

TWO CONTRASTING TRADE MARK APPEALS TO THE HIGH COURT

Whyte and Mackay Ltd v. Origin Wine UK Ltd and Dolce Co Invest Inc [2015] EWHC 1271 (Ch)

This was an appeal to the High Court from a decision of the Intellectual Property Office (“IPO”) in an opposition based upon s 5(2)(b) of the 1994 Act. Arnold J overturned the Hearing Officer’s findings as to the likelihood of confusion

Whyte and Mackay produce a range of Scotch whiskies under the JURA brand. Since 2009 it has sold many millions of pounds worth of its 10 year old whisky under the name JURA ORIGIN. On 6 February 2013 it applied to register the words JURA ORIGIN as a UK trade mark. The application was opposed by the owners of two earlier marks, ORIGIN (a mark which was subject to proof of use, and had only been used on wines) and a logo mark registered for wines and alcoholic beverages:



The Hearing Officer found that the dominant element of the JURA ORIGIN mark must be the word JURA, however, the word ‘origin’ would not be seen by the consumer as referring to a particular whisky, nor was there any evidence that consumers were aware of the existence of the Isle of Jura so as to see the word as suggesting that the contents of the bottle upon which the mark is used were produced on the island. He therefore found that the word was an independent and distinctive

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element of the mark. This led him to conclude that there was a likelihood of confusion between the JURA ORIGIN mark and both earlier marks.

Arnold J held that the Hearing Officer had gone wrong in his assessment of the impact of the word ORIGIN as part of Whyte & Mackay's mark, essentially because he failed to consider how the average consumer would understand the word 'origin' in the context of the relevant goods. Arnold J considered that it would be understood as referring to the geographical or trade origin of the goods. This was particularly true of both wine and Scotch whisky, "where geographical origin is both an important factor in quality and frequently intimately associated with trade origin." It was therefore inherently descriptive, or non-distinctive, for those goods. Moreover, the mark would be understood as meaning that the goods originated from a producer called JURA.

The Court therefore considered that it was necessary to take into account the principle that if the only similarity between marks lies in a common element which has low distinctiveness (i.e. the non-distinctive word 'origin') that will point against there being a likelihood of confusion. The Hearing Officer had failed to do this because of his error in assessing the impact of the word 'origin' in the Jura mark. When the low distinctiveness of 'origin' was added into the global appreciation of the likelihood of confusion, there was found to be no likelihood of confusion between the JURA ORIGIN mark and either of the earlier marks. The appeal therefore succeeded.

The successful appellant was represented by Amanda Michaels, instructed by Barlow Robbins LLP.

[GO Outdoors Ltd v. Skechers USA Inc II \[2015\] EWHC 1405 \(Ch\)](#)

This was another appeal to the High Court from a decision of the IPO. The applicant ("GO Outdoors") is a retailer of outdoor equipment and clothing. It had applied to register GO WALKING and GO RUNNING as trade marks principally in Class 35 (retail services connected with the sale of

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a range of clothes, accessories and other goods). Skechers, the well-known footwear company, brought an opposition based on section 3(1)(b) and (c) of the Trade Marks Act 1994.

The Hearing Officer allowed the section 3(1)(b) ground of objection, holding that the marks were not inherently distinctive, and had not acquired a distinctive character. He rejected the section 3(1)(c) ground of opposition. GO Outdoors appealed, but Mrs Justice Rose approved the Hearing Officer's decision on all grounds. The judgment confirms how the CJEU's guidance in *Audi* is to be applied in relation to slogans.

Section 3(1)(b) Inherent Distinctiveness

The Hearing Officer held that the marks GO WALKING and GO RUNNING lacked inherent distinctiveness when used in relation to the retailing of clothing and footwear related to running or walking. He addressed *Audi AG v OHIM* [2010] ECR I-535, and considered whether the marks "possess a certain originality or resonance, requiring at least some interpretation by the relevant public, or setting off a cognitive process in the minds of that public". He held they did not. He held that the marks were a normal way of offering for sale shoes and clothing for use when running or walking.

GO Outdoors appealed on the basis that the Hearing Officer wrongly applied *Audi*. Rose J confirmed that *Audi* does not impose a requirement that slogans, or any other marks, have originality or resonance in order to be distinctive. However, the presence of originality or resonance can form part of the assessment of distinctiveness so long as, if found to be negative, it is not conclusive. As the Hearing Officer also took other considerations into account, including the ultimate question of whether the marks had inherent distinctive character, he had not erred in law.

Acquired Distinctiveness

GO Outdoors had been using the marks for years in various ways, including as signage in its stores and in marketing materials. GO Outdoors contended that the marks had acquired a distinctive character. GO Outdoors filed a volume of evidence of such use, which it asserted had been

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compiled at considerable effort and expense. The extent of use was not substantially in issue, and was not in issue on the appeal. The issue was as to the nature of the use, in particular whether the use was of a kind that had caused consumers to perceive the marks as a badge of origin.

The Hearing Officer considered the nature of use, and held that the marks had been used to show where in the store or the brochure goods for running/walking can be found, and such like. This use was held not to acquire distinctiveness because, although the marks were visible to consumers, the average consumer would not perceive them as indications of origin, but merely an indicator of where certain goods can be found within the store.

Rose J dismissed the appeal in relation to acquired distinctiveness, holding that the Hearing Officer had set out, concisely but clearly, his reasons for concluding that the evidence of use did not show the kind of use that would cause the marks to acquire distinctiveness.

This judgment provides a cautionary tale in relation to evidence of use, particularly because such evidence can be expensive and time consuming to compile. Mere use of the marks does not suffice. The use of the marks needs to be of a kind that consumers perceive to be performing an origin function.

Section 3(1)(c) Descriptiveness

Skechers filed a Respondent's Notice asserting that the Hearing Officer should also have rejected the application on the basis that the marks were descriptive. This did not strictly fall to be considered in view of the Judge's approval of the finding that the marks were lacking in distinctive character. Rose J summarily approved the finding that the marks GO WALKING and GO RUNNING did not describe the activity of shopping for outdoor clothes or shoes, or any characteristics of that service.

The successful respondent was represented by Jeremy Reed, instructed by D Young & Co.

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