### **Use with consent**

20) Genuine use must be by the proprietor of the earlier mark, or with the proprietor's consent. Mr Moss submitted that the use of the mark put forward was use by Protégé not by the proprietor and that, furthermore, there was no evidence of consent. I do not accept this submission. I agree with Mr Hall that the words of Mr Levy make clear that Protégé works with the opponent in certain capacities and that Protégé is not acting on its own as a licensee or de facto distributor. In view of this the consent issue is not relevant. However, even if this were not the case and Protégé was acting in its own capacity as a distributor or de facto licensee, it is plainly clear from the evidence and the working relationship described by Mr Levy that a consensual relationship is in play. Consent may be inferred from the facts presented<sup>3</sup> and even though consent has not been specifically mentioned by Mr Levy, I am more than satisfied that such a relationship would have been in play.

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<sup>3</sup> Inferred and implied consent have been accepted by the GC and CJEU in *Mo-Hwa Park c Office de l'harmonisation dans le marché intérieur (marques, dessins et modèles) (OHMI)* Case T-28/09 and *Makro Zelfbedieningsgroothandel CV and others v Diesel SpA* Case C-324/08 respectively.

## **Genuine use**

21) Mr Moss was critical of the evidence on a number of fronts, including the lack of evidence showing how the mark was presented on the goods in the EU, that at best the opponent was testing the market but the scale of use was not sufficient to meet the genuine use test in the context of the huge EU market, that there was no advertising or promotion in the EU, and that the use ends in 2009; he felt the lack of detailed evidence from the opponent was damning. Mr Hall accepted that the opponent was not a major player in the market, but he argued that the use was not token and that it was warranted in the economic sector. He argued that even if the use was simply testing the mark, it was a successful one, referring to repeat business which had been achieved.

22) In relation to the evidence, the orders placed with the German brewery do not in themselves constitute genuine use. In this context the mark is not being used for the purpose of creating or maintaining a market share in the EU as it is not customer facing. Neither does such use count as use for export purposes because there is no evidence that the German brewed beer is exported outside of the EU. The suggestion is that this is the beer sold to businesses in Ireland, the UK and Sweden. The orders do, though, assist in contextualising what is happening. In relation to the website evidence, as there is no indication that the website has been accessed by anyone in the EU, this, also does not assist.

23) The matter hinges more on the invoices and what they tell us. They are described as sample invoices. Being samples suggests that there are more than have been provided and that, consequently, the overall use is greater. However, in circumstances where no total sales figures are provided, it would be inappropriate to infer that there is much (if any) greater use. As Mr Hall points out, the invoices cover three years of the relevant five year period, they have been issued to businesses in three different EU Member States and in some instances repeat business is demonstrated. It would be wrong to speculate as to whether the purpose of the sales was to test the market – there is no evidence on this. I accept Mr Moss' submission that the EU market for beer is a huge one. It is clear that the use made would be extremely small in such a market. Nevertheless, the use is certainly not token use and whilst it is no doubt at the lower end of the spectrum of acceptable genuine use, I consider that it is warranted in the relevant market in terms of creating a market share, even though it would be a very small one. None of this is undermined by the absence of any outlets outside the US being identified on the opponent's website. It is up to the opponent what it puts on its website, a website which appears to be US orientated in any event.

## **The form of use**

24) The fact that there is no concrete evidence of the way in which the mark has been applied to the beer is not fatal. The words ROUTE 66 have been used on

the invoices. It does not matter that in some instance the mark is followed by the words PREMIUM BEER. The mark as registered has been used. In any event, I am prepared to accept on the basis of the commentary of the witness and the evidence as a whole, that the goods sold would have been labelled in the way set out in the evidence. Mr Levy is clearly talking from the EU perspective and has included labels which he says are used on the bottles. In such use, the words are included within a shield device, but this would clearly count as use of the words in accordance with the CJEU's guidance in Case C-12/12 *Colloseum Holding* [2012] ECR I-0000.

### **Fair specification**

25) This aspect requires little analysis. The mark has been used only in relation to beer. That is the term relied upon. That some of the invoices describe the beer as "premium beer" is not pertinent – it would be pernicky to include such a designation in the specification. Such a designation is also inherently vague. A fair specification is "beer".

### **Section 5(2) of the Act**

26) Section 5(2)(b) of the Act states that:

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

.....

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

27) The CJEU has issued a number of judgments which provide guiding principles relevant to this ground. In *La Chemise Lacoste SA v Baker Street Clothing Ltd* (O/330/10), Mr Geoffrey Hobbs QC, sitting as the Appointed Person, quoted with approval the following summary of the principles which are established by these cases<sup>1</sup>:

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

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

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

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

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

(f) and beyond the usual case, where the overall impression created by a mark depends heavily on the dominant features of the mark, it is quite possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

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

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

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

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

(k) if the association between the marks causes the public to wrongly believe that the respective goods [or services] come from the same or economically-linked undertakings, there is a likelihood of confusion."

### **The average consumer**

28) The average consumer is deemed to be reasonably observant and circumspect. However, the degree of care and attention the average consumer uses when selecting goods and services can, of course, vary depending on what is involved. The average consumer of beer is a member of the general public, albeit a person of drinking age. There are two primary scenarios in which the goods will be purchased. Firstly, the goods could be purchased through a

traditional retail environment such as a supermarket or off-licence. Here the goods will most often be self-selected from a shelf (or the online equivalent). In off-licences, products are often kept behind the counter (so may be asked for), but these are more likely to be more expensive spirits and wines rather than beer. In view of all this, the visual methods of selection are most important, but the aural impact of the marks will not be ignored completely. The goods could also be purchased in licensed premises such as pubs and clubs. Here the consumer will ask for the product by name, although, the goods will often also be on display so that they can be seen. In *Simonds Farsons Cisk plc v OHIM* Case T-3/04 it was stated:

“58 In that respect, as OHIM quite rightly observes, it must be noted that, even if bars and restaurants are not negligible distribution channels for the applicant’s goods, the bottles are generally displayed on shelves behind the counter in such a way that consumers are also able to inspect them visually. That is why, even if it is possible that the goods in question may also be sold by ordering them orally, that method cannot be regarded as their usual marketing channel. In addition, even though consumers can order a beverage without having examined those shelves in advance they are, in any event, in a position to make a visual inspection of the bottle which is served to them.

59 Moreover, and above all, it is not disputed that bars and restaurants are not the only sales channels for the goods concerned. They are also sold in supermarkets or other retail outlets (see paragraph 14 of the contested decision), and clearly when purchases are made there consumers can perceive the marks visually since the drinks are presented on shelves, although they may not find those marks side by side.”

29) In terms of the degree of care and attention used by the average consumer, whilst beer is not purchased every day, it is still a fairly regular purchase. It is not, generally speaking, hugely expensive. The average consumer will, though, consider the goods for their alcoholic qualities, flavour, country of origin etc, although these aspects will not be studied in a huge amount of detail. I consider this equates to a reasonable or average level of care and consideration, but certainly no higher than the norm. In relation to non-alcoholic beverages, these have the potential to be lower cost and more frequently purchased. I consider the degree of care and attention to be slightly lower, but not significantly so. The goods could be purchased through normal retail environments and, as with beer, though pubs and clubs etc, but the former is likely to predominate.

### **Comparison of goods**

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

“In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, *inter alia*, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary.”

31) Guidance on this issue has also come from Jacob J In *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281 where the following factors were highlighted as being relevant when making the comparison:

- “(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.”

32) In terms of being complementary (one of the factors referred to in *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer*), this relates to close connections or relationships that are important or indispensable for the use of the other. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs)* (OHIM) Case T- 325/06 it was stated:

“It is true that goods are complementary if there is a close connection between them, in the *sense that one is indispensable or important for the use of the other in such a way that* customers may think that the responsibility for those goods lies with the same undertaking (see, to that effect, Case T-169/03 *Sergio Rossi v OHIM – Sissi Rossi (SISSI ROSSI)* [2005] ECR II-685, paragraph 60, upheld on appeal in Case C-214/05 *P Rossi v OHIM* [2006] ECR I-7057; Case T-364/05 *Saint-Gobain Pam v OHIM – Propamsa (PAM PLUVIAL)* [2007] ECR II-757, paragraph 94; and Case T-443/05 *El Corte Inglés v OHIM – Bolaños Sabri (PiraÑAM diseño original Juan Bolaños)* [2007] ECR I-0000, paragraph 48).”

33) In relation to complementarity, I also bear in mind the recent guidance given by Mr Daniel Alexander QC, sitting as the Appointed Person, in case B/L O/255/13 *LOVE* where he warned against applying to rigid a test:

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

34) In relation to understanding what terms used in specifications mean/cover, the case-law informs me that “in 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 the trade”<sup>4</sup> and that I must also bear in mind that words should be given their natural meaning within the context in which they are used; they cannot be given an unnaturally narrow meaning<sup>5</sup>. I also note the judgment of Mr Justice Floyd in *YouView TV Limited v Total Limited* where he stated:

“..... Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 *The Chartered Institute of Patent Attorneys (Trademarks) (IPTRANSLATOR)* [2012] ETMR 42 at [47]-[49]. Nevertheless the principle should not be taken too far. *Treat* was decided the way it was because the ordinary and natural, or core, meaning of “dessert sauce” did not include jam, or because the ordinary and natural description of jam was not “a dessert sauce”. Each involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question.”

35) The respective specifications, which are both in class 32, are:

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<sup>4</sup> See *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281

<sup>5</sup> See *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another* [2000] FSR 267

Applied for mark: Non-alcoholic drinks, excluding non-alcoholic beers.

v

Earlier mark: Beer

36) The term “non-alcoholic beverages” is a reasonably broad one. As well as covering goods such as water, fruit juice and carbonated soft drinks, it would also include non-alcoholic versions of certain alcoholic drinks (such as non-alcoholic beer and cider) and other goods which mimic certain alcoholic drinks by way of flavour, such as shandy, a beer flavoured soft drink. Non-alcoholic beer has been excluded from the applied for specification so this is not a problem, but not so the other types of non-alcoholic beverages I have mentioned, which may not be an exhaustive list.

37) Picking on non-alcoholic cider, it seems to me that such goods are reasonably similar to beer. Alcoholic beer and alcoholic cider are quite similar on a number of fronts, and thus it is no stretch to suggest that non-alcoholic cider and beer are also similar to each other. Shandy is also reasonably similar to beer as although it is not a beer per se, it has the same flavour and will be sold in similar cans or bottles, albeit in different areas of a retail establishment. This means that the applied for specification as it stands contains goods which are reasonably similar to beer.

38) Whilst no fall-back specification was provided prior to the hearing, it became clear from both parties submissions that the potential range of goods covered by the applied for specification had a range of degree of similarities. The applicant subsequently put forward specific terms that it was particularly interested in as a potential fall-back specification: **fruit juices, mineral and aerated waters, energy drinks and non-alcoholic beverages enriched with added vitamins**. Ms Moss argued that such goods were quite distant from beer. Mr Hall, on the other hand, argued that whilst there was a range of degrees of similarity (water being furthest away) he still felt that energy drinks and fruit juices were quite close. This really supplemented his earlier submissions when he referred to traditional soft drinks and energy drinks being quite similar on account of them overlapping in trade, often being sold side by side in chilled cabinets and there being, at times, a competitive choice between beers and soft drinks. I intend to give my views on the terms referred to by Mr Moss. I will return to the specification and what to do about it at the end of this decision.

#### Fruit juice

39) Fruit juice and beer, although liquids, are really quite different in nature. The alcoholic nature of the latter introduces a difference in purpose (in terms of the desire to impart the effects of alcohol), although, I accept that both can be consumed to quench one’s thirst. Fruit juices have a positive image in terms of



health whereas beer does not. They are not drunk in similar quantities. In the retail environment they are not located particularly close to each other. They may be closer in a bar/club environment (in a chilled cabinet) but will normally be on a different shelf within it. There is no complementary or true competitive relationship. A beer drinker may well at times drink fruit juice, but this is likely to be more to do with the fact that he or she has decided not to drink an alcoholic product per se (perhaps because they are driving) so will move on to something which is non-alcoholic. Having done so, the true competitive choice is between the various soft drinks that are on offer. There are more differences than similarities. Whilst I do not say that the goods are wholly dissimilar, I nevertheless consider that any similarity is of a quite low degree.

#### Mineral and aerated waters

40) I consider a similar analysis to be applicable here. In fact, the nature of such a simple product as water strikes me as being further away from beer. I consider any degree of similarity to be very low.

#### Energy drinks

41) This was something Mr Hall felt was quite similar to beer. But the analysis made in relation to fruit juices is similar here. I do not regard them as materially any closer to beer. Whilst energy drinks do not have that healthy image referred to, the nature is not, in reality, much closer to beer. Neither do I see any closer competitive or complementary relationship. Mr Hall referred to energy drinks being used as mixers in pubs. However, there is no evidence to suggest that energy drinks are mixed with beers, so this does not significantly affect the position. Therefore, whilst the goods may be marginally closer, I still consider the degree of similarity to be low.

#### Non-alcoholic beverages enriched with added vitamins

42) Mr Hall argued that this term was no different to non-alcoholic beverages per se, as they are simply the same goods albeit with added vitamins. I agree. This is no better or no worse than non-alcoholic beverages per se, as assessed already.

#### **Comparison of the marks**

43) The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The visual, aural and conceptual similarities of the marks must be assessed by reference to their overall impressions, bearing in mind their distinctive and dominant components. The marks to be compared are:



## v ROUTE 66

44) ROUTE 66 will be regarded as one phrase, a route with the number 66. Neither ROUTE nor 66 is an independent element on its own. The ROUTE 77 mark includes those words/numbers, but also a shield device and, furthermore, some additional wording around the outer edge of the round device that encompasses everything else. Those words are, though, non-distinctive. In my view, the two main and most memorable elements are ROUTE 77 and the shield. Although 77 is more prominent than the word route, I still consider that the average consumer will regard them as a single element (as per ROUTE 66). Neither element materially dominates the other.

45) In terms of concept, both sides accepted that it would be unsafe to conclude that the average consumer would be aware of Route 66 as the name of a historic road in the US. The position, therefore, is that both marks refer to a route which has been allocated with a particular identifying number. In my view, this creates a reasonably strong degree of conceptual similarity.

46) From a visual perspective, the impact of the shield device is fairly strong and creates a clear and noticeable difference. Both marks, though, include the word ROUTE and a two digit number. However, other than the length, a 66 is not that inherently close to a 77 visually, although the shared repeating manner of the numbers is likely to be observed. I consider there to be a moderate to reasonable degree of aural similarity.

47) Aurally, the marks will be articulated as ROOT-SIX-TEA-SIX and ROOT-SEH-VEN-TEA-SEH-VEN. The beginnings are the same. The subsequent sounds have a numbers of S sounds within them and have a similar alliterative nature, but there are differences in the exact pronunciations. I consider there to be a reasonable degree of aural similarity.

### **The distinctiveness of the earlier mark**

48) The degree of distinctiveness of the earlier mark(s) must be assessed. This is because the more distinctive the earlier mark(s) (based either on inherent qualities or because of use made), the greater the likelihood of confusion (see *Sabel BV v. Puma AG*, paragraph 24). From an inherent perspective, the mark makes not allusion to the goods or a characteristic of them. The earlier mark has a reasonably high (but not the highest) level of inherent distinctive character. In terms of the use made of the earlier mark, although I have been satisfied that it has been genuinely used, the evidence presented falls a long way short of

establishing any form of reputation in the UK. Consequently, there is no enhancement of distinctive character.

### **Likelihood of confusion**

49) The factors assessed so far have a degree of interdependency (*Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17), a global assessment of them must be made when determining whether there exists a likelihood of confusion (*Sabel BV v. Puma AG*, paragraph 22). However, there is no scientific formula to apply. It is a matter of considering the relevant factors from the viewpoint of the average consumer and determining whether they are likely to be confused.

50) In so far as goods such as non-alcoholic cider and shandy are concerned (which are covered by the applied for specification as it now stands), and the limited term “non-alcoholic beverages with added vitamins”, there is a reasonable degree of similarity with beer. Although the average consumer will clearly know they are purchasing a different product, the similarity I have assessed between the goods and the mark is sufficient to signal to the consumer that the same (or related) company is responsible for both.

51) The other goods that I have assessed (fruit juices, mineral and aerated waters, energy drinks) are, though, a different matter. The goods are, at best, low in similarity. There is no real link between the natures of the goods other than on a fairly superficial basis. There is no evidence, and it would be counterintuitive to believe, that manufacturers of beer would ordinarily extend into the type of goods under discussion. I bear in mind that the earlier mark is reasonably high in inherent distinctiveness. However, this is not sufficient, even bearing in mind the degree of similarity between the marks, to signal to the average consumer that the goods come from the same or related undertaking. The similarity will be put down to co-incidence not economic connection. Mr Hall’s primary argument was that in the context of a bar or club, the applied for mark used on goods such as energy drinks would be seen as an off-shoot of the ROUTE 66 beer product. I understand the argument, but for the reasons given I am not persuaded that this will be the likely perception. There is no likelihood of confusion in relation to the goods specified at the hearing.

### **Resulting specification**

52) I am prepared to accept the application for a specification covering:

“Fruit juices; mineral and aerated waters; energy drinks”

53) Mr Hall, at one point, suggested that written submissions be exchanged in relation to the acceptability of the above terms. However, whilst the fall back specification was not provided prior to the hearing, Mr Hall’s skeleton argument

and oral submissions had foreshadowed the position at least in relation to energy drinks, the closest (although still low) in terms of similarity of what I consider acceptable. I therefore do not consider it necessary to go back to the parties for further submissions on these terms. However, I am conscious that the fall back specification was hastily given during the hearing. The tribunal cannot refuse goods for which no objection arises. Therefore, I permit the applicant a period of 14 days to suggest any further terms to add to the resulting specification which:

- i) Fall within “non-alcoholic drinks excluding non-alcoholic beers”;
- ii) Are not of the non-alcoholic cider/shandy type;
- iii) Are not broad terms (such as beverages or soft drinks per se).

54) If the applicant requests further terms, it should indicate why the terms are acceptable, bearing in mind the findings I have already made. The opponent will then be permitted 14 days to provide written submissions on any additional terms. I will then issue a supplementary decision confirming the outcome.

### **Costs**

55) The matter of costs is reserved for the time being. Both parties can make submissions on costs as per the above timeframe.

**Dated this 27th day of May 2014**

**Oliver Morris  
For the Registrar,  
The Comptroller-General**

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<sup>i</sup> The leading judgments are: *Sabel BV v. Puma AG* [1998] R.P.C. 199, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* [1999] R.P.C. 117, *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* [2000] F.S.R. 77, *Marca Mode CV v. Adidas AG + Adidas Benelux BV* [2000] E.T.M.R. 723, *Case C-3/03 Matrazen Concord GmbH v GmbGv Office for Harmonisation in the Internal Market* [2004] ECR I-3657 *Medion AG V Thomson multimedia Sales Germany & Austria GmbH* (Case C-120/04) and *Shaker di L. Laudato & Co. Sas* (C-334/05).