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**OPPOSITION No B 2 338 120**

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a g a i n s t

**Gerard Feltham**, 225 Underhill Road, London SE22 0PB, United Kingdom (applicant), represented by **Walker Morris LLP**, Kings Court 12 King Street Leeds, West Yorkshire LS1 2HL, United Kingdom (professional representative).

On 17/04/2015, the Opposition Division takes the following

**DECISION:**

1. Opposition No B 2 338 120 is upheld for all the contested goods.
2. Community trade mark application No 11 288 073 is rejected in its entirety.
3. The applicant bears the costs, fixed at EUR 650.

**REASONS:**

The opponent filed an opposition against all the goods of Community trade mark application No 11 288 073. The opposition is based on an earlier sign used in the course of trade, namely the Portuguese Appellation of Origin and the European Appellation of Origin 'Porto'. The opponent invoked Article 8(4) CTMR.

**PRELIMINARY REMARK**

According to the case-law of the European Union, the provisions of the CTM Regulation on the protection of protected geographical indication ('PGI') and protected denominations of origin ('PDO') must be interpreted, insofar as possible, in accordance with the specific provisions of EU law, international treaties concluded by the European Union (in particular the TRIPs agreement) and the laws of the Member States, insofar as applicable (see judgments of 14/07/2011, C-4/10 and C-27/10 'BNI Cognac', paras 40 and 41, of 11/05/2010, T-237/08 'Cuvée Palomar', paras 64, 67 and 74, and of 16/11/2001, C-245/02 'Budweiser', para. 42). Moreover, the Court of Justice has confirmed that the EU regulations governing the conflict between trade marks and PGI and PDO products are directly applicable and have immediate effect (see judgment of 14/07/2011, C-4/10 and C-27/10 'BNI Cognac', para. 40).

According to new Office practice, the EU system of protection of 'Protected Geographical Indications' (PGIs) for wines and spirits is exhaustive in nature

and supersedes national protection for those goods (see Guidelines for Examination in the Office for Harmonization in the Internal Market (Trade Marks and Designs) on Community Trade Marks, Part C, Opposition, Section 4, Rights under Article 8(4) CTMR, page 11).

### **NON-REGISTERED MARK OR ANOTHER SIGN USED IN THE COURSE OF TRADE – ARTICLE 8(4) CTMR**

According to Article 8(4) CTMR, upon opposition by the proprietor of a non-registered trade mark or of another sign used in the course of trade of more than mere local significance, the trade mark applied for shall not be registered where and to the extent that, pursuant to the Community legislation or the law of the Member State governing that sign:

- (a) rights to that sign were acquired prior to the date of application for registration of the Community trade mark, or the date of the priority claimed for the application for registration of the Community trade mark;
- (b) that sign confers on its proprietor the right to prohibit the use of a subsequent trade mark.

Therefore, the grounds of refusal of Article 8(4) CTMR are subject to the following requirements:

- the earlier sign must have been used in the course of trade of more than local significance prior to the filing of the contested trade mark;
- pursuant to the law governing it, prior to the filing of the contested trade mark, the opponent acquired rights to the sign on which the opposition is based, including the right to prohibit the use of a subsequent trade mark;
- the conditions under which the use of a subsequent trade mark may be prohibited are fulfilled in respect of the contested trade mark.

These conditions are cumulative. Therefore, where a sign does not satisfy one of those conditions, the opposition based on a non-registered trade mark or other signs used in the course of trade within the meaning of Article 8(4) CTMR cannot succeed.

#### **a) Prior use in the course of trade of more than mere local significance**

The condition requiring use in the course of trade is a fundamental requirement, without which the sign in question cannot enjoy any protection against the registration of a Community trade mark, irrespective of the requirements to be met under national law in order to acquire exclusive rights. Furthermore, such use must indicate that the sign in question is of more than mere local significance.

It must be recalled that the object of the condition laid down in Article 8(4) CTMR relating to use in the course of trade of a sign of more than mere local significance is to limit conflicts between signs by preventing an earlier right which is not sufficiently definite – that is to say, important and significant in the course of trade – from preventing registration of a new Community trade mark. A right of opposition of that kind must be reserved to signs with a real and actual presence on their relevant

market. To be capable of preventing registration of a new sign, the sign relied on in opposition must actually be used in a sufficiently significant manner in the course of trade and its geographical extent must not be merely local, which implies, where the territory in which that sign is protected may be regarded as other than local, that the sign must be used in a substantial part of that territory. In order to ascertain whether that is the case, account must be taken of the duration and intensity of the use of the sign as a distinctive element for its addressees, namely purchasers and consumers as well as suppliers and competitors. In that regard, the use made of the sign in advertising and commercial correspondence is of particular relevance. In addition, the condition relating to use in the course of trade must be assessed separately for each of the territories in which the right relied on in support of the opposition is protected. Finally, use of the sign in the course of trade must be shown to have occurred before the date of the application for registration of the Community trade mark (judgment of 29/03/2011, C-96/09 P, 'Bud', paragraphs 157, 159, 160, 163 and 166).

In the present case, the contested trade mark was filed on 23/10/2012. Therefore, the opponent was required to prove that the sign on which the opposition is based was used in the course of trade of more than local significance in the European Union prior to that date. The evidence must also show that the opponent's sign has been used in the course of trade for *wine with a protected designation of origin (PDO)*.

On 04/09/2014, the opponent filed, in particular, the following evidence:

- Extracts from books and websites concerning port wine: 'The Oxford Companion for Wine' by Janice Robinson, Third Edition, page 536 et seq.; 'The Wines and Vineyards of Portugal' by Richard Mayson, London 2003; '
- Extracts from Portuguese Decree-Law No 212/2004 which refers to appellations of origin and Decree-Laws No 278/2003 and No 264-A95 which refer to 'port wine' as an appellation of origin.
- Declaration by the president of the opponent, Mr Manuel de Novaes Cabral, dated 30/05/2013, referring to the sales of the appellation of origin 'Porto' in Portugal and worldwide in 2006 to 2012.
- Declaration of 08/07/2013 by Mr Francisco Alves-Mateus, Director of Studies and Support to Internationalisation, Ministry of Agriculture, Sea, Environment and Regional Planning, Government of Portugal, that the 'shipping/export of Port Wine in 2011 and 2012 were respectively of 722.346 HL and 726.961 HL, amounting to €306 and 311 million Euros...'. The declaration was attached a table of export with turnover numbers of the DOP Porto to different EU Member States, inter alia, to Belgium (€39,227,530 in 2010, €35,453,558 in 2011), Denmark (€13,522,382 in 2010, €8,782,035 in 2011), France (€34,394,012 in 2010, €79,986,169 in 2011), Germany (€12,917,932 in 2010, €11,946,717 in 2011), the Netherlands (€43,507,148 in 2010, €43,040,954 in 2011) and to the United Kingdom (€42,005,171 in 2010 and €41,536,284 in 2011).
- Opposition decision of 22/03/2010 of the Portuguese Institute of Industrial Property (inpi) with regard to the opposition filed by the opponent against the Portuguese trade mark application 'PORTSAUCE' which was based on the appellation of origin 'PORTO'.

- Press cutting, dated 24/02/2009, from the Spanish newspaper 'Marca' showing a football player with two bottles of 'port wine'.

When determining the significance of the use made of a trade sign within the meaning of Article 8(4) CTMR, firstly, it is necessary to consider the geographical dimension, that is to say the territory in which the sign is used. Secondly, the economic dimension of the sign's significance must be considered, which is assessed in view of the length of time the sign has been used and the degree to which it has been used, of the group of addressees among whom the sign in question has become known as a distinctive element, namely consumers, competitors or even suppliers, or even of the exposure given to the sign, for example, through advertising or on the internet (judgment of 24/03/2009, joined cases T-318/06 to T-321/06, 'GENERAL OPTICA'; and judgment of 30/09/2010, T-534/08, 'GRANUflex').

The evidence shows that the opponent's signs have been used in the course of trade for *wine*. The evidence is all dated before the relevant date or refers to data before the relevant date. The declarations and also the extracts from the books and the decrees laws show that the place of use and preparation for export is Portugal. The submitted evidence provides sufficient information concerning the commercial volume of use, the length of time of use and the frequency of use. Lastly, it is clear from the evidence that the opponent's trade under the signs at issue was of more than mere local significance, as can be seen from the literature and the declaration by the Government of Portugal with the turnover numbers.

Consequently, the Opposition Division concludes that the opponent's signs were used in the course of trade of more than local significance in the European Union for *wine* before the filing date of the contested trade mark.

#### **b) The right under the applicable law**

Designations of origin and geographical indications for wines and other grapevine products protected under Council Regulation No 1234/2007 of 22/10/2007 establishing a common organisation of agricultural markets and on specific provisions for certain agricultural products (Single CMO Regulation No 1308/2013 of 17/12/2013) fall under Article 8(4) CTMR.

This includes the names already registered under Council Regulation No 1493/1999 of 17/05/1999 on the common organisation of the market in wine or Council Regulation No 479/2008 of 29/04/2008 on the common organisation of the market in wine.

According to the documents submitted by the opponent the designation of origin has already been registered since 1921 (see submitted WIPO-extract and extracts of the Portuguese law in the notice of opposition). Therefore, the designation 'PORTO' falls under the scope of protection of the Council Regulation.

According to Article 93(1)(a) of Regulation No 1308/2013, 'designation of origin' means the name of a region, a specific place or, in exceptional cases, a country used to describe a product referred to in Article 92(1) fulfilling the following requirements:

- the quality and characteristics are essentially or exclusively due to a particular geographical environment with its inherent natural and human factors;

- the grapes from which it is produced come exclusively from this geographical area;
- its production takes place in this geographical area; and
- it is obtained from vine varieties belonging to *Vitis vinifera*.

In the present case, the designation of origin 'Porto' has been registered for *wine*. The registration was published in the Official Journal of the European Union.

According to Article 103(2) of Regulation No 1308/2013, protected designations of origins and protected geographical indications and the wines using those protected names in conformity with the product specification shall be protected against:

- (a) any direct or indirect commercial use of a protected name:
  - (i) by comparable products not complying with the product specification of the protected name; or
  - (ii) in so far as such use exploits the reputation of a designation of origin or a geographical indication;
- (b) any misuse, imitation or evocation, even if the true origin of the product or service is indicated or if the protected name is translated or accompanied by an expression such as 'style', 'type', 'method', 'as produced in', 'imitation', 'flavour', 'like' or similar;
- (c) any other false or misleading indication as to the provenance, origin, nature or essential qualities of the product, on the inner or outer packaging, advertising material or documents relating to the wine product concerned, and the packing of the product in a container liable to convey a false impression as to its origin;
- (d) any other practice liable to mislead the consumer as to the true origin of the product.

## 1. The goods

The opposition is directed against the following goods of the contested trade mark:

Class 33: *Gin*.


The opponent's geographical indication is used for *wine*.

According to the Court's case-law, products are comparable for the purposes of Article 103(2) of Regulation No 1308/2013 when they have common objective characteristics, such as the method of elaboration, the physical appearance of the product and the use of the same raw materials. Other factors which may be relevant are, from the perspective of the relevant public, the consumption on identical occasions and the identical channels of distribution and marketing methods (see judgment of 14 July 2011, C-4/10 and C-27/10, 'Cognac II', para. 54 to Article 16(a) of Regulation No 110/2008).

In the present case, the products covered by the CTMA, gin, have the same objective characteristics as wine since they are alcoholic beverages. Moreover, the goods in question are consumed, from the point of view from the relevant public, on largely

identical occasions (namely on special occasions, for enjoyment and relaxation), are distributed through the same channels of trade (such as alcohol shops or alcohol sections in supermarkets) and are subject to similar marketing rules. Therefore the goods are comparable for the purposes of Article 103(2) of Regulation No 1308/2013.

## 2. The signs

|                     |  |
|---------------------|--|
| <p>PORTO</p>        |  |
| <p>Earlier sign</p> | <p>Contested sign</p>  |

The relevant territory is the European Union.

**Visually**, the signs are similar to the extent that they coincide in 'PORTO'. However, they differ in 'BELLO', 'ROAD', 'No. 171', 'GIN', 'LONDON, ENGLAND' and the figurative elements of a lion and flowers and signatures.

**Aurally**, the pronunciation of the signs coincides in the sound of the letters 'PORTO' present identically in both signs, and to that extent the signs are aurally similar. The pronunciation differs in the sound of the letters 'BELLO', 'ROAD', 'No. 171', 'GIN', 'LONDON, ENGLAND' of the contested mark.

**Conceptually**, in relation to the goods at issue the public will associate the common element 'PORTO' with the city 'Porto' in Northern Portugal and its and its wine, 'portwine'. To that extent, the signs are conceptually similar. Another part, namely the English speaking public, may not only recognize 'Porto' but also recognize 'Portobello' as 'a large mature edible mushroom with an open flat cap' (*Oxford Dictionary Online*). With regard to the other elements of the contested sign: it cannot be excluded that the element 'BELLO' of the contested mark will be understood by part of the public, such as the Italian public, as 'beautiful'. For another part of the public 'BELLO' has no meaning. The further elements of the contested sign, such as 'LONDON, ENGLAND' will be associated with the capital of the United Kingdom and 'GIN' will be understood as an alcoholic drink. The element 'road' will be understood by part of the public with its English meaning. For another part it has no meaning. The figurative element of a lion and the signatures will be understood as such. With regard to these further elements in the contested sign which will be understood the signs are conceptually dissimilar. For that part of the public where the elements 'BELLO' and 'road' have no meaning the signs are not conceptually similar

Taking into account the abovementioned visual, aural and conceptual coincidences, it is considered that the signs under comparison are similar and that the contested sign includes the whole PDO.

### 3. Global assessment of the conditions under the applicable law

As mentioned above, the EU regulation indicates that the whole PDO/PGI is included in the contested sign which is the case here. Furthermore the contested CTMA contains or consist of an imitation or of an evocation of the PGI. According to the Court, 'evocation' covers 'a situation where the term used to designate a product incorporates part of a protected designation, so that when the consumer is confronted with the name of the product, the image triggered in his mind is that of the product whose designation is protected' (judgment of 04/03/1999, C-87/97, 'Cambozola', para. 25 and judgment of 26/02/2008, C-132/05, para. 44).

The assessment is affected by the fact that the earlier sign is an appellation of origin, not a trade mark. Although the earlier sign 'PORTO' is descriptive for a type of wine, account must be taken of the fact that the opponent has been afforded exclusive rights to use this term both for goods for which it is descriptive as well as for comparable goods. The *raison d'être* behind this registration is to control and protect the use of the appellations of origin 'PORTO' for wine. The issue in question is whether or not the relevant public for wine will be misled the consumer as to the true origin of the product when encountering the contested application, thinking that it is connected with port wine produced in the Demarcated Region of Douro.

The goods are comparable. The earlier sign is entirely included in the beginning of the contested sign. Consumers generally tend to focus on the first element of a sign when being confronted with a trade mark. This is justified by the fact that the public reads from left to right, which makes the part placed at the left the one that first catches the attention of the reader. Consequently, the coincidence in the elements 'PORTO' of the marks is particularly relevant when assessing a possible mislead of the consumer.

Account must also be taken of the fact that consumers only rarely have the opportunity to make a direct comparison between the different marks and must place their trust in the imperfect picture of them that they have kept in mind. In addition, it is quite common for marks for port wine to be composed of two or even three words. Furthermore, the element 'BELLO' is, at least for a part of the relevant public, rather weak for the goods at issue. Therefore, contrary to the applicant's observations, the possibility cannot be excluded that at least some of the consumers will assume that the contested sign is a sub-denomination, for export reasons, of the appellations of origin.

Bearing this in mind, the Office finds that the contested application can mislead the consumer in relation to the protected terms conferred under the EU regulation when applied to *wines and spirits*. Accordingly, EU law gives the proprietor the right under Article 8(4) CTM to prohibit the use of the CTM application for all the contested goods.

**c) Conclusion**

Considering all the above, the Opposition Division finds the opposition is well founded on the basis of the opponent's earlier sign. Therefore, the contested trade mark must be rejected for all the contested goods.

**COSTS**

According to Article 85(1) CTMR, the losing party in opposition proceedings must bear the fees and costs incurred by the other party.

Since the applicant is the losing party, it must bear the opposition fee as well as the costs incurred by the opponent in the course of these proceedings.

According to Rule 94(3), (6) and (7)(d)(i) CTMIR, the costs to be paid to the opponent are the opposition fee and the costs of representation which are to be fixed on the basis of the maximum rate set therein.

**The Opposition Division**

Konstantinos MITROU

Martin EBERL

Peter QUAY

According to Article 59 CTMR, any party adversely affected by this decision has a right to appeal against this decision. According to Article 60 CTMR, notice of appeal must be filed in writing at the Office within two months of the date of notification of this decision. Furthermore, a written statement of the grounds of appeal must be filed within four months of the same date. The notice of appeal will be deemed to be filed only when the appeal fee of EUR 800 has been paid.

The amount determined in the fixation of the costs may only be reviewed by a decision of the Opposition Division on request. According to Rule 94(4) CTMIR, such a request must be filed within one month from the date of notification of this fixation of costs and shall be deemed to be filed only when the review fee of EUR 100 (Article 2(30) CTMFR) has been paid.