

IN THE MATTER OF APPLICATION No 2058215
By Michael Owen O'Donnell T/A Kerfoot Industries to
Register a Trade Mark in Class 33

AND IN THE MATTER OF OPPOSITION No 45536
There to by Matthew Gloag and Son

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by Matthew Gloag & Son Ltd

BACKGROUND

10 On 28th February 1996, Michael Owen O'Donnell T/A Kerfoot Industries of Preston Coldstore, Cromwell Rd, Preston, PR2 6YD applied under the Trade Marks Act 1994 for registration of the trade mark **19TH HOLE** in class 33 of the register in respect of:

“Wines and spirits; Alcoholic beverages; Liqueurs.”

15 On the 26th September 1996, Matthew Gloag & Son Ltd filed notice of opposition to the application. In summary the grounds of opposition are:

20 i) The opponent has used the mark **19TH HOLE** in relation to the provision of refreshments including whisky since 1992. At the Open Golf Championship held annually in the United Kingdom, the opponent runs a hospitality tent which dispenses refreshments including in particular whisky and especially whisky sold under the trade mark “Famous Grouse”.

25 ii) Although the mark **19TH HOLE** is not used by the opponent directly in relation to whisky, the mark is used in such close association thereto that the public would inevitably associate the mark with the opponent's whisky.

30 iii) The opponent's use of the mark **19TH HOLE** at the Open Golf Championship is well known, particularly by those who attend the event.

35 iv) That the application for registration in relation to the mark **19TH HOLE** should be refused because it offends Section 1(1) of the Trade Marks Act 1994 in that it is not capable of distinguishing any goods in which the applicant may be interested from those of the opponent, and does not satisfy the requirements of this section of the Act.

v) That the application for registration in relation to the mark **19TH HOLE** should be refused as it offends Section 3(1)(a) of the Trade Marks Act 1994.

40 vi) That the application for registration in relation to the mark **19TH HOLE** should be refused as it offends Section 3(3)(b) of the Trade Marks Act 1994 in that the public would be deceived.

45 vii) That the application for registration in relation to the mark **19TH HOLE** should be refused as it offends Section 3(6) of the Trade Marks Act 1994 because at the time of filing the applicant neither used nor proposed to use the mark in the United Kingdom in respect of wines, spirits, alcoholic beverages or liqueurs and

the application was therefore made in bad faith.

viii) That the application for registration in relation to the mark **19TH HOLE** should be refused as it offends Section 5(4)(a) of the Trade Marks Act 1994 as the opponent is the proprietor of an earlier right in the trade mark.

The applicant subsequently filed a counterstatement denying all of the grounds of opposition. Both sides ask for an award of costs, neither party wished to be heard in the matter. My decision will therefore be based on the pleadings and the evidence filed by both parties.

OPPONENT'S EVIDENCE

The opponent's evidence takes the form of a statutory declaration dated 24th May 1997 by Mr Fraser S Morrison, who is the Company Secretary of Matthew Gloag & Son Limited, the opponent in these proceedings. Unfortunately for the opponent much of the evidence provided relates to the Open Golf Championship which took place in July 1996. As such it post dates the application for registration, which was in February 1996, and cannot therefore be regarded as relevant. My reasoning for this is the wording of Article 4 (4)(b) of EC Directive 104/89 which provides the basis for Section 5(4)(a) of the Act. It states:

4. Any Member State may furthermore provide that a trade mark shall not be registered or, if registered, shall be liable to be declared invalid where, and to the extent that:

(b) rights to a non-registered trade mark or to another sign used in the course of trade were acquired prior to the date of application for registration of the subsequent trade mark, or the date of the priority claimed for the application for registration of the subsequent trade mark and that non-registered trade mark or other sign confers on its proprietor the right to prohibit the use of a subsequent trade mark.

Mr Morrison states that the opponent is the owner of the Famous Grouse brand of whisky. He claims that independent surveys have shown that the Famous Grouse whisky is one of the top selling blended whisky0s in the United Kingdom. An extract from the Daily Telegraph newspaper, at exhibit FSM1, shows that in the blended whisky market the Famous Grouse brand had a market share of 13% in 1995. The opponent has registered a number of different trade marks in the UK to protect the Famous Grouse brand, and has similarly registered trade marks in approximately sixty other countries world wide to protect the brand abroad.

Mr Morrison states that the other trade marks registered by the opponent include THISTLE device, GOLD RESERVE, ELEGANCE, PRESTIGE, GLOAG'S, CAPERCAILZIE, PERTH ROYAL CREST LABEL, CORRIE, PHILABEG, BRIG O' PERTH and PTARMIGAN.

Mr Morrison states that the opponent signed an agreement in 1992 with the Royal and Ancient Golf Club to operate a hospitality tent at the venue for the British Open Golf Championship each year, which provides food and drink including whisky. Each tournament lasts for four days. The opponent has used the mark **19TH HOLE** on the hospitality tent at each subsequent championship. The hospitality tent is open to the general public and is also used for corporate

hospitality.

5 Mr Morrison states that the British Open Golf Championship is a very well known golf tournament which takes place in the United Kingdom, and receives considerable publicity both in the UK and abroad. He claims that a large number of people (approx. 175,000) attend the Championship each year, and that a larger number of people follow the Championship on television. As the opponent's hospitality tent is in a prominent position, Mr Morrison claims that the mark **19TH HOLE** would have been seen and used by a large number of people.

10 Mr Morrison states that the opponent invests a considerable amount of money in advertising and promoting the **19TH HOLE** hospitality tent at the British Open Golf Championship.

15 Mr Morrison states that he is concerned that the adoption of the mark **19TH HOLE** by the applicant would lead people to assume that a connection existed between the applicant and the opponent, bearing in mind the opponent's usage of this mark, as set out in the declaration; usage described as considerable by Mr Morrison.

20 Finally Mr Morrison states that the **19TH HOLE** is a well-known slang expression for the bar in a golf club house, being the next objective after completion of the eighteenth hole. As such Mr Morrison has difficulty seeing how any one company can claim exclusive rights to the use of the term **19TH HOLE** in relation to alcoholic drinks.

25 The applicant did not file any evidence in these proceedings under rule 13(5). However, a declaration was admitted into the proceedings under rule 51. This declaration was made by Michael Owen O'Donnell. In the declaration Mr O'Donnell explains that in order to file evidence to support his application for registration of the mark **19TH HOLE** he needs to access his historical records. Unfortunately this course of action is not open to him as his records have been seized by H M Customs and Excise as part of a dispute relating to an allegation of conspiracy to evade duty.

30 A number of exhibits show the correspondence between Mr O'Donnell, his solicitors and HM Customs and Excise over the return of the records. As H M Customs and Excise now appear to deny ever having these records, Mr O'Donnell is seeking to take legal action against HMCE.

35 That concludes my review of the evidence. I now turn to the decision.

40 **DECISION**

The first issue which has to be determined is whether the mark applied for, **19TH HOLE**, meets the requirements of Section 1 of the Trade Marks Act 1994 which states:

45 *"In this Act a "trade mark" means any sign capable of being represented graphically which is capable of distinguishing goods or services of one undertaking from those of other undertakings."*

And Section 3(1)(a) which states:

“The following shall not be registered - signs which do not satisfy the requirements of section (1).”

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Each trade mark must be considered on its own merits for the purposes of determining whether it meets the criteria in Section 1(1). The opponent has not shown why this particular mark is incapable of distinguishing, other than claiming that the term is a form of slang for the bar in a golf club house. As the application relates to goods in class 33 (Wines and Spirits, Alcoholic beverages; Liqueurs and NOT bar services) I am content that the mark applied for is capable of distinguishing the goods of the applicant. Consequently the opposition under Section 1(1) and 3(1) (a) fails.

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I next consider the ground of opposition under Section 3(3)(b) which is as follows:

*(3) A trade mark shall not be registered if it is:
(b) of such a nature as to deceive the public (for instance as to the nature, quality or geographical origin of the goods or service).*

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The opponent contends that the applicant’s mark is likely to deceive the public into thinking that the applicant’s goods originate from them. However, I note that Section 3(3)(b) is intended to apply where the deception alleged arises from the nature of the mark itself. This is consistent with the heading of Section 3 of the Act which is entitled “Absolute grounds for refusal” and is to be contrasted with Section 5 of the Act which deals with the “relative” rights of the applicant and other parties. Consequently, the opponent cannot succeed under this heading based upon their use of a similar mark. As there are no other grounds for refusal under Section 3(3)(b) the opposition under this heading fails.

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I next consider the ground of opposition under Section 3(6) which is as follows:

A trade mark shall not be registered if or to the extent that the application is made in bad faith.

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In my view the opponent has offered no evidence to support this pleading, therefore I do not consider this ground proven.

Finally I consider the grounds of opposition under Section 5, which in so far as it is relevant to the pleadings is as follows:

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*5 (4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented -
(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or*

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A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an “earlier right” in relation to the trade mark.

In deciding whether the mark in question **19TH HOLE** offends against this section, I intend to adopt the guidance given by the Appointed Person, Mr Geoffrey Hobbs QC, in the **WILD CHILD** case (1998 14 RPC 455). In that decision Mr Hobbs stated that:

5 “The question raised by the Grounds of Opposition is whether normal and fair use of the designation **WILD CHILD** for the purposes of distinguishing the goods of interest to the Applicant from those of other undertakings (see Section 1(1) of the Act) was liable to be prevented at the date of the application for registration (see Art. 4(4)(b) of the Directive and Section 40 of the Act) by enforcement of rights which the opponent could then have asserted against the Applicant in accordance with the law of passing off.

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

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

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

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

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

40 The restatement of the elements of passing off in the form of this classical trinity has been preferred as providing greater assistance in analysis and decision than the formulation of the elements of the action previously expressed by the House. This latest statement, like the House’s previous statement, should not, however, be treated as akin to a statutory definition or as if the words used by the House constitute an exhaustive, literal definition of “passing off”, and in particular should not be used to exclude from the ambit of the tort recognised forms of the action for passing off which were not under consideration on the facts before the House.’

45 “Further guidance is given in paragraphs 184 to 188 of the same volume with regard to establishing the likelihood of deception or confusion. In paragraph 184 it is noted (with footnotes omitted) that:

 To establish a likelihood of deception or confusion in an action for passing off where there has been no direct misrepresentation generally requires the presence of two factual elements:

(1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and

(2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other feature which is the same or sufficiently similar that the defendant's goods or business are from the same source or are connected.

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

In arriving at the conclusion of fact as to whether deception or confusion is likely, the court will have regard to:

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

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

With these considerations in mind I turn to assess the evidence filed on the behalf of the opponent in the present proceedings as set out earlier in this decision.

It is clear from the statutory declaration of Mr Morrison and the attached exhibits that the opponent has since 1992 or 1993 run a hospitality tent at each of the British Open Golf Championships. This hospitality tent is clearly called "The 19TH HOLE". The tent would be seen by visitors to the golf championship and also, albeit fleetingly, by television viewers.

It is also clear that the opponent's manufacture a well known brand of blended whisky known as "The Famous Grouse".

The opponent's claim that the combination of media coverage and interface with the attending spectators ensures that amongst the followers of golf in the United Kingdom there will be an association between the opponent's whisky known as "The Famous Grouse" and the mark **19TH HOLE**. From the acceptable evidence filed I do not find that the opponent's have proved that such a link would be made, even amongst ardent golf followers. Whilst the opponent's probably have a reputation under the mark **19TH HOLE** in relation to the provision of an annual hospitality tent they have no reputation under the mark in relation to alcoholic beverages as such.

I believe that the parties can be regarded as being engaged in the same field of activity, although

the opponent's use of the mark **19TH HOLE** is clearly a very specific use solely connected to their promotion of their mark **THE FAMOUS GROUSE** at the aforementioned sporting event.

The marks at issue are obviously the same.

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As to the manner in which the trade is carried on, I know from my own experience that spirits are sold in off licences, supermarkets and increasingly by mail order. Members of the public purchasing in a shop, by mail order or even by the glass in a pub, restaurant or other licensed premises would not in my opinion expect a whisky sold under the mark **19TH HOLE** to come from the opponent. even if they were of aware of and had visited the hospitality tent. Those who know of the tent would also know that it is used only once a year at the specific event known as the Open Golf Championship. They would also be aware that the beverages served inside the hospitality tent are those marketed by the opponent's under a variety of trade marks none of which include the mark **19TH HOLE**.

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Indeed, the whole purpose of the opponent's hospitality tent would appear to be to promote the trade mark **THE FAMOUS GROUSE** in respect of whisky. Rather **19TH HOLE** is used in the manner the opponent suggests in his pleadings; as a fanciful reference to the bar being the next objective after completion of the eighteenth hole. I am sure that this is how it will be perceived by the public.

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No evidence has been provided to show that the applicant acted with fraudulent intent, although it is not necessary to prove this for the action to succeed.

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I do not believe that those who are aware of the opponent's use of the mark **19TH HOLE** in relation to the hospitality tent will mistakenly infer from the applicant's use of the mark that the goods supplied by the applicant are from the opponent's or that they are in some way connected. The opposition under Section 5(4)(a) therefore fails.

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In conclusion, in the absence of an appeal, the application for registration is granted in its entirety.

The opposition having been unsuccessful the applicant is entitled to a contribution towards his costs. I order the opponent to pay the applicant the sum of £235.

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Dated this 16th day of September 1998.

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George W Salthouse
For the Registrar
The Comptroller General