

O-524-15

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. 3015819
BY DOUGLAS LAING & CO LTD**

TO REGISTER THE TRADE MARK:

ROCK OYSTER

IN CLASS 33

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 401292 BY SHELL SHOTS LIMITED**

BACKGROUND AND PLEADINGS

1. On 29 July 2013, Douglas Laing & Co Ltd (“the applicant”) applied to register the trade mark **ROCK OYSTER** for the following goods in class 33:

Whisky and beverages containing whisky.

The application was published for opposition purposes on 30 August 2013.

2. The application is opposed by Shell Shots Limited (“the opponent”). The Notice of Opposition was originally filed on 2 December 2013. After the filing of the counterstatement, the proceedings were suspended due to an opposition against the only earlier right relied upon by the opponent. That opposition was withdrawn on 16 February 2015, following a limitation to the specification, and the instant proceedings resumed. An amended Notice of Opposition was filed on 11 March 2015.

3. The opposition, which is based upon section 5(2)(b) of the Trade Marks Act 1994 (“the Act”), is directed against all of the goods in the application. The opponent relies upon trade mark registration no. 2598442 for the trade mark **OYSTER**, applied for on 18 October 2011 and for which the registration procedure was completed on 27 February 2015. The opponent relies upon the following goods in its trade mark registration:

Class 32 - Non-alcoholic beverages; beer and lager excluding malt beer, wheat beer, porter, ale and stout; non-alcoholic malt beverages; mineral water and aerated waters; carbonated non-alcoholic drinks; fruit drinks and fruit juices; cordials; syrups, essences and other preparations for making beverages; non-alcoholic cocktails; non-alcoholic beverages in gel form; gel or jelly based non-alcoholic beverages.

Class 33 - Alcoholic beverages; alcoholic beverages in gel form; gel or jelly based alcoholic beverages; all being spirits and liqueurs and none being wine, port or wine based.

In its Notice of Opposition, the opponent claims that there is a likelihood of confusion because there are visual, phonetic and conceptual similarities between the marks and because the goods are identical or similar.

4. The applicant filed a counterstatement in which it denies the basis of the opposition. It states simply that:

“In response to the Notice of Opposition, the Applicants for registration contend that there is no likelihood of confusion between the mark OYSTER and the mark ROCK OYSTER since these marks are not genuinely confusingly similar to one another for the respective goods”.

5. Neither party filed evidence. Whilst neither party asked to be heard, the opponent filed written submissions in lieu of attendance at a hearing. I will bear these submissions in mind and refer to them, as necessary, below.

DECISION

6. The opposition is based upon section 5(2)(b) of the Act which reads as follows:

“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.”

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

“6. - (1) In this Act an “earlier trade mark” means -

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

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

8. In these proceedings, the opponent is relying upon the trade mark shown in paragraph 3, which qualifies as an earlier trade mark under the above provisions. As this trade mark had not completed its registration process more than 5 years before the publication date of the application in suit, it is not subject to proof of use, as per section 6A of the Act. The opponent can, as a consequence, rely upon all of the goods it has identified.

Section 5(2)(b) – case law

9. The following principles are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales*

Germany & Austria GmbH, Case C-120/04, Shaker di L. Laudato & C. Sas v OHIM, Case C-334/05P and Bimbo SA v OHIM, Case C-591/12P.

The principles:

- (a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;
- (b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;
- (c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;
- (d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;
- (e) nevertheless, the overall impression conveyed to the public by a composite trade mark may 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 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 creates a risk that the public will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of goods

10. The competing goods are as follows:

Opponent’s goods	Applicant’s goods
<p><u>Class 32</u></p> <p>Non-alcoholic beverages; beer and lager excluding malt beer, wheat beer, porter, ale and stout; non-alcoholic malt beverages; mineral water and aerated waters; carbonated non-alcoholic drinks; fruit drinks and fruit juices; cordials; syrups, essences and other preparations for making beverages; non-alcoholic cocktails; non-alcoholic beverages in gel form; gel or jelly based non-alcoholic beverages.</p> <p><u>Class 33</u></p> <p>Alcoholic beverages; alcoholic beverages in gel form; gel or jelly based alcoholic beverages; all being spirits and liqueurs and none being wine, port or wine based.</p>	<p><u>Class 33</u></p> <p>Whisky and beverages containing whisky.</p>

11. When making the comparison, all relevant factors relating to the goods in the specification should be taken into account. In *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer*, the Court of Justice of the European Union (“CJEU”) stated at paragraph 23 of its judgement:

“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”.

12. Guidance on this issue has also come from Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, where he identified the factors for assessing similarity as:

- a) The respective users of the respective goods or services;
- b) The physical nature of the goods or acts of services;
- c) The respective trade channels through which the goods or services reach the market;
- d) 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;
- e) 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.

13. The General Court (“GC”) confirmed in *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T- 133/05, that, even if goods/services are not worded identically, they can still be considered identical if one term falls within the scope of another (or vice versa):

“29. In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by trade mark application (Case T-388/00 Institut für Lernsysteme v OHIM- Educational Services (ELS) [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark”.

14. In its Notice of Opposition, the opponent claimed that the goods are identical or similar. The applicant did not challenge this in its counterstatement. In its written submissions, the opponent states:

“9. There can be no doubting that the Contested Goods are identical to *alcoholic beverages...all being spirits and liqueurs and none being wine, port or wine based* in the Opponent’s Goods. Whisky is a spirit beverage and it is also submitted that the term beverages containing whisky is broad enough to fall within the scope of the term spirit beverages.

10. The Contested Goods in Class 33 are at least closely similar to *alcoholic beverages in gel form; gel or jelly based alcoholic beverages; all being spirits and liqueurs and none being wine, port or wine based* for similar reasons to those mentioned in paragraph 9”.

15. It is self evident that “whisky” in the applicant’s specification falls within the broader category “alcoholic beverages; [...] all being spirits and liqueurs and none being wine, port or wine based”. These goods are identical.

16. As far as “beverages containing whisky” in the applicant’s specification are concerned, I am of the view that these goods are identical to “alcoholic beverages; [...] all being spirits and liqueurs and none being wine, port or wine based” in the opponent’s specification. This is because “liqueurs” (a term in the opponent’s specification) covers whisky-based liqueurs, which are plainly “beverages containing whisky”. The goods are, therefore, identical on the principle outlined in the *Gérard Meric* case. I recognise that the applied for “beverages containing whisky” would also, notionally speaking, cover beverages containing whisky that are neither whisky per se nor whisky-based liqueurs. However, no fall-back specification has been given to limit to such goods and, in any event, such goods would still be very similar: the nature, users, channels of trade and intended purpose (to give a pleasurable drinking experience) are identical, and the goods are also likely to be in direct competition with one another.

17. I have found that all of the goods within the applicant’s specification (as the terms stand now) are identical to “alcoholic beverages; [...] all being spirits and liqueurs and none being wine, port or wine based” in class 33 of the opponent’s earlier registration. The opponent would be in no better a position were I to extend my analysis to its remaining goods in class 33 or its goods in class 32 and I therefore decline to do so.

The average consumer and the nature of the purchasing act

18. As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties’ goods. I must then determine the manner in which these goods are likely to be selected by the average consumer in the course of trade. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

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

19. As I have found that the class 33 goods in the applied for specification are identical to “alcoholic beverages; [...] all being spirits and liqueurs and none being wine, port or wine based” in class 33 of the earlier mark, the relevant average consumer is the average consumer of the same class 33 goods. I will consider only the average consumer of the identical goods in class 33, as an assessment of the average consumer of its other goods would not improve the opponent’s position.

20. The conflicting goods at issue are all alcoholic drinks, the average consumer of which is a member of the adult general public.

21. In my experience, these goods are sold through a range of channels including bars, restaurants and public houses. They are also commonly sold in supermarkets, off-licences and their online equivalents.

22. In retail premises, the goods at issue are likely to be displayed on shelves, where they will be viewed and self-selected by the consumer. A similar process will apply to websites, where the consumer will most likely select the goods having viewed an image displayed on a web page. In restaurants, bars and public houses, the goods are also likely to be on display, for example, in bottles or on optics behind the bar, or on drinks menus, where the trade mark will be visible. While I do not discount that there may be an aural component in the selection and ordering of the goods in bars, restaurants and public houses, this is likely to take place after a visual inspection of the bottles/drinks menu. I am therefore of the view that the selection of the class 33 goods at issue will be primarily visual, although aural considerations will play a part.

23. In general, these goods are not terribly expensive. However, whether selecting the goods in retail or in licensed premises, the average consumer will choose a particular type, flavour or strength of beverage. Consequently, the average consumer will, in my view, pay an average degree of attention to the selection of the goods.

Comparison of trade marks

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

“.....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

It would be wrong, therefore, artificially to dissect the trade marks, although it is necessary to take into account the distinctive and dominant components of the trade marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the trade marks.

25. The trade marks to be compared are as follows:

Opponent's trade mark	Applicant's trade mark
OYSTER	ROCK OYSTER

26. Aside from its statement in the counterstatement that the marks are “not genuinely confusingly similar”, I have no submissions from the applicant regarding the similarity of the marks. According to the opponent, the marks share a high degree of both visual and aural similarity and “at the very least” a high degree of conceptual similarity.

27. The applicant's mark consists of the dictionary words “ROCK OYSTER”, presented in capital letters. Neither word is descriptive of the goods. The word “ROCK” qualifies the word “OYSTER”, so the overall impression is of the unit “ROCK OYSTER” (as opposed to two separate and unrelated words), with neither word dominating.

28. The opponent's mark consists of the six-letter word “OYSTER”, presented in capital letters. There are no other elements to contribute to the overall impression, which is contained in the word itself.

29. Visually, both marks contain the word “OYSTER”. It is the only element in the earlier mark and the second word in the applied for mark. There is, though, a difference on account of the additional word “ROCK” at the beginning of the applicant's mark. I consider there to be a medium degree of visual similarity.

30. Aurally, the word “OYSTER” will be pronounced identically in each mark. Again, however, there is a noticeable difference because of the word “ROCK” at the beginning of the applicant's mark. I am of the view that there is a medium degree of aural similarity.

31. In respect of the conceptual similarity, the opponent asserts at paragraph 16 of its written submissions that “OYSTER would be understood to refer to a bivalve mollusc [...] and ROCK OYSTER refers to an oyster of the genus *Saccostrea*”. I agree that the average consumer would probably associate the earlier mark with the shellfish. However, whilst I accept that some consumers may know that a rock oyster is a specific and recognised type of oyster, I am not persuaded that the average consumer would have such a detailed knowledge of oysters. Nevertheless, I consider that the average consumer, on seeing the mark “ROCK OYSTER”, would call to mind an oyster and would then speculate that a rock oyster is probably a type of oyster, without having any specific knowledge to that effect. In these circumstances, where both marks prompt an association with an oyster, there is a reasonably high degree of conceptual similarity.

Distinctive character of the earlier trade mark

32. The distinctive character of a trade mark can be appraised only, first, by reference to the goods in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public – *Rewe Zentral AG v OHIM (LITE)* [2002] ETMR 91. 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 registered as coming from a particular undertaking and thus to distinguish those goods from those of other undertakings - *Windsurfing Chiemsee v Huber and Attenberger* Joined Cases C-108/97 and C-109/97 [1999] ETMR 585. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated that:

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-2779, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

33. Beyond an assertion from the opponent that the earlier mark is highly distinctive, I have nothing from the parties on this point. On the one hand, the word “OYSTER” has no specific meaning in relation to the goods relied upon and the association between the concept of an oyster and the goods relied upon is fanciful. On the other hand, the single word which comprises the mark is a common dictionary word. I find that the earlier mark has average inherent distinctiveness.

Likelihood of confusion

34. In determining whether there is a likelihood of confusion, a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of

similarity between the respective goods and vice versa. As I mentioned above, it is also necessary for me to keep in mind the distinctive character of the opponent's trade mark, as the more distinctive this trade mark is, the greater the likelihood of confusion. I must also keep in mind the average consumer for the goods, the nature of the purchasing process and the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he has retained in his mind.

35. I have found the parties' marks to be visually and aurally similar to a medium degree, and conceptually similar to a reasonably high degree. I have found the earlier mark to have an average degree of inherent distinctive character. I have identified the average consumer to be a member of the adult general public, who will select the goods primarily by visual means (though I do not discount an aural component), and I have concluded that the degree of attention paid will be average. I have found the parties' goods to be identical.

36. Whilst keeping in mind the conceptual similarity of the marks, I consider that the visual and aural differences between the marks are sufficient to ensure that the marks will not be misremembered or mistakenly recalled as each other. This is particularly so given that I have found that the primary means of contact with the marks will be visual. I am satisfied that the consumer will not simply mistake one mark for another and that there is therefore no risk of direct confusion.

37. It now falls to me to consider the likelihood of indirect confusion. In reaching a conclusion, I bear in mind the comments of Iain Purvis, Q.C., sitting as the Appointed Person, in *L.A. Sugar Limited v By Back Beat Inc*, Case BL-O/375/10. In that case, indirect confusion was described at paragraph 16 as:

“a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: “The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark””.

38. There are, undoubtedly, visual and aural differences between the marks. However, the marks are conceptually similar to a reasonably high degree, the earlier mark is of average inherent distinctiveness and the goods at issue are identical. As a result, I consider that there will be an expectation on the part of the average consumer that the identical goods at issue come from the same or economically linked undertakings. There is a likelihood of indirect confusion. For the avoidance of doubt, my conclusion would have been the same even if the goods at issue were only very similar (as per my findings in paragraph 16).

Conclusion

39. The opposition succeeds in full.

Costs

40. As the opponent has been successful it is entitled to a contribution towards its costs. Neither party filed evidence; the opponent filed written submissions but these were not substantial. Awards of costs are governed by Annex A of Tribunal Practice Notice 4 of 2007. Using that TPN as a guide but bearing in mind my comments, above, I award costs to the opponent on the following basis:

Official fees:	£100
Preparing a statement and considering the other side's statement:	£200
Written submissions:	£200
Total:	£500

41. I order Douglas Laing & Co Ltd to pay Shell Shots Limited the sum of **£500**. This sum is to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 11th day of November 2015

**Heather Harrison
For the Registrar
The Comptroller-General**