

O/0364/23

TRADE MARKS ACT 1994

**IN THE MATTER OF THE UK DESIGNATION OF
INTERNATIONAL REGISTRATION NO. 1540978**

IN THE NAME OF: BEST COAST BEVERAGE AG

FOR THE TRADE MARK:

SUNDAYS

IN CLASS 33

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 422874**

BY: MITCHELL HAYES

Background and pleadings

1. On 2 June 2020, Best Coast Beverage AG (“the applicant”) designated the International Registration (“IR”) shown on the front cover of this decision for protection in the United Kingdom. The designation was accepted and published on 23 October 2020 for the following goods:

Class 33: Alcoholic seltzers with an alcohol content of less than 10% by volume, with the exception of beers.

2. On 25 January 2021, Mitchell Hayes (“the opponent”) opposed the designation on the basis of Section 5(2)(b) of the Trade Marks Act 1994 (“the Act”). This is on the basis of the following international registration:

Registration no	1362530 ¹
Trade Mark	LOS SUNDAYS
Filing and designation Date	Filing date: 24 July 2017 Date of designation: 2 February 2018
Goods relied upon:	Class 25: Clothing, namely tops, bottoms, headwear, and footwear; swimwear. Class 33: Tequila.

3. By virtue of its earlier filing date of 24 July 2017, the above registration constitutes an earlier mark within the meaning of section 6 of the Act.

4. The opponent submits that there is a likelihood of confusion because the applicant’s registration is similar to the opponent’s and the respective goods are identical or similar.

¹ Although the UK has left the EU and the IR relied upon by the opponent now enjoy protection in the UK as a comparable trade mark, the IR remains the relevant rights in these proceedings because the application was filed before the end of the Implementation Period and, under the transitional provisions of the Trade Marks (Amendment etc.) (EU Exit) Regulations 2019, I am obliged to decide the opposition on the basis of the law as it stood at the date of application.

5. The applicant filed a counterstatement denying that the goods are similar and denying that there will be confusion between the same.

6. The opponent is represented by Venner Shipley LLP and the applicant is represented by Beck Greener LLP. Whilst the opponent filed evidence, the applicant did not. Neither party requested a hearing however both parties filed written submissions in lieu. I now make this decision after careful consideration of the papers before me.

7. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Act relied on in these proceedings are derived from an EU Directive. This is why this decision continues to make reference to the trade mark case-law of EU courts.

EVIDENCE

9. The opponent's evidence was filed in the form of a witness statement dated 25 October 2022 from Camilla Sexton, a trade mark attorney at the opponent's representative's firm. The witness statement is accompanied by three exhibits and is intended to illustrate the presence of hard seltzers in the UK market and how seltzers are typically based on alcoholic spirits. Whilst I do not intend to summarise the evidence here, I have taken it into consideration in reaching my decision and I will refer to it below where necessary.

Proof of Use

8. As the opponent's mark had been registered for less than 5 years at the filing date of the application in issue, it is not subject to proof of use pursuant to section 6A of the Act. The opponent can, therefore, rely upon all of the goods it has identified.

Decision

9. Section 5(2)(b) of the Act is 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”.

10. 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 might believe that the respective goods or services come from the same or economically linked undertakings, there is a likelihood of confusion.

Comparison of goods

11. When making the comparison, all relevant factors relating to the goods in the specification should be taken into account. In *Canon*, the Court of Justice of the European Union (“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”.

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 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. For the purposes of considering the issue of similarity of goods and services, it is permissible to consider groups of terms collectively where they are sufficiently comparable to be assessed in essentially the same way and for the same reasons (see *Separode Trade Mark* (BL O/399/10) and *BVBA Management, Training en Consultancy v. Benelux-Merkenbureau* [2007] ETMR 35 at paragraphs 30 to 38).

15. The goods to be compared are as follows:

Opponent’s goods	Applicant’s goods
Class 25: Clothing, namely, tops, bottoms, headwear, and footwear; swimwear.	
Class 33: Tequila.	Class 33: Alcoholic seltzers with an alcohol content of less than 10% by volume, with the exception of beers.

Class 33 goods

16. I consider the applicant’s goods to be alcoholic sparkling waters usually containing fruit flavourings. Whilst the opponent has provided evidence of alcoholic seltzers being based on alcoholic spirits such as tequila in exhibits CS1 and CS2, I note that the examples provided are later than the relevant date. Nonetheless, I still consider that a key component of the applicant’s goods will typically be a type of

distilled spirit such as tequila. On that basis, there will be some competition between the applicant's goods and the opponent's tequila, as consumers may opt to purchase tequila and a mixer separately, or alternatively in a pre-mixed form, considering factors such as price and convenience when making their choice, but often with the anticipation the end result will be the same. I find the trade channels for these goods will often overlap. The goods will be sold in an off license or placed in the same section of a supermarket, although not side by side on the same shelves. In terms of nature and intended purpose, there is a certain amount of overlap in the sense that they are both alcoholic beverages which will be consumed generally for the enjoyment of the taste and/or the effects of the alcohol. I acknowledge however that alcoholic seltzers will contain a much lower content of alcohol than tequila, however, I find that tequila will sometimes be purchased with a mixture, or with the intention of adding one to dilute the percentage of alcohol in the drink. Considering these factors, I find there is a medium degree of similarity between the goods.

The average consumer and the nature of the purchasing act

17. 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 the goods are likely to be selected by the average consumer. 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. (as he then was) 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.”

18. The average consumer for the contested goods will primarily comprise members of the general public over the age of 18. There will also be some business users purchasing on behalf of a commercial undertaking. The goods will be available to the general public through trade channels such as shops and supermarkets (and their online equivalents) and will likely be self-selected by the consumer from shelves or chilled cabinets in shops. In these circumstances visual considerations are likely to dominate. I also consider that the goods would also be available in bars, public houses and cafes. In these circumstances, there may be an aural aspect to the selection process, such as requesting the goods from a member of staff however, visual considerations would still likely dominate as the goods would likely be displayed behind bars or on a menu².

19. In terms of the general public, they are likely to consider factors such as type, flavour and alcoholic content. From this, I consider that these goods will be purchased with a medium degree of attention.

20. In respect of the business user the goods will be available via wholesale websites, catalogues, and stores. They will likely play at least a medium degree of attention when purchasing goods on behalf of a business. Whilst the visual considerations are also likely to dominate in these circumstances the goods may be ordered over the phone, and so I cannot completely discount the aural considerations in this respect either.

Comparison of marks

21. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a 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 marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The Court of Justice of the European Union stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

² *Simonds Farsons Cisk plc v OHIM*, Case T-3/04

“...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 relevant 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.”

22. It would be wrong, therefore, to artificially 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 marks.

23. The marks to be compared are as follows:

Opponent's mark	Applicant's mark
LOS SUNDAYS	SUNDAYS

Overall impression

24. The applicant's mark consists solely of the word "SUNDAYS" presented in a standard typeface. In the absence of any additional components, the mark's overall impression resides solely in the word itself.

25. The opponent's mark consists of the words "LOS SUNDAYS" presented in a standard typeface. In their submissions in lieu, the opponent contends that, "The prefix LOS is widely recognised by English speakers as the definite article "the" in Spanish. It is most commonly used within the term Los Angeles but also in other recognised phrases such as Los Alamos, Los Gigantes, Los Santos and Los Lobos. The dominant and distinctive element of the Opponent's mark is the word SUNDAYS."

26. The applicant submits, “The distinguishing word LOS is at the beginning of the mark. It would be the first element the consumer would see and hear. The suggestion that the word LOS has no distinctiveness is unsupportable. While the word "los" might be recognized by UK consumers as being a variant of the Spanish definite article, it is not an English word: "The" and "Los" are not interchangeable in everyday English.”

27. I will come to discuss how the first word of the mark will be perceived in my assessment of the conceptual comparison below. However, I consider “Sundays” to be marginally more dominant than “Los” given that it is an ordinary dictionary word, with recognisable meaning within the construct of a composite whole consisting of Spanish and English words.

Visual comparison

28. The marks coincide by their use of the word “SUNDAYS”. This element forms the entirety of the applicant’s mark and is the second element of the opponent’s mark. There is a point of difference created through the use of the word “LOS” in the opponent’s mark which has no counterpart in the applicant’s mark. Overall, I consider there to be a medium to high degree of visual similarity between the marks.

Aural comparison

29. The opponent’s mark will be pronounced in three syllables; LOS-SUN-DAYS. The applicant’s mark will be pronounced in two syllables using the standard English pronunciation of the word SUN-DAYS. I find that there is some similarity as both marks include the syllables SUN-DAYS however, the addition of LOS at the beginning of the opponent’s mark creates a point of difference. Considering these factors, I find the marks to be aurally similar to a medium to high degree.

Conceptual comparison

30. In respect of the earlier mark, the opponent in their submissions in lieu contests that the term “Los” will be “widely recognised by English speakers as the definite article “the” in Spanish.” The applicant appears to agree with this in their submissions in lieu,

stating that “the word “Los” would be recognised by UK consumers as a Spanish word and in particular, the plural masculine form of the Spanish definite article.” I agree with the parties and am of the view that a majority of consumers will have an appreciation for this word and understand it as meaning ‘the’ in a foreign language. The term “Sundays” will convey to the consumer multiple days of the week, namely Sunday. Turning to the applicant’s mark, I consider that consumers will also perceive the word “Sundays” as the day of the week in pluralised form. Owing to the common presence of the word “Sundays” in both marks, I consider the marks to share a high degree of conceptual similarity.

Distinctive character of the earlier mark

31. 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*, 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-0000, 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).”

32. Registered trade marks possess varying degrees of inherent distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the goods, to those with high inherent distinctive character, such as invented words which have no allusive qualities. The distinctiveness of a mark can be enhanced by virtue of the use that has been made of it.

33. The opponent has not filed any evidence to support any argument that the earlier mark’s distinctive character has been enhanced through use. Consequently, I have only the inherent position to consider.

34. The opponent’s mark consists of the words “Los Sundays”, which as previously outlined, will be understood by the average consumer as combination of the Spanish definite article “the” and the ordinary English word “Sunday” in the pluralised form. The mark is not allusive or descriptive of any characteristic of the goods for which it is registered, nor is it laudatory. On that basis, I consider the mark holds a medium level of inherent distinctiveness.

Likelihood of confusion

35. There is no simple formula for determining whether there is a likelihood of confusion. I must make a global assessment of the competing factors (*Sabel* at [22]), keeping in mind the interdependency between them (*Canon* at [17]) and considering the various factors from the perspective of the average consumer. In making my assessment, I must bear in mind 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 that they have retained in their mind (*Lloyd Schuhfabrik* at [26]).

36. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one trade mark for the other, while indirect confusion is where the average consumer realises the trade marks are not the same but puts the similarity that exists between the trade marks and goods down to the responsible undertakings being the same or related.

37. I have found the marks to be visually and aurally similar to between a medium and high degree and conceptually similar to a high degree. I have found the earlier mark to have a medium degree of inherent distinctive character. I identified the average consumer to be a member of the general public over the age of 18 or business users who will purchase the goods predominantly by visual means, though I do not discount an aural element to the purchase. I have concluded that a medium degree of attention will be paid during the purchasing process by the general public whereas business users will pay at least a medium degree of attention. I have found the goods to be similar to a medium degree.

38. I first acknowledge that both marks share the identical word “Sundays”. The opponent’s mark also contains the word “Los” at the beginning of its mark, a position which is generally considered to have more impact³ however, I note that common elements at the end of marks may also be sufficient to create a likelihood of confusion⁴. Moreover, I consider that when consumers are faced with the term “Sundays”, this will provide them with a shared conceptual hook. The term “Los” in the earlier mark may be misremembered especially by the average consumer who will pay a medium degree of attention during the purchasing process. Considering these factors along with the interdependency principle, I am of the view that there exists a likelihood of direct confusion between the respective marks through imperfect recollection.

39. I now go on to consider indirect confusion.

³ *El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02

⁴ *Bristol Global Co Ltd v EUIPO*, T-194/14

40. In *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10, Mr Iain Purvis Q.C., as the Appointed Person, explained that:

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires 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.”

17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

(a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right (“26 RED TESCO” would no doubt be such a case).

(b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as “LITE”, “EXPRESS”, “WORLDWIDE”, “MINI” etc.).

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension (“FAT FACE” to “BRAT FACE” for example.)”

41. These examples are not exhaustive but provide helpful focus.

42. In *Liverpool Gin Distillery Ltd & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207, Arnold LJ referred to the comments of James Mellor QC (as he then was), sitting as the Appointed Person in *Cheeky Italian Ltd v Sutaria* (O/219/16), where he said at [16] that “a finding of a likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion”. Arnold LJ agreed, pointing out that there must be a “proper basis” for concluding that there is a likelihood of indirect confusion where there is no likelihood of direct confusion.

43. Firstly, I note that this situation is not one that appears to fall into the categories set out in *L.A. Sugar*, however, I remind myself that they were not intended to be exhaustive. Considering the level of similarity between the marks and the similarity between the goods, and keeping in mind the particular goods concerned, it is my view that if the consumer had previously come across the mark LOS SUNDAYS in respect of tequila and subsequently came across the mark SUNDAYS in respect of alcoholic seltzers and noticed the differences between these marks, they would be likely to believe that both of the goods derive from the same economic undertaking, with the use of SUNDAYS being attributed to a slightly different version of the product offered. I find that it is not uncommon for undertakings to undergo a brand ‘re-fresh’ or ‘brand-revamp’ from time to time to accommodate changes in marketing considerations, and I further consider that in the circumstances, SUNDAYS may also be considered as a new shortened version of the earlier mark. Consequently, I find there is a likelihood of indirect confusion.

CONCLUSION

44. The opposition under section 5(2)(b) of the Act has succeeded in full. Subject to any successful appeal against my decision, the application will be refused in the UK.

COSTS

56. The opponent has been successful and is entitled to a contribution towards its costs. Awards of costs in proceedings commenced after 1 July 2016 are governed by

Annex A of Tribunal Practice Notice ('TPN') 2 of 2016. Using that TPN as a guide, I award the opponent the sum of £1200 as a contribution towards the cost of the proceedings. The sum is calculated as follows:

Official Fee:	£200
Preparing a statement and considering the other side's submissions:	£200
Filing evidence:	£500
Filing submissions:	£300

57. I therefore order Best Coast Beverage AG to pay the sum of £1200 to Mitchell Hayes. The above sum should be paid within twenty-one days of the expiry of the appeal period or, if there is an appeal, within twenty-one days of the conclusion of the appeal proceedings.

Dated this 14th day of April 2023

Catrin Williams
For the Registrar