

O/299/12

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATIONS 2534308 & 2538902
BY, RESPECTIVELY, OBRIENS ONE WORLD CAFÉ LIMITED AND O'BRIENS
CAFÉ, FOR THE RESPECTIVE TRADE MARKS:**



&



AND

OPPOSITIONS THERETO (NOS 100473 & 100585) BY IMPLESS LIMITED

The background and the pleadings

1) Application 2534308 was filed on 14 December 2009 by Zakir Hussain Hashmi. It was published on 5 February 2010. It was assigned on 27 May 2010 to Obriens One World Cafe Limited. The mark the subject of the application is depicted below, together with the goods and services for which registration is sought.



Class 09: Automatic vending machines and mechanisms for coin operated apparatus, cash registers, calculating machines, computer software.

Class 21: Brushes, glassware, porcelain earthenware, mugs, household or kitchen utensils and containers, cups and saucers, coffee percolators, coffee filters, coffee machines, tea pots, chinaware, cafetieres

Class 25: Aprons, tea shirts, hats, clothing, footwear, headgear.

Class 26: Hair bands, hair covers.

Class 29: Jellies, jams, edible oils and fats, meat, fish, poultry and game, preserved, dried and cooked foods, fruits and vegetables, dairy products, snack foods and prepared meals, milk and milk products.

Class 30: Sauces, spices, coffee, tea, cakes, short cakes, flap jacks, confectionery, crisps, sandwiches, ice cream, bread, biscuits, filled rolls, sausage rolls, pasta, snack food, prepared meals.

Class 32: Syrups for making beverages, mineral and spring water, flavoured mineral and spring water, non alcoholic drinks, fruit juices and fruit drinks.

Class 43: Provision of food and drink, restaurants, sandwich bars, public houses; creche services, services for providing food and drink, restaurant and cafe services.

2) Application 2538902 was filed on 10 February 2010 by O'Briens Café. It was published on 9 April 2010. The mark the subject of the application is depicted below, together with the goods and services for which registration is sought:



Class 29: Jellies, jams, edible oils and fats, meat, fish, poultry and game, preserved, dried and cooked foods, fruits and vegetables, dairy products, snack foods, prepared meals, milk and milk products.

Class 30: Sauces, spices, coffee, tea, cakes, short cakes, flap jacks, confectionery, crisps, sandwiches, ice cream, bread, biscuits, filled rolls, sausage rolls, packed snack food, prepared meals.

Class 32: Syrups for making beverages, mineral and spring water, flavoured mineral water, non alcoholic drinks, fruit juices and fruit drinks.

Class 43: Provision of food and drinks, restaurants, sandwich bars, public houses, crèche services, services for providing food and drinks, restaurants and cafe services.

3) Both applications are opposed by Impless Limited ("Impless"). The pleaded grounds in respect of both oppositions are, in summary:

Under Sections 5(1), 5(2)(a) and 5(2)(b) of the Trade Marks Act 1994 ("the Act") on the basis of three earlier trade marks owned by Impless, namely: Community Trade Marks ("CTM") 24844, 4142221 & 2029510; the section 5(1) and 5(2)(a) grounds relate only to the opposition against 2538902, based on earlier mark 2029510.

Under Section 3(6) of the Act because the applicants must have known of Impless' existing rights due to the applicants' address being close to the address of one of Impless' franchisees.

Under Section 5(4)(a) of the Act because the use of the marks sought to be registered is liable to be prevented under the law of passing-off. Impless claims that the sign O'BRIENS has been used as part of its franchise business in the UK since 1996 in relation to the provision of food and drink.

4) Both applicants filed counterstatements. The counterstatement in relation to application 2538902 refers only to Impless being disentitled to rely on its earlier trade marks due to them being obtained illegally. The counterstatement in

relation to 2534308 is difficult to follow. I note the following “defences” that are contained within it:

- That there has been honest concurrent use under section 7 of the Act;
- That the applicant has a defence under section 11(3) of the Act;
- That the marks are not similar;
- That the mark has been used as the name of a store café in Glasgow since 1998;
- That Impless’ franchise in Glasgow has recently opened and is using the same branding (O’Briens One World Café) as the applicants, whilst also indicating that it is a registered trade mark;
- That the action described in the previous bullet point, together with the fact that Impless have included this branding in recent license/franchise agreements, should be regarded as an acceptance by Impless that the marks are different.

5) Two of Impless’ earlier marks are subject to the proof of use conditions contained in section 6A of the Act, however, neither of the applicants asked Impless to prove their claimed use; use was claimed in relation to the earlier marks’ full specifications.

6) The cases have not been formally consolidated but have, to a large extent, been dealt with together. The parties filed evidence. None of the parties requested a hearing. Submissions have been made by the parties at various stages of the proceedings which I will bear in mind.

Preliminary issues

7) Two procedural issues arose and were decided during the course of the proceedings. The first relates to the claimed illegality of the assignment of the earlier marks to Impless, the second relates to an apparent withdrawal of the oppositions by Impless which led to both applications being temporarily registered. I set out below the procedural history. I do so for two reasons. Firstly because the decisions made are adverse to the applicants and are now open to appeal, secondly because the procedural history is relevant to the question of costs and it is helpful in that context to set out the parties’ behaviour throughout the proceedings.

The assignment issue

8) This relates to the applicants' claim that Impless was unable to rely on the earlier marks set out in its statements of case. The claim is made on the basis that the earlier marks were not actually assigned to it because the document purporting to be a deed of an assignment was merely a licence agreement. I do not intend to go into this issue in any further detail here. This is because, following the parties being heard on the matter, a hearing officer issued a comprehensive letter setting out the reasons as to why Impless were entitled to rely on the earlier marks; it was held that they had been properly assigned.

The withdrawal issue

9) This relates to a letter, purportedly from Impless, withdrawing its oppositions which led, temporarily, to the registration of the two applications. I made a decision, after hearing the parties, and issued a letter in which I set out my reasons for coming to the view that Impless had not actually produced the letter of withdrawal and that, by implication, the letter must have come from the applicants. My decision was based on i) the similarity of the letter of withdrawal to the type and style of letters issued by the applicants' representatives at BennyHamish Associates, ii) the explanation provided by Impless and, my view that it was extremely unlikely that they would send a letter of the type and style in question, and iii) the implausibility of the applicants' counter-argument that the whole matter had been fabricated by Impless to gain some form of tactical advantage. I directed that the registrations be rescinded, the oppositions be reinstated and, in view of the seriousness of the matter, that all of the applicants' evidence should be filed by way of a statutory declaration or affidavit.

10) Costs were deferred in relation to both issues, although, the hearing officer who dealt with the first issue gave his view on the level of costs (which I will return to later) he thought appropriate. It should also be noted that when the applicants filed their evidence these issues were returned to; I have of course borne the evidence in mind to the extent that it may have a bearing on the substantive matters before me, but in so far as the interim decisions are concerned, they have already been made and, therefore, the tribunal is *functus officio*, those matters (subject to appeal) being closed; I add, however, that nothing in the evidence suggests that either decision was wrong.

Further preliminary issue

11) There is one further preliminary issue. At the time the opposition was filed, earlier CTM 2029510 was registered but, since then, the position has changed. Impless highlighted in its own evidence that the mark had expired. Section 6(3) provides for earlier marks to be taken into account in determining the registrability of a later mark for a period of one year after expiry. However, regardless of how this provision is to be interpreted, the earlier mark was extant at the relevant date

in these proceedings. In the *Tax Assist* case (BL O/220/12) Prof Annand (sitting as the Appointed Person) undertook a thorough review of the case-law in relation to a similar issue and whether an earlier mark which was extant at the relevant date could still be relied upon if it was no longer extant at the time a decision is required. She stated:

“However, in my view, such an interpretation of the GC’s decisions cannot stand in the light of the judgment of the Court of Justice (“CJEU”) in Case C-542/07 P, *Imagination Technologies Ltd v. OHIM* [2009] ECR I-4937, which stressed that the date of filing of the application for registration was the only date compatible with the logic of the system of relative grounds for refusal according to which the date of filing of the application determines the priority of one mark over another. The CJEU said:

“50. In so far as the appellant seeks to challenge the literal interpretation of Article 7(3) of Regulation No 40/94 by submitting that that interpretation does not make it possible for events which might occur after the application for registration has been filed to be taken into consideration, it is sufficient to point out that the appellant’s argument does not state in what respect an amendment to the specification or withdrawal of the application for registration might affect the date to be taken into account in assessing the distinctive character of a trade mark. That argument must therefore be rejected.”

.....

40. As already stated, in the present case Registration number 2052091 was extant on the Register at the date of the filing of the contested Registration number 2297176 and at the date of the application for a declaration of invalidity.”

12) Prof Annand held, in summary, that so long as the mark was extant at the relevant date then that was enough. She was, of course, dealing with a revoked earlier mark rather than an expired mark, but I accept the reasoning *mutatis mutandis*. The earlier mark may be relied upon.

The evidence

Witness statement of Leith Udin El-Mouelhy on behalf of the opponent

13) Mr El-Mouelhy is Impless' Financial Controller. He provides a single witness statement about both oppositions, highlighting his view that the applicants are one and the same, noting that the address for service of O'Briens One World Café was originally given as 55 St Enoch Centre, Glasgow (and its registered office address the same) which is the same address as One World Café. Mr El-Mouelhy provides information about the history of the opponent's use of the O'Briens marks.

- O'Briens was first set up in Dublin in 1988 as a franchise business specialising in the provision of food and drink.
- The first UK franchise opened in Crawley in 1995, the business grew between 1995 and 2008 with 120 outlets at its peak; Exhibit LM2 details the large number of outlets which have opened in the UK together with the dates of opening.
- As of 31 December 1999, combined turnover of the franchises was £35 million per annum.
- There are "currently" (the witness statement is dated 25 November 2011) 20 outlets in the UK;
- The franchise business provides made to order hot and cold sandwiches, wraps and toasties; other goods are offered such as coffee, soup, salad, pastries and drinks. Various materials are provided showing the earlier marks in use on a range of packaging, in-store material and branded clothing; none of this is dated.

14) Mr El-Mouelhy then provides information about how Impless obtained the earlier marks and how they are licensed:

- Impless acquired the trade marks, trade names, logos, designs and other intellectual property rights from O'Briens Irish Sandwich Bars Limited (in liquidation) via a deed of assignment and license dated 14 October 2009.
- The deed is provided in Exhibit LEM4. All three earlier marks are identified in a schedule to the deed. The deed is between Impless, Irish Sandwich Bars Limited (in liquidation) and Paul MacCann (the official liquidator).
- The outlets are run by franchisees under licence from the right holders of the intellectual property within the relevant territory. On 1 June 2009 Irish Sandwich Bars Limited licensed the right to operate the business in the

UK to O'Briens Franchising (UK) Limited (a wholly owned subsidiary of the former). On the same date these two companies, together with Strathnevis Limited (and also certain guarantors), entered into a Master Franchise Agreement whereby the right to operate the business in the UK was licensed to Strathnevis. It is stated that this agreement remains in place; no copy of the agreement is provided.

15) Mr El-Mouelhy then provides details of the various earlier marks; I need not detail them further here. He refers to the administrative error which led to CTM 2029510 expiring and that Impless re-applied for it under application 10195022.

16) Mr El-Mouelhy then refers to the use of the different O'Briens marks:

- Various marks have been used (including the earlier marks relied upon). In 2008 the stylisation of O'Briens was slightly changed, separating the "r" from the "iens" in order to make it easier to read.
- New brands were developed in 2008 to reflect the international side of the business. The word Irish was dropped and the idea of a "one world café" introduced. Also, the "O'Briens café express" concept was developed.
- In 2008/2009 four UK outlets (Carlisle, Dublin, Sheffield Meadowhall and Chatham) were branded O'Briens one world café and others branded as O'Briens Café Express.
- Exhibit LEM8 contains various photographs depicting the above branding. Not all of the photographs clearly show the sub-brand. Of those that clearly depict one world café, the dates handwritten on the material are 2009 or November 2008. The script used for O'Briens now shows a separate R from the IENS, as per the first bullet point.
- Exhibit LEM9 contains slides of a presentation given to "the board" in September 2008 and which makes reference to the rebranding referred to.
- Exhibit LEM10 contains a swathe of promotional material relating to the O'Briens business between 2000 and 2009.
- Exhibit LEM11 contains a corporate identity brochure which is given to franchisees.

17) Mr El-Mouelhy provides at Exhibit LEM12 extracts from a manual which is sent to all franchisees about the use of branding. He highlights various things including that: the branding must be consistent and must not be altered, that the marks used are the rights of the franchisor, and that the franchisees' use must stop upon termination of the franchise agreement.

18) Mr El-Mouelhy explains that an O'Briens outlet first opened in the St Enoch Centre in Glasgow in August 1999 but closed in 2001. It was re-opened in the centre in 2004 (and remains open) at Unit 32a. Prints from the website of the centre are provided which make reference to the outlet. Mr El-Mouelhy highlights, as he did earlier, the applicants use of 55 St Enoch Centre as a previous address for service and/or registered office. Mr El-Mouelhy notes that the counterstatement in respect of application 2534208 claims honest concurrent use and the applicant claims that it owns the O'Briens one world café and that it has operated a one world café in Glasgow since at least 1998. He highlights that the applicant uses O'Briens/one world café interchangeably. He assumes that the café is in the St Enoch Centre. He states that a search on the St Enoch Centre website for "one world café" does not show any matches.

19) Mr El-Mouelhy also assumes, given the claims, that the applicant is connected with the franchisee in the St Enoch Centre. The applicant provided a copy of the St Enoch Centre franchise agreement with its counterstatement. It is between O'Briens Franchising (UK) Limited, AGEMO Limited and Douglas Thomson, and is dated 30 September 2010. Mr Thomson is the franchisee. It is highlighted that the applicant must have obtained this from Mr Thompson which breaks the confidentiality clause of the agreement. Mr El-Mouelhy provides in Exhibit LEM12 a redacted version of the agreement and also the one that preceded it. He highlights that the agreements contain various stipulations including that Mr Thompson has only a non-exclusive license to use and that no rights accrue to him.

20) In terms of the references to honest concurrent use, it is highlighted that there have been various O'Briens cafes in Glasgow from 1998 onwards. He states that the provisions of section 11(3) of the Act do not apply in this opposition. The rest of the evidence is primarily submission, which I will bear in mind but will not summarise here.

Witness statement of Alice Ryan on behalf of the opponent

21) Ms Ryan is Impless' In House Senior Graphic Designer. She worked in the same position for O'Briens Sandwich Bars Limited. She refers to the use of the various versions of the O'Briens logo. The first version (Exhibit AR1) was created in 1988 and is very similar to the mark shown in CTM 24844. She says that this was used until a re-brand in 2004.

22) In 2004 Keane Designs were asked to create an alternative logo (Exhibit AR2) which is very similar to 4142221. She says that at this time the logo was used in all marketing material, in store and on signage. By 2008 it was used primarily for fascia signage and magazine and newspaper advertisements. The O'Briens script logo (Exhibit AR2) was used on all marketing and in store; this replicates CTM 2029510.

23) In 2008 it was decided to carry out a slight revision due to the legibility of the mark to international franchises; this was done by amending the letter R as previously set out by Mr El-Mouelhy. The re-design was undertaken by a consultant, Chirs Bedwell, of Pinkington Bedwell. Various versions were produced but the version which most closely matched the original was chosen. Exhibit AR4 shows the new script and the way it was introduced into the existing logo, as seen below:



24) In 2008 further brand development was pursued. Chris Bewdwell was again chosen for this. Ms Ryan says that Mr Bedwell developed the O'Brien's One World Cafe and Cafe Express brands. This was to provide a more international feel to the business. The "café" aspect was to re-enforce that the business offered more than just sandwiches. Once this branding was settled upon, Ms Ryan was given the task of developing the O'Brien's One World Cafe concept. The O'Brien's one world cafe concept was introduced in Carlise on 2 August 2008, Dublin on 23 November 2008, Sheffield on 29 November 2008 and Chatham in 2009. Dates for the Cafe Express branding are also provided. Exhibit AR5 contains the logos used for the re-branding.

Statutory declaration of Nayyer Abbas Jaffari on behalf of the applicants

25) The statutory declaration is headed as evidence in relation to both oppositions. Mr Jaffari does not indicate for whom he works, or what position he holds. I will assume he has some involvement with both applicants, applicants, whom it is fair to assume, are connected in some way. I did not feel the need to clarify this with the applicants because the evidence, as will become apparent, is not particularly helpful when it comes to dealing with the substantive matters that require determination.

26) Mr Jaffari's evidence relates primarily to matters which have taken place since the oppositions were lodged. I do not intend to detail Mr Jaffari's evidence in full, but the following provide a flavour of what he states:

- i) That Impless have issued fraudulent licences because they have licensed the O'Brien's One World Café mark which was not owned by them.

- ii) That Impless have indicated in use that the O'Briens One World Café mark is registered when it is not.
- iii) That the applicants' ownership of O'Briens One World Café has never been questioned.
- iv) That Impless have been infringing the applicants' trade marks and that this was reported to Trading Standards. This relates to the use by the Glasgow franchisee in November 2010.
- v) That Impless could not have used the trade mark (it is not clear which trade mark is being referred to) from 2008 because Impless did not exist then.

2nd Witness statement of Leith Udin El-Mouelhy on behalf of the opponent

27) This is in response to the applicants' evidence. It consists, in the main, of a denial of the various accusations made by the applicants. Mr El-Mouelhy refers back to evidence already provided about Impless' (and its predecessor's) creation and introduction of the O'Brien's One World Café concept. He highlights that the applicants have never owned any rights because all they have are applications which Impless have opposed from the outset. Mr El-Mouelhy states that the use of the registration symbol relates to one of its CTMs and not the whole sign used. It is stated that the various franchise agreements were perfectly valid and they were entitled to be made.

Witness statement of Felicity Harrison on behalf of the opponent

28) Ms Harrison is an Associate Solicitor at Lee & Priestley, who act for Impless. Her witness statement relates more to the procedural issues than the substantive and deals with the various accusations made by the applicants. I do not consider it necessary to detail this evidence.

Section 3(6) of the Act

29) Section 3(6) of the Act states:

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

30) It is clear that bad faith includes dishonesty and “some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular field being examined”¹. It is necessary to apply what is known as the “combined test”². This requires me to decide what the applicants knew at the time of making its applications³ and then, in the light of that knowledge, whether its behaviour fell short of acceptable commercial behaviour. Bad faith impugns the character of an individual or the collective character of a business, as such it is a serious allegation. The more serious the allegation the more cogent must be the evidence to support it.

31) Further guidance on bad faith can be found in the decision of Arnold J. in *Hotel Cipriani SRL and others v Cipriani (Grosvenor Street) Limited and others* [2008] EWHC 3032(Ch)⁴ where he held:

“189. In my judgment it follows from the foregoing considerations that it does not constitute bad faith for a party to apply to register a Community trade mark merely because he knows that third parties are using the same mark in relation to identical goods or services, let alone where the third parties are using similar marks and/or are using them in relation to similar goods or services. The applicant may believe that he has a superior right to registration and use of the mark. For example, it is not uncommon for prospective claimants who intend to sue a prospective defendant for passing off first to file an application for registration to strengthen their position. Even if the applicant does not believe that he has a superior right to registration and use of the mark, he may still believe that he is entitled to registration. The applicant may not intend to seek to enforce the trade mark against the third parties and/or may know or believe that the third parties would have a defence to a claim for infringement on one of the

¹ See *Gromax Plasticulture Limited v. Don and Low Nonwovens Ltd* [1999] RPC 367.

² See the judgment in (1) *Barlow Clowes International Ltd. (in liquidation)* (2) *Nigel James Hamilton and (3) Michael Anthony Jordon v (1) Eurotrust International Limited* (2) *Peter Stephen William Henwood and (3) Andrew George Sebastian Privy Council Appeal No. 38 of 2004* and also the decision in *Ajit Weekly Trade Mark* [2006] RPC 25.

³ The relevant date for the assessment is the date of filing of the application – see *Hotpicks Trade Mark*, [2004] RPC 42, *Nonogram Trade Mark* [2001] RPC 21 and *Chocoladefabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH*.

⁴ Arnold J’s judgment was upheld in the Court of Appeal - [2008] EWHC 3032 (Ch).

bases discussed above. In particular, the applicant may wish to secure exclusivity in the bulk of the Community while knowing that third parties have local rights in certain areas. An applicant who proceeds on the basis explicitly provided for in Article 107 can hardly be said to be abusing the Community trade mark system.”

32) In *Chocoladefabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH* Case C-529/07 the Court of Justice of the European Union (“CJEU”) stated:

“37 Whether the applicant is acting in bad faith, within the meaning of Article 51(1)(b) of Regulation No 40/94, must be the subject of an overall assessment, taking into account all the factors relevant to the particular case.

38 As regards more specifically the factors specified in the questions referred for a preliminary ruling, namely:

- the fact that the applicant knows or must know that a third party is using, in at least one Member State, an identical or similar sign for an identical or similar product capable of being confused with the sign for which registration is sought;
- the applicant’s intention to prevent that third party from continuing to use such a sign; and
- the degree of legal protection enjoyed by the third party’s sign and by the sign for which registration is sought;

the following points can be made.

39 First, with regard to the expression „must know’ in the second question, a presumption of knowledge, by the applicant, of the use by a third party of an identical or similar sign for an identical or similar product capable of being confused with the sign for which registration is sought may arise, inter alia, from general knowledge in the economic sector concerned of such use, and that knowledge can be inferred, inter alia, from the duration of such use. The more that use is long-standing, the more probable it is that the applicant will, when filing the application for registration, have knowledge of it.

40 However, the fact that the applicant knows or must know that a third party has long been using, in at least one Member State, an identical or similar sign for an identical or similar product capable of being confused with the sign for which registration is sought is not sufficient, in itself, to permit the conclusion that the applicant was acting in bad faith.

41 Consequently, in order to determine whether there was bad faith, consideration must also be given to the applicant's intention at the time when he files the application for registration.

42 It must be observed in that regard that, as the Advocate General states in point 58 of her Opinion, the applicant's intention at the relevant time is a subjective factor which must be determined by reference to the objective circumstances of the particular case.

43 Accordingly, the intention to prevent a third party from marketing a product may, in certain circumstances, be an element of bad faith on the part of the applicant.

44 That is in particular the case when it becomes apparent, subsequently, that the applicant applied for registration of a sign as a Community trade mark without intending to use it, his sole objective being to prevent a third party from entering the market.

45 In such a case, the mark does not fulfil its essential function, namely that of ensuring that the consumer or end-user can identify the origin of the product or service concerned by allowing him to distinguish that product or service from those of different origin, without any confusion (see, inter alia, Joined Cases C-456/01 P and C-457/01 P *Henkel v OHIM* [2004] ECR I-5089, paragraph 48).

46 Equally, the fact that a third party has long used a sign for an identical or similar product capable of being confused with the mark applied for and that that sign enjoys some degree of legal protection is one of the factors relevant to the determination of whether the applicant was acting in bad faith.

47 In such a case, the applicant's sole aim in taking advantage of the rights conferred by the Community trade mark might be to compete unfairly with a competitor who is using a sign which, because of characteristics of its own, has by that time obtained some degree of legal protection.

48 That said, it cannot however be excluded that even in such circumstances, and in particular when several producers were using, on the market, identical or similar signs for identical or similar products capable of being confused with the sign for which registration is sought, the applicant's registration of the sign may be in pursuit of a legitimate objective."

The above cases provide certain guidelines, but the position must be assessed on the merits and facts of the case before me.

33) It is necessary to set the factual context. I have summarised the parties' evidence above. Impless' evidence is clear and understandable. It, or its predecessors, have operated a franchise business relating to the provision of food and drink in the UK since 1995. It had 120 outlets at its peak, although this number has fallen back since 2008. It has had outlets in Glasgow for some time; including an outlet in the St Enoch Centre in Glasgow between 1999 and 2001 and from 2004 to date. It has provided evidence about its rebranding to include a slight change in script (the separation of the R from the IENS) and a new branding concept using ONE WORLD CAFÉ as a sub-brand.

34) The applicants' evidence is not easy to follow. It makes a series of allegations of improper conduct against Impless (some of which I will come on to) but, despite its claim that they have operated a café since 1998 in the St Enoch Centre, not a shred of evidence is provided to that effect. The applicants have, though, used an address in St Enoch Street as either its registered office address or its service address in these proceedings. On the basis of all this, and on the basis of the similarity between the various marks in issue, the applicants must have known of the existence of Impless' franchisee, the signs used as part of its business and the type of business being operated.

35) The applicants claim that it is Impless who have copied its branding. However, they have provided no evidence of their actual use. In contrast, Impless have provided documented evidence not only about the use of its trade marks in the UK since 1995, but also evidence regarding the change of script and the introduction of the One World Café concept. The rebranding evidence dates from before the dates on which the applicants made their applications for registration. Without evidence from the applicants as to their use, there is nothing to support their claims. On the basis of the evidence before me, the only finding I can realistically reach is that the applicants have applied for their trade marks in the full knowledge of Impless' use. This, of itself, is not fatal given the comments in the *Cipriani* case. However, there is no evidence whatsoever that the applicants have a superior or competing claim. On the basis of the evidence before me, the applicants have simply applied for trade marks which very closely mirror those used by a well-known and existing franchise business (a business with an outlet where the applicants have based themselves) for goods and services that are the core, or are ancillary to, those for which the business is known. The applicants have provided no evidence about their intentions. They make only a series of allegations of improper conduct against Impless, most of which are after the material date. It would have been a simple matter for the applicants to provide evidence as to their business, its nature, the marks/signs used etc but it has not done so. In *Canaries Seaschool Slu v John Williams and Barbara Williams* Mr Hobbs QC, sitting as the appointed person, stated:

“51. It seems to have been a matter of administrative convenience that the opposed application for registration was filed in the name of Andrew Williams' partner, Janet Wills, before being assigned to the Applicant. No

argument to the contrary has been raised on its behalf. On the basis of the evidence on file, the knowledge, intentions and motives of Andrew Williams can properly be attributed to the Applicant. They are amply sufficient to invalidate the opposed application in accordance with the principle of prohibition of abuse of law as reflected in the objection to registration on the ground of bad faith provided by Section 3(6) of the 1994 Act. The behaviour of Andrew Williams hence the behaviour of the Applicant towards the Opponents in connection with the filing of the opposed application for registration was, on the view I take of the evidence, tainted by a desire to deprive them of their entitlement to the goodwill appertaining to the verbal and non-verbal elements of the signs in issue. That appears to me to be unacceptable on any view of what can constitute applying for registration in bad faith.”

36) The facts of this case are obviously not the same as in the above judgment, but I have little hesitation in concluding that the act of applying for the trade marks in the circumstances here would be considered as an act which falls short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular field being examined. **The claim under section 3(6) is upheld.** This is so for all of the goods and services, all of which appear to have been filed for the purpose of operating a food and drink outlet.

37) For the sake of completeness, I will comment on some of the applicants other points. The applicants refer to Impless indicating in use that the mark O'BRIENS ONE WORLD CAFE is a registered trade mark. I consider, on the basis of the materials in the evidence, that the use referred to does not actually indicate that the whole mark is registered given the position (alongside O'BRIENS) of the ®. With regard to the claim that the applicants' trade marks are being infringed by Impless, as Impless state, there is nothing to infringe because the applicants have merely applied for trade marks which Impless have opposed. There is also the reference to Impless licensing the trade mark (including the words One World Cafe) to its franchisees. The agreement refers to this as a trade name and not a trade mark and I see nothing improper in this, particularly bearing in mind the evidence relating to the development of this concept on behalf of Impless. A “to whom it may concern” letter came from Mr Thompson, the St Enoch Centre franchisee, who refers to this issue. He states that he raised concerns as to the inclusion in the agreement of the O'BRIENS ONE WORLD CAFÉ name and its ownership; Mr Thompson is concerned that he has a fraudulent licence. This does nothing to alter my view on the basis of the facts that have been presented to the tribunal. The applicants refer to the impossibility of Impless using the mark (presumably including the words One World Cafe) from 2008 because it did not exist. This point is not relevant because whether it is Impless or its predecessors, the evidence demonstrates the creation of the One World Cafe concept. Although all of this was borne in mind when reaching my finding, none of it assists the applicants.

Section 5(4)(a)

38) Section 5(4)(a) of the Act reads:

“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.”

39) The elements of passing-off (often referred to as the classic trinity) can be summarised as: 1) goodwill, 2) misrepresentation and 3) damage. In *Reckitt & Colman Products Ltd v Borden Inc* [1990] R.P.C.341, Lord Oliver summarised the position quite succinctly when he stated:

“The law of passing off can be summarised in one short general proposition--no man may pass off his goods as those of another. More specifically, it may be expressed in terms of the elements which the plaintiff in such an action has to prove in order to succeed. These are three in number. First he must establish a goodwill or reputation attached to the goods or services which he supplies in the mind of the purchasing public by association with the identifying 'get-up' (whether it consists simply of a brand name or trade description, or the individual features of labelling or packaging) under which his particular goods or services are offered to the public, such that the get-up is recognised by the public as distinctive specifically of the plaintiff's goods or services. Secondly, he must demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by him are the goods or services of the plaintiff...Thirdly he must demonstrate that he suffers, or in a *quia timet* action that he is likely to suffer, damage by reason of the erroneous belief engendered by the defendant's misrepresentation that the source of the defendant's goods or services is the same as the source of those offered by the plaintiff.”

40) The concept of goodwill was explained in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 at 223 as:

“What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom.

It is the one thing which distinguishes an old-established business from a new business at its first.”

41) I note from the relevant case-law that to qualify for protection under the law of passing-off, any goodwill must be of more than a trivial nature⁵. However, being a small player does not necessarily prevent the law of passing-off from being relied upon⁶.

42) In terms of the material date(s), I note the judgment of the GC in *Last Minute Network Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs)* (OHIM) Joined Cases T-114/07 and T-115/07 where it was stated:

“50 First, there was goodwill or reputation attached to the services offered by LMN in the mind of the relevant public by association with their get-up. In an action for passing off, that reputation must be established at the date on which the defendant began to offer his goods or services (Cadbury Schweppes v Pub Squash (1981) R.P.C. 429).

51 However, according to Article 8(4) of Regulation No 40/94 the relevant date is not that date, but the date on which the application for a Community trade mark was filed, since it requires that an applicant seeking a declaration of invalidity has acquired rights over its non registered national mark before the date of filing, in this case 11 March 2000.”

43) Use of the applied for marks before their dates of application may have been relevant. It could have established that the applicants are the senior users, or that there had been common law acquiescence, or that the status quo should not be disturbed which, in turn, could mean that the use of the marks could not have been prevented under the law of passing-off at the material date(s)⁷. However, as stated earlier, the applicants have furnished no evidence relating to its claimed use, so this is not an issue.

44) I have already commented upon Impless’ evidence. O’BRIENS is the key sign that Impless and its franchisees use to ensure that its customers return to it. Such a sign is clearly highly similar to both of the applied for marks and, therefore, there is significant potential for misrepresentation to arise. I say “potential” because other factors need to be borne in mind including the goods and services that are sought to be registered. Although there is no requirement in

⁵ *Hart v Relentless Records* [2002] EWHC 1984

⁶ See, for instance, *Stannard v Reay* [1967] FSR 140, *Teleworks v Telework Group* [2002] RPC 27 and *Stacey v 2020 Communications* [1991] FSR 49.

⁷ See, for instance: *Croom’s Trade Mark Application* [2005] RPC 2 and *Daimlerchrysler AG v Javid Alavi (T/A Merc)* [2001] RPC 42.

passing-off for goods or services to be similar, or for there to be a common field of activity, it is nevertheless a highly relevant factor to bear in mind, as can be seen from the judgment in *Harrods Ltd v Harrodian School* [1996] RPC 697 where Millett LJ stated:

“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.”

and

“The name "Harrods" may be universally recognised, but the business with which it is associated in the minds of the public is not all embracing. To be known to everyone is not to be known for everything.”

and

“It is not in my opinion sufficient to demonstrate that there must be a connection of some kind between the defendant and the plaintiff, if it is not a connection which would lead the public to suppose that the plaintiff has made himself responsible for the quality of the defendant’s goods or services.”

45) I will consider, firstly, the following of the applied for goods and services:

Class 29: Jellies, jams, edible oils and fats, meat, fish, poultry and game, preserved, dried and cooked foods, fruits and vegetables, dairy products, snack foods and prepared meals, milk and milk products.

Class 30: Sauces, spices, coffee, tea, cakes, short cakes, flap jacks, confectionery, crisps, sandwiches, ice cream, bread, biscuits, filled rolls, sausage rolls, pasta, snack food, prepared meals⁸

Class 32: Syrups for making beverages, mineral and spring water, flavoured mineral and spring water, non alcoholic drinks, fruit juices and fruit drinks.⁹

Class 43: Provision of food and drink, restaurants, sandwich bars, public houses; services for providing food and drink, restaurant and cafe services.

⁸ This is the specification for application 2534308; the goods sought under 2538902 are virtually identical but does not cover pasta and the snack food is identified as packed snack food

⁹ Again, this is the specification of 2534308; the goods sought under 2538902 are virtually identical but it does not specially list flavoured spring water.

46) The above goods and services have such a clear relationship with the franchise business that, when the nature of the signs used by Impless and the trade marks applied for are borne in mind, I consider misrepresentation to be an inevitable conclusion.

47) In relation to:

Class 9: Automatic vending machines and mechanisms for coin operated apparatus, cash registers, calculating machines, computer software.

Class 21: Brushes, glassware, porcelain earthenware, mugs, household or kitchen utensils and containers, cups and saucers, coffee percolators, coffee filters, coffee machines, tea pots, chinaware, cafetieres

Class 25: Aprons, tea shirts, hats, clothing, footwear, headgear

Class 26: Hair bands, hair covers

Class 43: Creche services

48) The link with Impless' business is less direct. Nevertheless, the goods and services could still potentially be used/sold in outlets of the type the franchisees operate. Furthermore, the applicants have clearly applied for all the goods and services as part and parcel of its claimed café business so, they must have seen a reasonably clear link to have applied for them. I consider that a misrepresentation will also occur here.

49) In relation to damage, there seems to me to be a likelihood of damage on a number of fronts. There could be loss of sales, e.g. people using the applicants' services or purchasing its goods rather than those of Impless. There could also be damage to the business in a more general sense. This can clearly be seen in *Ewing v Buttercup Margarine Co Ltd*, 34 RPC 232 where it was stated:

“To induce the belief that my business is a branch of another man's business may do that other man damage in all kinds of ways. The quality of goods I sell; the kind of business I do; the credit or otherwise which I might enjoy – all those things may immensely injure the other man who is assumed wrongly to be associated with me.”

50) In conclusion, Impless have satisfied the three elements of the classic trinity and I come to the view that the use of the applied for marks is liable to be prevented under the law of passing-off. **The opposition under section 5(4)(a) succeeds.**

Section 5(1) & 5(2)

51) Sections 5(1) and 5(2) of the Act read as follows:

5. - (1) A trade mark shall not be registered if it is identical with an earlier trade mark and the goods or services for which the trade mark is applied for are identical with the goods or services for which the earlier trade mark is protected.

5. (2) A trade mark shall not be registered if because –

(a) it is identical with an earlier trade mark and is to be registered for goods or services similar to those for which the earlier trade mark is protected, or

(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.”

52) In reaching my decision I have taken into account the guidance provided by the CJEU in a number of judgments: *Sabel BV v. Puma AG* [1998] R.P.C. 199, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* [1999] R.P.C. 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, *Case C-3/03 Matrazen Concord GmbH v GmbGv Office for Harmonisation in the Internal Market* [2004] ECR I-3657 *Medion AG V Thomson multimedia Sales Germany & Austria GmbH* (Case C-120/04) and *Shaker di L. Laudato & Co. Sas* (C-334/05). In *La Chemise Lacoste SA v Baker Street Clothing Ltd* (O/330/10) Mr Geoffrey Hobbs QC, sitting as the Appointed Person, quoted with approval the following summary of the principles which are established by these cases:

"(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, in certain circumstances, be dominated by one or more of its components;

(f) and beyond the usual case, where the overall impression created by a mark depends heavily on the dominant features of the mark, it is quite 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 causes the public to wrongly believe that the respective goods [or services] come from the same or economically-linked undertakings, there is a likelihood of confusion."






The average consumer

53) The case-law informs me that the average consumer is reasonably observant and circumspect (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* paragraph 27). The degree of care and attention the average consumer uses when selecting goods or services can, however, vary depending on what is involved (see, for example, the judgment of the General Court ("GC") in *Inter-Ikea Systems BV v OHIM* (Case T-112/06)).

54) The goods and services of the respective marks are varied. Different consumers and different levels of care and attention may be in play. None of the goods and services strike me as completely casual purchases. They will have at least an average degree of care and consideration used when selected. Some (computer programs or cash machines etc) may be selected with a higher than average degree of care and consideration. All of this will be borne in mind when I come to my findings.

Comparison of the marks

55) Impless rely on three earlier marks (CTMs 24844, 4142221 & 2029510) in its opposition against the two applications. The following table sets out the marks at issue:

Impless' marks	The applicants' marks
<p>24844:</p> 	<p>2534308:</p> 
<p>4142221:</p> 	<p>2538902:</p> 
<p>202951:</p> 	

56) The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The visual, aural and conceptual similarities of the marks must be assessed by reference to their overall

impressions, bearing in mind their distinctive and dominant components. In terms of the marks' dominant and distinctive elements, they are all strongly dominated by the word O'Briens. This is the only element in 2029510 & 2538902. In the case of 24844 & 4142221, the additional wording in the marks lacks any real distinctiveness and is smaller in size, although, as the wording forms part of the overall figurative presentation, it cannot be considered as completely negligible. In terms of 2534308, the words "one world cafe" do not lack distinctiveness, but due to the relative sizes of O'Briens/one world cafe, the O'Briens element strongly dominates the mark. The "one world cafe" element is not, though, negligible and will not be ignored from the comparison.

57) All of the marks under comparison have the word O'Briens as either the dominant element or the only element. The stylisation of this element is also extremely similar. Indeed, it is difficult to tell them apart due to the stylisation being so similar. In terms of the applied for mark with the additional wording, my view is that it is highly similar, on a visual, aural and conceptual (based on the likely surnominal perception of O'Briens) basis to all of the earlier marks. In terms of the applied for mark without additional wording then it is highly similar to the earlier marks with the additional wording and similar, at the very least, to the highest possible degree with the earlier mark without additional wording.

58) I say "at the very least" because Impless claim that these mark are not only similar, but they are in fact identical. The marks are not literally identical because the applied for mark has a border and in terms of the stylisation of the mark then the letter "r" in the respective marks differs from each other and the lettering in the applied for mark is slightly thicker. There may also be a slight difference in the letter O. However, literal identity is not always required. In *S.A. Société LTJ Diffusion v. Sadas Vertbaudet SA* [2003] FSR 34 the CJEU stated:

"54. In those circumstances, the answer to the question referred must be that Art.5(1)(a) of the Directive must be interpreted as meaning that a sign is identical with the trade mark where it reproduces, without any modification or addition, all the elements constituting the trade mark or where, viewed as a whole, it contains differences so insignificant that they may go unnoticed by an average consumer."

59) Having considered the marks in question and having applied the guidance from *Sadas*, I take the view that the differences I have identified are so small and so lacking significance that the differences may go unnoticed by the average consumer. I therefore conclude the CTM 2029510 is identical to application 2538902. Obviously, if I am wrong on that then my earlier finding remains in that the marks are similar to the highest possible degree.

Comparison of goods/services

60) When making the comparison, all relevant factors relating to the goods and services in the respective specifications should be taken into account in determining this issue. In *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* 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.”

61) Guidance on this issue has also come from Jacob J In *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281 where the following factors were highlighted as being relevant when making the comparison:

“(a) The respective uses of the respective goods or services;

(a) 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. 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.”

62) In terms of being complementary (one of the factors referred to in *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer*), this relates to close connections or relationships that are important or indispensable for the use of the other. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T- 325/06 it was stated:

“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).”

63) In relation to understanding what terms used in specifications mean/cover, the case-law informs me that “in construing a word used in a trade mark specification, one is concerned with how the product/service is, as a practical matter, regarded for the purposes of the trade”¹⁰ and that I must also bear in mind that words should be given their natural meaning within the context in which they are used; they cannot be given an unnaturally narrow meaning¹¹. However, I must also be conscious not to give a listed service too broad an interpretation; in *Avnet Incorporated v Isoact Limited* [1998] F.S.R. 16 (“*Avnet*”) Jacob J stated:

“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.”

64) As CTM 2029501 is the most similar/identical earlier mark, I will make the goods comparison against its specification. However, if it is necessary to do so, I will come back to the specifications of the other earlier marks. The specification of CTM 2029510 reads:

Class 09: Music c.d.'s, cassettes and DVD's; videos: vending machines; calculating machines; computer software.

Class 21: Glassware, porcelain, and earthenware; mugs; household or kitchen utensils and containers; cups and saucers; coffee percolators; coffee filters; coffee machines; teapots; chinaware; cafetiere's.

Class 25: Clothing; footwear; headgear; aprons; t-shirts; baseball hats.

Class 29: Meat, fish, poultry and game; preserved, dried and cooked fruits and vegetables; dairy products; snack foods and prepared meals in Class 29; milk and milk products.

¹⁰ See *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281

¹¹ See *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another* [2000] FSR 267

Class 30: Coffee; tea; cakes, shortcakes, flapjacks, confectionery, crisps, ice-creams, sandwiches; bread, pastry, biscuits, sausage rolls, pasta, snack foods and prepared meals.

Class 32: Mineral and spring waters, flavoured mineral and spring waters, fruit drinks and fruit juices, beers, non-alcoholic drinks.

Class 42: Restaurants; sandwich bars; public houses; provision of food and drink

65) I will make the analysis with reference to the goods/services sought for registration. Some of the terms of the two applications are the same, others are not, I will identify where this is so during the analysis.

Class 9 – 2534308 only

66) The goods sought are:

“Automatic vending machines and mechanisms for coin operated apparatus, cash registers, calculating machines, computer software”.

67) The earlier mark covers “vending machines; calculating machines; computer software”. In view of this, the applied for “automatic vending machines”, “calculating machines” and computer software” are identical. In terms of “mechanisms for coin operated apparatus” then such goods are reasonably similar to “vending machines” as the coin operated mechanism is part and parcel of such goods. The goods therefore facilitate vending albeit, the vending machine more directly. The channels of trade are likely to be the same and there is a key complementary relationship between them. In terms of “cash registers” then such goods are reasonably similar to calculating machines. Calculating machines may be used instead of a cash register to assist an employee to calculate a person’s bill. The applied for goods in class 9 are either identical or reasonably similar.

Class 21 - 2534308 only

68) The goods sought are:

Brushes, glassware, porcelain earthenware, mugs, household or kitchen utensils and containers, cups and saucers, coffee percolators, coffee filters, coffee machines, tea pots, chinaware, cafetieres

69) The earlier mark’s class 21 goods reads:

Glassware, porcelain, and earthenware; mugs; household or kitchen utensils and containers; cups and saucers; coffee percolators; coffee filters; coffee machines; teapots; chinaware; cafetiere's.

70) Other than the term brushes, the goods are listed in an identical fashion and are, therefore, identical. Brushes can be household or kitchen utensils and, therefore, falls within the ambit of the earlier mark's specification and, therefore, is also identical. All of the applied for goods in class 21 are identical.

Class 25 - 2534308 only

71) The goods sought are:

Aprons, tea shirts, hats, clothing, footwear, headgear

72) All of the above goods are listed in identical terminology to the goods of the earlier mark or fall within the ambit of a term in the earlier mark. All of the applied for goods in class 25 are identical.

Class 26 - 2534308 only

73) The goods sought are:

Hair bands, hair covers

74) The earlier mark is not registered in class 26. None of the other earlier marks are either. The closest goods of the earlier mark lies in its class 25 goods which include headgear at large. Headgear will encompass such things as headbands and head scarves. In comparison to goods such as hair bands and hair covers, the nature of the goods could therefore be similar and they are likely to be sold through the same types of trade channel. There could also be a similarity in purpose as headbands and hairs scarves (although clothing) could also function as something to keep hair out of one's face or indeed to cover the hair completely (particularly in the case of head scarves). I consider the goods to be reasonably similar.

Class 26 – both applications

75) The goods sought to be registered are:

Jellies, jams, edible oils and fats, meat, fish, poultry and game, preserved, dried and cooked foods, fruits and vegetables, dairy products, snack foods and prepared meals, milk and milk products.

76) The goods of the earlier mark are:

Meat, fish, poultry and game; preserved, dried and cooked fruits and vegetables; dairy products; snack foods and prepared meals in Class 29; milk and milk products.

77) Other than the applied for “jellies, jams, edible oils and fats” the applied for goods have direct counterparts in the specification of the earlier mark meaning that the goods are identical. In terms of jellies and jams, such goods are forms of preserved fruit and, as such, fall within the terms of the earlier mark or they must, alternatively, be highly similar. In terms of edible oils and fats, the earlier mark covers dairy products, various forms of which are used for a similar purpose and will compete with edible oils and fats; the goods are highly similar.

Class 30

78) The goods sought under application 2534308 are:

Sauces, spices, coffee, tea, cakes, short cakes, flap jacks, confectionery, crisps, sandwiches, ice cream, bread, biscuits, filled rolls, sausage rolls, pasta, snack food, prepared meals

79) The goods sought under 2538902 are virtually identical but it does not cover pasta, and the snack food is identified as packed snack food.

80) The goods of the earlier mark are:

Coffee; tea; cakes, shortcakes, flapjacks, confectionery, crisps, ice-creams, sandwiches; bread, pastry, biscuits, sausage rolls, pasta, snack foods and prepared meals.

81) The following of the applied for goods have direct counterparts and are, therefore, identical to the goods of the earlier mark:

coffee, tea, cakes, short cakes, flap jacks, confectionery, crisps, sandwiches; bread, biscuits; sausage rolls, pasta, snack food, prepared meals.

82) Of the remaining terms, the applied for “filled rolls” would fall within the ambit of snack foods and are, therefore, identical to goods of the earlier mark. Filled rolls are also highly similar, for obvious reasons, to sandwiches. In terms of the applied for ice cream, then confectionery would include iced confectionery and, therefore, should be considered identical to goods of the earlier mark. Ice cream is, in any event, listed in the specification of one of the other earlier marks (CTM 4142221).

83) That leaves sauces and spices. I do not regard the goods of the closest earlier mark to be particularly significant, however, both of the other earlier marks include: sauces (condiments) and salt and pepper. I therefore consider there to be identity between the sauces, and that spices are highly similar to salt and pepper.

Class 32

84) The goods sought under application 2534308 are:

Syrups for making beverages, mineral and spring water, flavoured mineral and spring water, non alcoholic drinks, fruit juices and fruit drinks.

85) The goods sought under 2538902 are virtually identical but it does not specially list flavoured spring water.

86) The goods of the earlier mark are:

Mineral and spring waters, flavoured mineral and spring waters, fruit drinks and fruit juices, beers, non-alcoholic drinks.

87) Most of the applied for goods have either identical counterparts or must be considered identical on the basis of falling within the ambit of a term in the earlier mark. The one possible exception to this is the applied for syrups for making beverages. However, as such a product is for making a drink then I still consider the goods to be highly similar.

Class 43 – for both applications (save for punctuation)

88) The goods sought are:

Class 43: Provision of food and drink, restaurants, sandwich bars, public houses; creche services, services for providing food and drink, restaurant and cafe services.

89) The services of the earlier mark are:

Class 42: Restaurants; sandwich bars; public houses; provision of food and drink

90) There is no significance to the applied for services being in class 43 and the earlier mark's services being in class 42; this merely represents a change of classification. With the exception of creche services all of the applied for services have either identical counterparts or must be considered identical on the basis of them falling within the ambit of a term in the earlier mark. In relation to creche services I see no reason to believe that the services are similar. The purposes differ as do their nature. The opponent is in no better position in respect of any other goods of the earlier mark or on the basis of its other earlier marks.

91) In view of the above findings, with the exception of creche services, all of the applied for goods and services covered by both applications are either identical

or similar (to varying degrees but at least to a reasonable degree) to goods covered by the earlier marks.

The distinctiveness of the earlier mark

92) The degree of distinctiveness of the earlier mark must be assessed. This is because the more distinctive the earlier mark (based either on inherent qualities or because of use made), the greater the likelihood of confusion (see *Sabel BV v. Puma AG*, paragraph 24)

93) The dominant/only element of the earlier marks is the word O'BRIENS. Although a surname, there is no reason to attribute the mark with only a low degree of inherent distinctiveness. It is not inherently high in distinctiveness as per an invented or fanciful mark, but it still possesses a reasonable degree of inherent distinctive character. The inclusion of non-distinctive elements does not diminish the distinctiveness of the mark.

94) In terms of the use made of the earlier mark, I am satisfied that in relation to the core services relating to the provision of food and drink and, also, the core food and drink provided, the earlier mark's distinctiveness is enhanced to a high degree.

Likelihood of confusion

95) The factors assessed so far have a degree of interdependency (*Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17), a global assessment of them must be made when determining whether there exists a likelihood of confusion (*Sabel BV v. Puma AG*, paragraph 22). However, there is no scientific formula to apply. It is a matter of considering the relevant factors from the viewpoint of the average consumer and determining whether they are likely to be confused.

96) Other than crèche services, all of the goods and services are similar to at least a reasonable degree. Some are highly similar, some are even identical. The marks are highly similar or identical. The earlier mark is at least reasonably distinctive, but highly distinctive (on account of its use) in relation to its core food and drink goods/services. Weighing all the relevant factors, I have little hesitation in concluding that there is a likelihood of confusion save in respect of crèche services. In relation to the section 5(1) claim, this succeeds against application 2538902 to the extent based on earlier mark 2029510 where the goods have been held to be identical goods; for goods which are only similar this earlier mark succeeds against 2538902 under section 5(2)(a). The opposition against 2534308 succeeds under section 5(2)(b).

97) I should add for the sake of completeness that the "defences" set out in the applicants' counterstatements based on sections 7 and 11(3) of the Act appear

not only misconceived in law, but are also unsubstantiated. I need say no more about this.

Costs

98) Impless has been successful and is entitled to a contribution towards its costs. In relation to the proceedings in general, I consider the appropriate costs to be:

Official fee - £200 x 2

Preparing statements and considering the other sides' statements
£400

Considering and filing evidence
£1000

99) I must also consider the two procedural issues, both of which required a hearing to resolve. In relation to the assignment issue, the hearing officer suggested a sum of £1500. I am not, of course, bound by such a suggestion, but it nevertheless strikes me as a reasonable sum to award when the amount of work required by Impless to deal with this issue is borne in mind, together with the costs involved in preparing for and attending the hearing. I consider that the same sum is also a reasonable one in relation to the withdrawal issue.

100) The total is, therefore, £4800. I regard the two applicants as one and the same. I will make my award against the applicant identified as a limited company i.e. a legal entity. **I hereby order Obriens One World Cafe Limited to pay Impless Limited the sum of £4800.**

101) The above sum should be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful

Dated 6th of August 2012

**Oliver Morris
For the Registrar,
The Comptroller-General**