

O/454/11

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO 2526993
BY
BELLA INVESTMENTS LIMITED
TO REGISTER THE TRADE MARK**

La Anabela

IN CLASSES 30, 32, 33 AND 43

AND

**THE OPPOSITION THERETO
UNDER NO 100030
BY
ANNABEL'S (BERKELEY SQUARE) LIMITED**

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1. On 1 July 2009, Bella Investments Limited ("the applicant") applied to register La Anabela as a trade mark. The application was published in the *Trade Marks Journal* on 20 November 2009 for the following goods and services:

Class 30: *Tea, coffee, chocolates, pastry and confectionary, sweets, ices, honey, treacle, ice cream, biscuits.*

Class 32: *Beers, mineral and aerated waters and other non-alcoholic drinks, fruit drinks and fruit juices, syrups and other preparations for making beverages, shandy and de-alcoholised drinks, non-alcoholic beers and wines.*

Class 33: *Alcoholic beverages, wines, champagnes, spirits, liqueurs, alcopops.*

Class 43: *Tea bar - serving tea and coffee. Wine bar - serving of wine, champagne, alcoholic beverages, alcopops, beers, mineral and aerated waters, non-alcoholic drinks, fruit juices, fruit drinks. Food bar - serving of chocolates, bread, pastry, cereals, confectionery, ices, ice cream.*

2. Annabel's (Berkeley Square) Limited ("the opponent") claims that registration of the application would be contrary to sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 ("the Act"). In relation to the first two grounds of opposition, the opponent relies upon its earlier Community Trade Mark registration, number 61937, as shown below:

ANNABEL'S

Class 41: *Provision of facilities for entertainment; nightclub services; organisation of parties and functions.*

Class 42: *Bar, restaurant and catering services*¹.

Date of application: 1 April 1996

Date of completion of registration procedure: 4 February 1998

3. In relation to the section 5(4)(a) claim, the opponent relies upon the sign ANNABEL'S which it claims it has used in London continuously since 1963 for the same services as detailed for its trade mark registration, above.

4. The opponent claims, under section 5(2)(b), that the services upon which it relies are identical or similar to the applicant's goods and services and that this, together with the visual and aural similarities between the marks would result in a likelihood of confusion. In relation to section 5(4)(a), the opponent's case is that it owns the goodwill in ANNABEL's, protectable under the law of passing-off in the UK. The opponent claims that it is entitled to prevent use of the mark applied for because there would be misrepresentation leading to damage to the opponent's goodwill.

5. In relation to the section 5(3) ground, the opponent claims that it has a significant and famous reputation as an "upscale and exclusive restaurant and bar venue (and associated goods and services) which people aspire to attend as a result of the society and press coverage that it receives". This reputation, together with the similarities between the marks, would cause the average consumer to consider that the applicant's goods originate from, or are authorised by, the opponent; this will confer an unfair advantage on the applicant and diminish the strength and attractiveness of the opponent's mark. Further, the opponent will have no quality control over the applicant's goods and services which will be detrimental to the distinctive character and reputation of the opponent's mark.

6. The opponent makes reference in its statement of grounds to previous actions between the parties before the Intellectual Property Office and refers to a preliminary indication made by the registrar. The results of preliminary indications play no part in the final decisions made by the registrar's hearing officers and so I will say no more about the it².

¹ These services are now classified as falling within Class 43 of of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended.

² As per the comments of Lindsay J in *esure Insurance Limited v Direct Line Insurance plc* [2007] EWHC 1557 (Ch): "The Registrar's view was arrived at before there was any evidence on either side, before there was any argument on either side and in a context in which it could not be regarded as a decision against the interests of either side without the prospective loser being given an opportunity to be heard, an opportunity which was not given. So far from it being an error of principle to fail to take the Registrar's preliminary view into account, it would, in my judgment, have been a serious error of principle for it to have been taken into account."

7. The applicant filed a counterstatement in which it denied all of the opponent's grounds. Although the earlier mark had been registered for more than five years at the date on which the application was published and is therefore subject to the proof of use regulations³, the applicant specifically answered "No" to the question posed on the Form TM8 (its defence and counterstatement): "5. Do you want the opponent to provide proof of use?". Since the applicant answered this question in the negative, the opponent does not have to prove genuine use of its trade mark. Its statement of use was made in respect of all services for which it is registered, therefore the earlier trade mark may be considered across the notional breadth of the services for which it is registered. In this connection, it is noted that the applicant's submissions of 6 July 2011 contain the following:

"55 The Applicant has, and continues to, challenge the Opponent's assertions of use (and consequent reputation) both under Section 47(2A) TMA 1994, and more generally in respect of each of the Grounds pleaded. There is a clear demarcation between the business (and consequent reputation) that the Opponent enjoys as against the business that the Applicant carries on."

Section 47(2A) of the Act is relevant in an application for a declaration of invalidity of a registered trade mark, which is clearly not the case here. If the applicant means this reference to be analogous to Section 6A of the Act, its defence and counterstatement clearly state that it does not require the opponent to prove (genuine) use of its mark. This is a separate question to the establishment of a reputation, which is of potential relevance under section 5(2)(b), a requirement under section 5(3) of the Act and necessary to show goodwill under section 5(4)(a).

8. In denying the opponent's 5(2)(b) ground, the applicant makes reference to the fact that it is operating a shop in Covent Garden called ANABELA, although in its submissions of 6 July 2011 it refers to a change of name to LA ANABELA (i.e. the trade mark which is the subject of these proceedings). The applicant states that the shop sells tea, chocolates and alcohol to take away and includes a tea bar and that there is no similarity between its goods and services and what it states to be the opponent's services, i.e. nightclubs. The applicant focuses on its intended use as a tea bar against the use to which the opponent has put its mark which it refers to as a private member's club providing entertainment and nightclub services. The applicant refers to its intended customers as members of the public and to the opponent's customers as private members, which it states are different to its customers. Furthermore, the applicant contends that there is no visual, aural or conceptual similarity between ANABELA and ANNABEL'S, focussing on spelling, the apostrophe and syllabic stress. It states that

³ See section 6A of the Act (added by virtue of the Trade Marks (Proof of Use, etc.) Regulations) 2004 (SI 2004/946) which came into force on 5th May 2004.

ANNABEL'S is a traditionally English name whereas the spelling of ANABELA looks foreign. Essentially the same grounds of denial are made in respect of the section 5(4)(a) ground and, although the applicant refers throughout the counterstatement to the opponent's business model and current trade, it requires the opponent to prove its goodwill in relation to restaurant and nightclub services.

9. In relation to the section 5(3) ground of opposition, the applicant states that it is insufficient for the opponent to demonstrate a reputation in the UK because it relies upon a Community Trade Mark: the applicant states that it must demonstrate a reputation throughout the Community. This is contrary to law: in *PAGO International GmbH v Tirolmilch registrierte Genossenschaft mbH*, case C-301/07, the Court of Justice of the European Union (CJEU) stated:

“Article 9(1)(c) of Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark must be interpreted as meaning that, in order to benefit from the protection afforded in that provision, a Community trade mark must be known by a significant part of the public concerned by the products or services covered by that trade mark, in a substantial part of the territory of the European Community, and that, in view of the facts of the main proceedings, the territory of the Member State in question may be considered to constitute a substantial part of the territory of the Community.”

It is necessary that the opponent's mark be known by a significant part of the public concerned by the services covered by the mark in a substantial part of the the relevant territory. The UK constitutes a substantial part of the relevant territory.

10. The applicant denies that its mark will take unfair advantage or be detrimental to the opponent's mark. It states that it wishes to use LA ANABELA because it is the first name and part of the surname of a director of the applicant. The applicant highlights the differences between the trade of the two parties (the one a tea bar, the other a private member's club) as a reason why there will be no association between the two and hence no unfair advantage or detriment.

11. Both parties filed evidence and submissions, but neither elected to be heard (despite the Registry's recommendation that the case should be heard), both being content for a decision to be made from the papers on file. In making this decision, I bear in mind the contents of the evidence, submissions and statements of case of both parties.

Evidence

12. The opponent has filed two witness statements and exhibits (ACH1-19) from Alice Chadwyck-Healey, who is the Director of Operations for the opponent. Ms Chadwyck-Healey has worked for the opponent for five years and states that the evidence which she gives is from her own knowledge, from colleagues and from the opponent's records. The applicant has filed a witness statement and exhibits

(A-N) from David Marsden of Charles Russell LLP, the applicant's professional representatives in these proceedings.

13. The key facts which emerge from the evidence are that:

- The opponent has operated a private members' club in Berkeley Square, London, called ANNABEL'S, since 1963. The club offers dining, bar and entertainment services to its members.
- It has a reputation extending at times almost to infamy due to the significant media and press coverage of its patrons and guests. Exhibit ACH15 contains an article from *The Independent* in 2005 which refers to ANNABEL'S as "London's most famous society haunt" with a "glittering past and scandalous present", occupying "a more or less uninterrupted place in the premiere league of the world's party venues". Examples of this in Ms Chadwyck-Healey's evidence range from articles between 2004 and 2008 in *The Independent* and *The Observer* about the cachet of the name ANNABEL'S, to gossip in *The Sunday Mail*, *The Sun* and *The Mirror* about personalities such as Hugh Grant, Jemima Khan, Kate Moss, Russell Brand, Bryan Ferry, the business tycoons Philip Green and Roman Abramovich, the politicians David Blunkett and David Davis, all being spotted in or leaving ANNABEL'S (and, typically, who they were leaving with). An article in *The Evening Standard* in 2007 reported that ANNABEL'S had been sold for £102 million. It is the only nightclub which Her Majesty the Queen has ever visited. ANNABEL'S is one of the landmarks which London taxi drivers must learn as part of their 'knowledge'. Exhibit ACH15 is a Yell.com Reviews list⁴ of "ten great night clubs in history", with ANNABEL'S at the top of the list (the Cavern Club in Liverpool is beneath): "Originally an exclusive haunt of the well connected, the club is now a top celebrity hangout". Apart from BAFTA award parties (press coverage 2005 and 2006), Ms Chadwyck-Healey states that the club hosts fundraising events, fashion shows (shown in the exhibits), dancing, private parties and entertainment by the likes of Eric Clapton, Jools Holland, Jamie Cullum and Bryan Ferry.
- ANNABEL'S provides fine dining, bar and bar food and à la carte restaurant services, and also a "Late Night Dance Floor Menu", served in the seating area adjacent to the dancefloor. Amongst the cocktails on offer is "Annabel's Special". Menus are provided amongst the exhibits (exhibit ACH2), such as a Valentine's Day menu (2006) (exhibit ACH7). The dance floor menu was introduced in 2004; the menu in exhibit ACH3 shows that the choices included, by way of example, Beluga caviar (£250) and smoked salmon and scrambled eggs (£25). Ms Chadwyck-Healey states that ANNABEL'S is renowned for its food, prepared by "high-calibre

⁴ Although this exhibit is dated after the relevant date, it clearly casts light backwards and so can be considered.

chefs”, who after 2007 were on loan from restaurants such as The Ivy and Le Caprice.

- Exhibited at ACH4 is a brochure called “Annabel’s Wine Cellars Winter Wine Offer 2008”. The brochure states that the wines listed within the brochure were bought by ANNABEL’S and were available for members to buy. The prices of the wine range from £8 for a half-bottle of Fleurie Clos de la Roilette 2005 (Domaine Coudert) to £18,000 for a magnum of Château Cheval-Blanc 1947 (St. Emilion 1er Grand Cru Classé). Ms Chadwyck-Healey states that ANNABEL’S sells wine through retail partners, such as the Mount Street Deli, also in Mayfair, London. Ms Chadwyck-Healey states that Mount Street Deli sells ANNABEL’S WINE in its store and on its website: page 237 of her evidence shows a print from the Mount Street Deli website, where a page is headed “Wines - Great wines, specially selected from Annabel’s Cellars – View Wines”. The date of the web site is 2010 which is after the date of application of the opposed mark.
- Revenue was £5 million in 2004 rising to £8 million in 2009. Ms Chadwyck-Healey says that records of the numbers of patrons who visit each year are not kept⁵, but the number of dinner covers were as follows:

2003-4	26,902
2004-5	33,087
2005-6	37,247
2006-7	34,895
2007-8	36,431

(I have not mentioned the website evidence as the vast majority of it post-dates the application date). As referred to above, ANNABEL’S is consistently in the media, whether broadsheet or the more tabloid end of press coverage (depending on the subject of the article). Ms Chadwyck-Healey states that ANNABEL’S does not need to undertake any marketing activity: ANNABEL’S generates its own publicity and its membership grows by recommendation by other patrons and is always over-subscribed. Page 21 of Mr Marsden’s evidence shows membership information from the opponent’s website: “To become a member of Annabel’s, we require the candidate to be proposed and seconded by two existing members of the Club. Informative letters of support from the Proposer and Seconder must accompany the application form.” There is a waiting list and the Committee sits at regular intervals to consider applications. The annual subscription for those under 30 years of age is

⁵ Although the 2005 *Independent* article in exhibit ACH15 refers to nine thousand members paying £750 per year for membership, paying £10 per drink and £80 for dinner.

£250, for those over 30 it is £1000. Another page exhibited by Mr Marsden from the opponent's website says "Annabel's is a private members' restaurant and nightclub on Berkeley Square in Mayfair and was founded in 1963 by the late Mark Birley". This page refers to the elegant dining area as well as the bar and the dance floor for members to enjoy "after dinner dancing". The page states that members can also reserve the private dining room for up to 22 people, complete with an open fire and a butler.

- The applicant's shop is located 1.5 miles away from the opponent's ANNABEL'S premises and "has been trading since 2008" (Mr Marsden's witness statement). A photograph in Mr Marsden's exhibit A of the applicant's shop front shows LA ANABELA in the same font as is used by the opponent on an ANNABEL'S compliments slip (undated exhibit ACH 19, a very cursive, flowery style), although other use of the opponent's mark is not shown in this font. Mr Marsden states that the name LA ANABELA was chosen because the owner of the applicant's business is called Anabela Lazari, the LA being derived from the first two letters of Lazari⁶. The photographs of the inside of the applicant's shop show chocolates and bottles arranged attractively so as to produce an impression of a luxury shopping environment. The applicant provides a tea bar in its shop so that customers can sample its "Jing" tea.

14. A substantial proportion of the applicant's evidence and submissions are devoted to demonstrating differences between the use it has made of its mark as a shop compared to the opponent's use, emphasising that the different actual uses of the parties' marks will not lead to a likelihood of confusion. In *Och-Ziff Management Europe Limited and another v Och Capital LLP and others* [2010] EWHC 2599 (Ch), Arnold J said:

"76. It is common ground that it is now clear that there is an important difference between the comparison of marks in the registration context and the comparison of mark and sign in the infringement context, namely that the former requires consideration of notional fair use of the mark applied for, while the latter requires consideration of the use that has actually been made of the sign in context."

The applicant, in its defence and counterstatement, did not put the opponent to proof of use of its mark which means, as I have said, that it can rely upon notional and fair use of its mark for the full range of services for which it is registered. I must also consider the applicant's specifications on a notional

⁶ There are Lazari family passports and a bank statement of Ms Lazari in the evidence as confidential exhibits, but they are not material to this decision.

basis⁷. Trade mark proprietors are not bound by current sales or marketing strategies, which can be temporal. Trade marks can also be assigned and used differently by a subsequent proprietor.

15. The opponent's reply evidence is largely in response to several points raised by the applicant; such as putting the opponent to proof that London taxi drivers need to know ANNABEL'S location as part of their 'knowledge'; putting the opponent to proof that Anabela is a Portuguese forename; putting the opponent to proof of the performances made at the opponent's club; and challenging the lack of marketing expenditure in the face of clear reasons why the opponent has no need to undertake active marketing: its enduring fame through press coverage and word of mouth recommendation has ensured its continuing success for nearly five decades. The applicant makes a point that the opponent's 2009 turnover figures would be better shown as operating post-tax profit. The applicant has also filed evidence relating to how many pubs there are in the UK as support for its point that the opponent operates from a single unit in Berkeley Square, London, and that the floor area occupied is no more extensive than the average UK pub.

Decision

Section 5(2)(b)

16. Section 5(2)(b) of the Act states:

“(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 General Court ('GC'), *Oakley v OHIM* Case T-116/06: “76 Consideration of the objective circumstances in which the goods and services covered by the marks in dispute are marketed is fully justified. The examination of the likelihood of confusion which the OHIM authorities are called on to carry out is prospective. Since the particular circumstances in which the goods covered by the marks are marketed may vary in time, and depending on the wishes of the proprietors of the trade marks, the prospective analysis of the likelihood of confusion between two marks, which pursues an aim in the general interest, that is, that the relevant public may not be exposed to the risk of being misled as to the commercial origin of the goods in question, cannot be dependent on the commercial intentions, whether carried out or not – and which are naturally subjective – of the trade mark proprietors (*QUANTUM*, paragraph 75 above, paragraph 104, and *T.I.M.E. ART/Devinlec v OHIM*, paragraph 75 above, paragraph 59).”

17. The leading authorities which guide me in this ground are from the Court of Justice of the European Union ('CJEU'): *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77, *Marca Mode CV v Adidas AG & Adidas Benelux BV* [2000] E.T.M.R. 723, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH* C-120/04 and *Shaker di L. Laudato & C. Sas v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* C-334/05 P (LIMONCELLO). It is clear from these cases that:

(a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v Puma AG*,

(b) the matter must be judged through the eyes of the average consumer for the goods/services in question; *Sabel BV v Puma AG*, 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; *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel B.V.*,

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v Puma AG*,

(d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel BV v Puma AG*,

e) assessment of the similarity between two marks means more than taking just one component of a composite trade mark and comparing it with another mark; the comparison must be made by examining each of the marks in question as a whole, which does not mean that the overall impression conveyed to the relevant public by a composite trade mark may not, in certain circumstances, be dominated by one or more of its components; *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*

f) it is only when all other components of a complex mark are negligible that it is permissible to make the comparison on the basis of the dominant element; *Shaker di L. Laudato & C. Sas v OHIM*.

(g) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*,

(h) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either per se or because of the use that has been made of it; *Sabel BV v Puma AG*,

(i) in determining whether similarity between the goods or services covered by two trade marks is sufficient to give rise to the likelihood of confusion, the distinctive character and reputation of the earlier mark must be taken into account; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*,

(j) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v Puma AG*,

(k) further, 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; *Marca Mode CV v Adidas AG and Adidas Benelux BV*,

(l) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*.

Average consumer and the purchasing process

18. The applicant has focussed on its view that the average consumer for the opponent's club is decidedly *not* average, even to the point of adducing evidence as to the average income of the UK population and comparing it to the subscription rate for the opponent's club. This ignores the notional assessment under section 5(2) of the Act. The average consumer is the general public. The cost and type of entertainment, food and drink provided by the terms in the parties' specification may vary but, notionally, the level of attention will be neither higher nor lower than the normal level of attention of the average consumer, who is deemed to be reasonably observant and circumspect. The purchasing process for food goods in a retail environment will be primarily visual, whilst choosing a food and drink service from a food and drink establishment may involve both a visual and oral aspect to the purchase.

Comparison of goods and services

19. In comparing the respective specifications, all relevant factors should be considered, as per *Canon* where the 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.”

The criteria identified in *British Sugar Plc v James Robertson & Sons Limited (Treat)* [1996] R.P.C. 281 for assessing similarity between goods and services were:

- (a) the respective uses of the respective goods or services;
- (b) the respective users of the respective goods or services;
- (c) the physical nature of the goods or acts of service;
- (d) the respective trade channels through which the goods or services reach the market;
- (e) 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;
- (f) the extent to which the respective goods or services are competitive, taking into account how goods/services are classified in trade.

20. A further factor to bear in mind is that if goods fall within the ambit of terms within the competing specification, they are considered to be identical, as stated in *Gérard Meric v OHIM*, case T-133/05, where the GC stated, at paragraph 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 the trade mark application (Case T-388/00 *Institut für Lernsysteme v OHIM – Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or when the goods designated by the trade mark application are included in a more general category designated by the earlier mark (Case T-104/01 *Oberhauser v OHIM – Petit Liberto (Fifties)* [2002] ECR II-4359, paragraphs 32 and 33; Case T-110/01 *Vedial v OHIM – France Distribution (HUBERT)* [2002] ECR II-5275, paragraphs 43 and 44; and Case T-10/03 *Koubi v OHIM – Flabesa (CONFORFLEX)* [2004] ECR II-719, paragraphs 41 and 42).”

I also bear in mind that in *Avnet Incorporated v Isoact Limited* [1998] F.S.R. 16 Jacob J⁸ held that:

“In my view, specifications for services should be scrutinised carefully and they should not be given a wide construction covering a vast range of activities. They should be confined to the substance, as it were, the core of the possible meanings attributable to the rather general phrase.”

21. The respective goods and services of the parties to be compared are as follows:

⁸ Jacob J also said, in *Treat*: “When it comes to construing a word used in a trade mark specification, one is concerned with how the product is, as a practical matter, regarded for the purposes of trade. After all a trade mark specification is concerned with use in trade”.

Opponent's services	Applicant's goods and services
<p data-bbox="235 285 716 426">Class 41: <i>Provision of facilities for entertainment; nightclub services; organisation of parties and functions.</i></p> <p data-bbox="235 468 656 537">Class 42: <i>Bar, restaurant and catering services</i></p>	<p data-bbox="781 285 1263 426">Class 30: <i>Tea, coffee, chocolates, pastry and confectionery, sweets, ices, honey, treacle, ice cream, biscuits.</i></p> <p data-bbox="781 468 1295 720">Class 32: <i>Beers, mineral and aerated waters and other non-alcoholic drinks, fruit drinks and fruit juices, syrups and other preparations for making beverages, shandy and de-alcoholised drinks, non-alcoholic beers and wines.</i></p> <p data-bbox="781 762 1219 867">Class 33: <i>Alcoholic beverages, wines, champagnes, spirits, liqueurs, alcopops.</i></p> <p data-bbox="781 909 1287 1230">Class 43: <i>Tea bar - serving tea and coffee. Wine bar - serving of wine, champagne, alcoholic beverages, alcopops, beers, mineral and aerated waters, non-alcoholic drinks, fruit juices, fruit drinks. Food bar - serving of chocolates, bread, pastry, cereals, confectionery, ices, ice cream.</i></p>

22. The closest of the opponent's services to the applicant's goods and services are likely to be its *Bar, restaurant and catering* services. I will compare these services with the applicant's goods and services; this can be done individually or by homogenous categories⁹. I will start with the applicant's services in class 43.

⁹ As per the decision of Mr Geoffrey Hobbs Q.C. , sitting as the appointed person, in *Separode Trade Mark* BL O-399-10, with reference to *BVBA Management, Training en Consultancy v. Benelux-Merkenbureau* [2007] ECR I-1455 at paragraphs [30] to [38]: "The determination must be made with reference to each of the different species of goods listed in the opposed application for registration; if and to the extent that the list includes goods which are sufficiently comparable to be assessable for registration in essentially the same way for essentially the same reasons, the decision taker may address them collectively in his or her decision."

23. *Wine bar - serving of wine, champagne, alcoholic beverages, alcopops, beers, mineral and aerated waters, non-alcoholic drinks, fruit juices, fruit drinks*
The opponent's term "bar services" covers the above services in the application and so are identical.

24. *Tea bar - serving tea and coffee and Food bar - serving of chocolates, bread, pastry, cereals, confectionery, ices, ice cream.* A bar is not the same as a restaurant (the level of formality and seating arrangements may be different), but the service of providing food and tea and coffee is a primary function of restaurant services which share the same purpose and users and are in competition with the above services in the application. These services are highly similar to the opponent's restaurant services.

25. *Alcoholic beverages, wines, champagnes, spirits, liqueurs, alcopops; Beers; shandy and de-alcoholised drinks, non-alcoholic beers and wines.* Here, alcoholic beverages and their non-alcoholic equivalents or alternatives are compared with the opponent's "bar services". The primary purpose of a bar is that it is a place where one can purchase and consume drinks, principally alcoholic drinks. The users of bar services will be the same as those who purchase alcoholic drinks and their non-alcoholic equivalents from retailers for consumption off the premises. There is competition between them as the user has a choice as to whether to buy alcohol to drink at home or whether to drink at a bar. In providing alcoholic drinks to customers, the service is a channel of trade for the goods. There is a reasonable level of similarity between the opponent's bar services and the applicant's *Alcoholic beverages, wines, champagnes, spirits, liqueurs, alcopops; Beers; shandy and de-alcoholised drinks, non-alcoholic beers and wines.*

26. *Mineral and aerated waters and other non-alcoholic drinks, fruit drinks and fruit juices, syrups and other preparations for making beverages.* These are non-alcoholic drinks so I have grouped these separately. Whilst it is undoubtedly true that bars sell soft drinks, sharing channels of trade, there is not the same element of competition between bar services and soft drinks as there is between bars and alcoholic drinks. Although the user of a bar service will also be the user of soft drinks, the element of purchasing competition between drinks bought in a shop and a bar service (i.e. the decision as to whether to buy, e.g. a bottle of lemonade, to take home or to go to a bar to drink lemonade) is not present when compared to the level of competition between bar services and alcoholic goods. The purpose of soft drinks is to quench thirst; this is not the primary purpose of bar services. If there is any similarity, it is of a very low degree. Turning to "catering services", the primary purpose of these is the provision of all types of food and drink. The choice is whether to buy in drinks or to pay a caterer to provide them, so there is an element of competition. The users of catering services and soft drinks are the same and their purpose is to quench thirst. That said, unlike for instance the preparation of meals by a caterer which may be

considered complementary¹⁰ to the meal itself, in the sense of *Boston Scientific*, there is not the same level of involvement in the preparation of soft drinks (albeit there are syrups and preparations for making beverages, which are not the finished article). Acknowledging that whilst there are some similarities at a very general level between soft drinks and catering services (the users and purposes) and that there is an element of competition, there is only a low level of similarity between the opponent's "catering services" and the applicant's *Mineral and aerated waters and other non-alcoholic drinks, fruit drinks and fruit juices, syrups and other preparations for making beverages*.

27. *Tea, coffee; chocolates, pastry and confectionery, sweets, ices, honey, treacle, ice cream, biscuits*. The closest of the opponent's services to these goods will be its "restaurant and catering services" because these are primarily concerned with the preparation and provision of food. These goods are likely to be used in relation to the services; however, I bear in mind that components of goods are not necessarily similar to the goods themselves¹¹, which means that it is less likely that there will be similarity where components of goods are used to produce a product which is provided by a service. In relation to *pastry, honey and treacle*, the purpose and channel of trade are different to restaurant and catering services and there is no level of competition or complementary relationship. They are not similar.

28. The position in relation to tea and coffee is somewhat different as tea and coffee houses are closely linked in terms of users, channels of trade, competition and the complementary relationship with the tea and coffee which they sell. Taking into account the *Avnet* principle, I do not consider that bar, restaurant and catering services encompass tea and coffee houses. The relationship outlined above between tea and coffee and tea and coffee houses does not stand up in relation to bars, restaurants and catering services. Customers are unlikely to think that a restaurant is the same undertaking that is responsible for packets of tea and coffee. Tea and coffee is not similar to the opponent's services.

¹⁰ In *Boston Scientific Ltd v OHIM* Case T- 325/06 the General Court (GC) explained when goods were to be considered complementary: "82 It is true that goods are complementary if there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking (see, to that effect, Case T-169/03 *Sergio Rossi v OHIM – Sissi Rossi (SISSI ROSSI)* [2005] ECR II-685, paragraph 60, upheld on appeal in Case C-214/05 P *Rossi v OHIM* [2006] ECR I-7057; Case T-364/05 *Saint-Gobain Pam v OHIM – Propamsa (PAM PLUVIAL)* [2007] ECR II-757, paragraph 94; and Case T-443/05 *El Corte Inglés v OHIM – Bolaños Sabri (PiraÑAM diseño original Juan Bolaños)* [2007] ECR I-0000, paragraph 48)."

¹¹ The GC considered the relationship between finished article and component parts in *Les Editions Albert René v OHIM* Case T-336/03: "The mere fact that a particular good is used as a part, element or component of another does not suffice in itself to show that the finished goods containing those components are similar since, in particular their nature, intended purpose and the customers for those goods may be completely different."

29. Neither can I see any meaningful coincidence within the legal parameters between the opponent's services and the applicant's *chocolates, confectionery, sweets, ices, ice cream, biscuits*. Although a restaurant may have ice cream on its menu as a dessert, this does not make it similar to bar, restaurant or catering services. Neither the goods nor the services are in competition with or complementary to the other nor do they share similar purposes or nature. As with tea and coffee houses, the opponent's services, on the *Avnet* principle, do not encompass ice cream parlours. The other goods in the list are even further away from bar, restaurant and catering services. There is no similarity between the opponent's services and the applicant's *chocolates, confectionery, sweets, ices, ice cream, biscuits*.

30. To summarise:

(i) *Tea, coffee, chocolates, pastry and confectionery, sweets, ices, honey, treacle, ice cream, biscuits* – no similarity with the opponent's services.

(ii) *Alcoholic beverages, wines, champagnes, spirits, liqueurs, alcopops; Beers; shandy and de-alcoholised drinks, non-alcoholic beers and wines* – reasonable level of similarity.

(iii) *Mineral and aerated waters and other non-alcoholic drinks, fruit drinks and fruit juices, syrups and other preparations for making beverages* – low level of similarity.

(iv) *Tea bar - serving tea and coffee. Food bar - serving of chocolates, bread, pastry, cereals, confectionery, ices, ice cream* – high level of similarity.

(v) *Wine bar - serving of wine, champagne, alcoholic beverages, alcopops, beers, mineral and aerated waters, non-alcoholic drinks, fruit juices, fruit drinks* – identical.

Comparison of trade marks

31. The marks to be compared are:

Opponent's mark	Applicant's mark
ANNABEL'S	La Anabela

32. The authorities direct that, in making a comparison between the marks, I must have regard to each mark's visual, aural and conceptual characteristics. I have to decide which, if any, of their components I consider to be distinctive and dominant, without engaging in an artificial dissection of the marks, because the average consumer normally perceives a mark as a whole and does not analyse

its details. The opponent's mark consists of a single word which is self-evidently its distinctive and dominant component. The longest word in the applicant's mark is Anabela. 'La' is likely to be familiar to the average consumer as an Italian, French or Spanish word for the definite article (although they may not know exactly in which language). If the average consumer knows this, 'La' will perform a subordinate role, meaning that Anabela is the dominant and distinctive element. If the average consumer does not know what 'La' means, Anabela will still be the dominant and distinctive element as it is the longest and most prominent part of the applicant's mark.

33. The visual similarity between the marks centres on ANNABEL'S and Anabela. There is an obvious similarity in visual construction, although the spelling of the opponent's mark is more familiar visually, being the possessive form of the English forename ANNABEL. The differences between them are the single N in and the A ending in the applicant's mark as opposed to the possessive S at the end of the opponent's mark. The sequence of lettering is shared. There are more visual similarities between ANNABEL'S and Anabela than differences. However, there is also the 'La' element of the applicant's mark to consider, which although it is the first element, is short. Viewing the marks as wholes, there is a good deal of visual similarity between ANNABEL'S and La Anabela. The use of capitals and lower case letters in the respective marks, as they appear on the register, does not affect the assessment as both are word only marks; see, to that effect, the decision of Ms Amanda Michaels, sitting as the Appointed Person in *O/387/11 Boo Boo Products Limited v Wasabi Frog Ltd*.

34. The difference in the double or single N spelling disappears in oral use, although the A and S endings are different in sound and, again, there is the 'La' initial element of the applicant's mark to factor in to the aural impression. Owing to Anabela beginning with an A, the La may be somewhat elided in aural perception with the first A of Anabela (as in L'Anabela). ANNABEL'S and Anabela share identical syllabic sounds except for their endings (S and A, respectively). A large proportion of the marks (their dominant elements) sound similar to each other. Bearing in mind the additional (front-ended) 'La' component of the applicant's mark, I consider there to be a good degree of phonetic similarity between the parties' marks.

35. Both parties have referred to their respective marks as being female forenames; in both cases the evidence refers to the respective inspiration for the marks as being the names of women connected, or formerly connected, with the parties¹². The applicant put the opponent to proof that Anabela is a Portuguese version of the English spelling, Annabel; the opponent met this by filing an extract from a baby names website, and the applicant has put in evidence that one of its directors (the inspiration for the name) is called Anabela Lazari. There is a variety of spellings and variants of the name, such as Annabel, Annabelle and

¹² In 1963, when ANNABEL'S was founded, Annabel was the name of its founder's wife.

Annabella. The website extract says that a form of the name is the English and Spanish spelling variant Anabel; another is the English and Portuguese Anabela, and a further example is the English, German and Italian Annabella. Even without this evidence, it is clear that Anabela closely resembles the English version of the name, Annabella. The conceptual impression formed is of an Annabel/Annabella-type of name. However, the conceptual assessment of the applicant's mark must also take account of the 'La' component. If this is seen, particularly in view of its position at the beginning of the mark, as a Mediterranean-language word for 'The', the meaning of the mark will be 'The Anabela' (the foreign spelling of Anabela reinforcing the foreign nature of La). If no such meaning is attributed to 'La', then the mark's concept is of a female forename with an unknown element in front of it. Either way, the applicant's mark contains as its dominant element a word strongly resembling the English spelling of the female forename Annabella and this would be its conceptual significance. It is a short step, conceptually, from Annabel to Anabela as close variants of a female forename. The marks are highly similar conceptually and are similar to a good degree visually and phonetically. I will bring forward these points when I come to make a global assessment as to whether there is a likelihood of confusion.

Distinctiveness of the earlier mark

36. It is necessary to consider the distinctive character of the opponent's mark because the more distinctive it is, either by inherent nature or by use (nurture) the greater the likelihood of confusion¹³. The distinctive character of a trade mark must be assessed by reference to the goods or services in respect of which registration is sought and by reference to the way it is perceived by the relevant public¹⁴. ANNABEL is a common forename but it has no meaning as such in relation to the opponent's services. ANNABEL'S has a good level of inherent distinctive character. The evidence filed by the opponent attests to the fame of ANNABEL'S as a nightclub on a level which can support a claim to enhanced distinctive character in relation to nightclub services, but I would not say that the opponent can, on the evidence, claim an enhanced degree of distinctive character in relation to the other services for which it is registered. Of course, these are still distinctive to a good degree.

Likelihood of confusion

37. In deciding whether there is a likelihood of confusion between the marks, I must weigh the various factors I have identified. I bear in mind the effect which the predominantly visual and averagely attentive purchasing process has upon the comparative elements of the marks, whilst keeping in mind the whole mark

¹³ *Sabel BV v Puma AG* [1998] RPC 199.

¹⁴ *Rewe Zentral AG v OHIM (LITE)* [2002] ETMR 91.

comparison. A further factor is the principle of interdependency, whereby a lesser degree of similarity between the goods and services may be offset by a greater degree of similarity between the trade marks, and vice versa (*Canon*). Where there is no similarity between the goods or services, there can be no likelihood of confusion, regardless of the reputation of the earlier mark¹⁵. The opposition under section 5(2)(b) fails in relation to *Tea, coffee, chocolates, pastry and confectionery, sweets, ices, honey, treacle, ice cream, biscuits* because these goods are not similar to the opponent's services.

38. The marks are similar visually and phonetically to a good degree and are highly similar conceptually. Marks are rarely compared side by side and so the average consumer must rely upon the imperfect picture he has in his mind of the marks. The conceptual hook in the mind of the average consumer will be the female name Annabel/Anabel, which is the dominant and distinctive concept common to both marks. Although the opponent has a substantial reputation so that it can claim an enhanced level of distinctive character in relation to nightclub services, this does not extend to its other services. Even so, ANNABEL'S is still inherently distinctive to a good degree. Where the services are identical or highly similar there is a likelihood of direct confusion between the marks. The opposition succeeds under section 5(2)(b) in relation to the applicant's class 43 services: *Tea bar - serving tea and coffee. Wine bar - serving of wine, champagne, alcoholic beverages, alcopops, beers, mineral and aerated waters, non-alcoholic drinks, fruit juices, fruit drinks. Food bar - serving of chocolates, bread, pastry, cereals, confectionery, ices, ice cream.*

39. Bearing in mind the interdependency principle, I also consider there would be a likelihood of confusion in relation to alcoholic drinks and their non-alcoholic equivalents/alternatives, in the *Canon* sense of the average consumer assuming that there is an economic connection between the undertaking responsible for providing bar services and the undertaking providing the drink itself. The opposition succeeds against the applicant's *Alcoholic beverages, wines, champagnes, spirits, liqueurs, alcopops; Beers; shandy and de-alcoholised drinks, non-alcoholic beers and wines.* However, I do not think this extends to the goods for which I found a low level of similarity with the opponent's services. The opposition under section 5(2)(b) fails against *Mineral and aerated waters*

¹⁵ The CJEU said in *Waterford Wedgwood plc v OHIM* Case C-398/07: "35 It must be noted that the Court of First Instance, in paragraphs 30 to 35 of the judgment under appeal, carried out a detailed assessment of the similarity of the goods in question on the basis of the factors mentioned in paragraph 23 of the judgment in *Canon*. However, it cannot be alleged that the Court of First Instance did not take into account the distinctiveness of the earlier trade mark when carrying out that assessment, since the strong reputation of that trade mark relied on by Waterford Wedgwood can only offset a low degree of similarity of goods for the purpose of assessing the likelihood of confusion, and cannot make up for the total absence of similarity. Since the Court of First Instance found, in paragraph 35 of the judgment under appeal, that the goods in question were not similar, one of the conditions necessary in order to establish a likelihood of confusion was lacking (see, to that effect, *Canon*, paragraph 22) and therefore, the Court of First Instance was right to hold that there was no such likelihood."

and other non-alcoholic drinks, fruit drinks and fruit juices, syrups and other preparations for making beverages.

40. To summarise the outcome of the likelihood of confusion assessment under section 5(2)(b):

The opposition succeeds in relation to:

Class 32: *Beers; shandy and de-alcoholised drinks, non-alcoholic beers and wines*

Class 33: *Alcoholic beverages, wines, champagnes, spirits, liqueurs, alcopops*

Class 43: *Tea bar - serving tea and coffee. Wine bar - serving of wine, champagne, alcoholic beverages, alcopops, beers, mineral and aerated waters, non-alcoholic drinks, fruit juices, fruit drinks. Food bar - serving of chocolates, bread, pastry, cereals, confectionery, ices, ice cream.*

The opposition fails in relation to the other goods of the application, which are:

Class 30: *Tea, coffee, chocolates, pastry and confectionery, sweets, ices, honey, treacle, ice cream, biscuits.*

Class 32: *Mineral and aerated waters and other non-alcoholic drinks, fruit drinks and fruit juices, syrups and other preparations for making beverages.*

Section 5(4)(a)

41. This section of the Act reads as follows:

“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

(b)

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.”

42. As the opponent has achieved partial success under its section 5(2)(b) ground of opposition, I will confine my analysis under this ground to those parts

of the applicant's specifications which survived the attack under section 5(2)(b). These are:

Class 30: *Tea, coffee, chocolates, pastry and confectionery, sweets, ices, honey, treacle, ice cream, biscuits.*

Class 32: *Mineral and aerated waters and other non-alcoholic drinks, fruit drinks and fruit juices, syrups and other preparations for making beverages.*

43. It is necessary to determine the material date in relation to the claim of passing-off. Section 5(4)(a) is derived from article 4(4)(b) of Directive 2008/95/EC of the European Parliament and of the Council of 22 October 2008 to approximate the laws of the Member States relating to trade marks, which states:

“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.”

The date on which the application was filed was 1 July 2009. The applicant has stated that it has opened a shop and “has been trading since 2008”, although what sign it was using is unclear; in its counterstatement the applicant makes reference to the fact that it is operating a shop in Covent Garden called ANABELA, although in its submissions of 6 July 2011 it refers to a change of name to LA ANABELA, i.e. the trade mark which is the subject of these proceedings. Use prior to the application date could be classed as behaviour which the opponent could complain of; in reality, whether the material date is at some point in 2008 or is 1 July 2009 does not, as will be seen, affect the outcome of my assessment. It will not be necessary to assess the position at a date earlier than the application date, to see if the applicant could establish a senior user status, or that there has been common law acquiescence or that the status quo should not be disturbed as the parties have a concurrent goodwill. (See, for instance: *Croom's Trade Mark Application* [2005] R.P.C. 2 and *Daimlerchrysler AG v Javid Alavi (T/A Merc)* [2001] R.P.C. 42).

44. In *Wild Child Trade Mark* [1998] RPC 455, Mr Geoffrey Hobbs QC, sitting as the Appointed Person, said:

“The question raised by the grounds of opposition is whether normal and fair use of the designation WILD CHILD for the purpose 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 Article 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.

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] R.P.C. 341 and *Erven Warnink BV v. J. Townend & Sons (Hull) Ltd* [1979] A.C. 731 is (with footnotes omitted) as follows:

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

- (1) that the plaintiff's goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;
- (2) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by the defendant are goods or services of the plaintiff; and
- (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.

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.”

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.”

Goodwill

45. It is clear from my findings in relation to section 5(2)(b) that the opponent had, at the relevant date, a substantial reputation and goodwill in its nightclub business under the sign ANNABEL’S. It also had a goodwill in relation to its in-club restaurant business provided to its members and a goodwill, albeit much more limited, in respect of its retailing of wine to members.

Misrepresentation/Damage

46. To restate the second element of the classic trinity referred to above, misrepresentation does not have to be intentional but it must lead or be likely to lead the public¹⁶ to believe that the goods or services offered by the applicant are those of the opponent. It does not matter, therefore, that the intention of the

¹⁶ A substantial number of persons (see the findings of the Court of Appeal in *Neutrogena Corporation and Ant. V. Golden Limited and Anr.* [1996] R.P.C. 473).

applicant was to use the name of its director, Anabela Lazari, because misrepresentation can occur notwithstanding this.

47. Although I did not find the goods which I am now considering under this ground to be similar to the opponent's services within the parameters of section 5(2) case law, there are no such restrictions under section 5(4)(a) in considering whether the parties' respective business activities are close or otherwise. For example, in *Lego System Aktieselskab and Another v Lego M Lemelstrich Ltd* [1983] FSR 155 the distance between the fields of activity, toys and irrigation equipment, was bridged by an enormous reputation, Lego being classed as a household word. The present case is between the opponent's nightclub with an integral restaurant which also sells wine as a separate activity, and the applicant's food and drink goods. In *Harrods Limited v Harrodian School Limited* [1996] R.P.C. 697, Millet LJ said¹⁷:

"There is no requirement that the defendant should be carrying on a business which competes with that of the plaintiff or which would compete with any natural extension of the plaintiff's business... What the plaintiff in an action for passing off must prove is not the existence of a common field of activity but likely confusion among the common customers of the parties.

The absence of a common field of activity, therefore, is not fatal; but it is not irrelevant either. In deciding whether there is a likelihood of confusion, it is an important and highly relevant consideration

"...whether there is any kind of association, or could be in the minds of the public any kind of association, between the field of activities of the plaintiff and the field of activities of the defendant":

Annabel's (Berkeley Square) Ltd. v. G. Schock (trading as Annabel's Escort Agency) [1972] R.P.C. 838 at page 844 per Russell L.J.

In the *Lego* case Falconer J. likewise held that the proximity of the defendant's field of activity to that of the plaintiff was a factor to be taken into account when deciding whether the defendant's conduct would cause the necessary confusion.

¹⁷ Coincidentally, the quotation in this case "whether there is any kind of association, or could be in the minds of the public any kind of association, between the fields of activities of the plaintiff and the field of activities of the defendant" came from a judgment in which the present opponent was successful in a passing off action against an escort agency called Annabel's. It can be seen in the judgment that the Court of Appeal considered Annabel's to be a "well-known club in London" with a high-class image, a membership waiting list, and that the club did not need to advertise as it constantly featured in the leading daily papers. The evidence in the present case shows that this remains the position almost forty years after that case was heard.

Where the plaintiff's business name is a household name the degree of overlap between the fields of activity of the parties' respective businesses may often be a less important consideration in assessing whether there is likely to be confusion, but in my opinion it is always a relevant factor to be taken into account.

Where there is no or only a tenuous degree of overlap between the parties' respective fields of activity the burden of proving the likelihood of confusion and resulting damage is a heavy one. In *Stringfellow v. McCain Foods (G.B.) Ltd.* [1984] R.P.C. 501 Slade L.J. said (at page 535) that the further removed from one another the respective fields of activities, the less likely was it that any member of the public could reasonably be confused into thinking that the one business was connected with the other; and he added (at page 545) that

“even if it considers that there is a limited risk of confusion of this nature, the court should not, in my opinion, readily infer the likelihood of resulting damage to the plaintiffs as against an innocent defendant in a completely different line of business. In such a case the onus falling on plaintiffs to show that damage to their business reputation is in truth likely to ensue and to cause them more than minimal loss is in my opinion a heavy one.”

48. Although the opponent has put in evidence of its expansion into food goods (e.g. hampers) for sale in shops and delicatessens, this post-dates the application and so it cannot rely upon this¹⁸. Although the parties' respective signs are visually and conceptually similar to a good/high degree, taking into account the mode of purchase of the parties' respective goods and services I am doubtful that a substantial number of persons would be deceived into believing there to be a connection between a nightclub which operates a private members' restaurant and a business which sells *tea, coffee, chocolates, pastry and confectionery, sweets, ices, honey, treacle, ice cream, biscuits; mineral and aerated waters and other non-alcoholic drinks, fruit drinks and fruit juices, syrups and other preparations for making beverages*. This leads me to conclude that the opponent's case for misrepresentation is not made out. The section 5(4)(a) ground fails in respect of the goods which survived the section 5(2)(b) ground.

Section 5(3)

49. As with section 5(4)(a), it is unnecessary for there to be similarity between the parties' goods and services. However, the degree of closeness or similarity is a factor to be borne in mind. Firstly, in order to get off the ground, the opponent's mark must a reputation, as per *General Motors Corp v Yplon SA* (Chevy) [1999] ETMR 122 and [2000] RPC 572 and *Pago*. Given the comments I have made earlier in this decision, I am satisfied that ANNABEL'S was known to a significant part of the public its nightclub services.

¹⁸ *Teleworks Ltd v. Telework Group plc* [2002] RPC 27.

50. The next requirement for the opponent under this ground is to establish that a link will be made between the respective marks. In *Adidas-Salomon AG, Adidas Benelux BV v Fitnessworld Trading Ltd* [2004] E.T.M.R. 10, the CJEU stated:

“29 The infringements referred to in Article 5(2) of the Directive, where they occur, are the consequence of a certain degree of similarity between the mark and the sign, by virtue of which the relevant section of the public makes a connection between the sign and the mark, that is to say, establishes a link between them even though it does not confuse them (see, to that effect, Case C-375/97 *General Motors* [1999] ECR I-5421, paragraph 23).

30 The existence of such a link must, just like a likelihood of confusion in the context of Article 5(1)(b) of the Directive, be appreciated globally, taking into account all factors relevant to the circumstances of the case (see, in respect of the likelihood of confusion, *SABEL*, paragraph 22, and *Marca Mode*, paragraph 40).”

51. In *Intel Corporation Inc v CPM (UK) Ltd* (C-252-07), the CJEU provided further guidance on the factors to consider when assessing whether a link has been established. It stated:

“41 The existence of such a link must be assessed globally, taking into account all factors relevant to the circumstances of the case...

42 Those factors include:

- the degree of similarity between the conflicting marks;
- the nature of the goods or services for which the conflicting marks were registered, including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public;
- the strength of the earlier mark’s reputation;
- the degree of the earlier mark’s distinctive character, whether inherent or acquired through use;
- the existence of the likelihood of confusion on the part of the public”.

52. As can be seen from my assessment of the comparison of goods and services, I considered there to be no or a low degree of similarity between *tea, coffee, chocolates, pastry and confectionery, sweets, ices, honey, treacle, ice cream, biscuits; mineral and aerated waters and other non-alcoholic drinks, fruit*

drinks and fruit juices, syrups and other preparations for making beverages and the opponent's best case which was its services in class 43. The reputation upon which it can rely for the purposes of section 5(3) is in respect of nightclub services. These are even further removed. Despite its level of fame for nightclub services, I cannot see that this fame will produce a link in the mind of the general public in relation to the goods stated earlier in this paragraph; the distance between them is too great and there is nothing in their nature which would lead to any association with nightclub services. As there is no link, the section 5(3) ground fails.

Costs

53. Both sides have achieved a roughly equal measure of success and so I direct each side to bear its own costs.

Dated this 14th day of December 2011

**Judi Pike
For the Registrar,
the Comptroller-General**