

O-157-13

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO 2585410
BY MR ESMAIL ADIA IN RESPECT OF THE TRADE MARK:**



AND

OPPOSITION THERETO (NO 102493) BY MR WASEEM GHIAS

THE BACKGROUND AND THE PLEADINGS

1) On 22 June 2011 Mr Esmail Adia, t/a GRILLER KING filed an application to register the following mark (“Mr Adia’s mark”) for the services shown below:



Class 43: Services for providing food and drink; temporary accommodation; restaurant, bar and catering services; provision of holiday accommodation; booking and reservation services for restaurants and holiday accommodation; retirement home services; creche services.

The application was published in the Trade Marks Journal on 15 July 2011.

2) Mr Waseem Ghias opposes the registration of the mark. His notice of opposition and statement of grounds was filed on 7 October 2011. The grounds are pleaded on the following basis:

Sections 5(1), 5(2)(a) & 5(2)(b) – That Mr Adia’s mark is likely to be confused with two of Mr Ghias’s earlier trade marks (“the earlier marks”) which cover goods and services in classes 29, 30, 32 and 43;

Section 5(3) – That the earlier trade marks have a reputation of which an unfair advantage is being taken, in that Mr Adia’s mark will necessarily result in free riding on the advertising carried out by Mr Ghias, and on the reputation and distinctive character he has built up in the earlier marks; that the quality of the food provided by Mr Adia’s business is such that use of Mr Ghias’s mark would lead to an association with them likely to be damaging to Mr Ghias; and that inclusion of the word griller as a distinctive element of Mr Adia’s mark would inevitably lead to erosion and dilution of the distinctive character of the earlier marks.

The earlier marks relied on by Mr Ghias are no. 2326754 (“the flames device mark”), which was filed on 15 March 2003 and registered on 24 October 2003, and no. 2376629 (“the chicken device mark”), which was filed on 26 October 2004 and registered on 25 March 2005. The consequences of these dates are that: i) both the marks constitute an earlier mark in accordance with section 6 of the Act, and ii) both the earlier marks are subject to the proof of use conditions in section 6A of the Act, the registration procedure having been completed more than five years before the publication of Mr Adia’s mark. The marks and relevant details are reproduced in the Annex to this decision.

3) On 6 February 2012 Mr Adia filed a notice of defence and counterstatement, a minor technical amendment being filed on 23 March. Mr Adia denied the grounds of opposition. He did not, however, put Mr Ghias to proof of use of the earlier marks. The consequence of this is that the earlier marks may be relied upon to the extent of the statement of use made by Mr Ghias, which reflects all the goods and services covered by the earlier marks.

4) On 2 May 2012 Mr Ghias filed an amended notice of opposition and statement of grounds, pleading two further grounds, as follows:

Section 3(6) – That though Mr Adia has operated a fast food restaurant under Mr Adia’s mark, certain other services covered by the application are so different from these services that he cannot be regarded as having, or having had at any material time, any intent to use the mark in relation to those services.

Section 5(4)(a) – That goodwill possessed by Mr Ghias in his business and associated with the sign GRILLER would lead to any use of Mr Adia’s mark being liable to be prevented by virtue of the law of passing-off.

Mr Adia did not file an amended counterstatement in reply. Whilst not ideal, it is clear from the way in which the proceedings have progressed together with the arguments that have been made, that Mr Adia continues with his defence on a similar basis to the defence he had already filed. There is therefore no point in attempting to rectify matters at this late stage. Having said that, the lack of a clear defence for the section 3(6) ground is something I will touch upon later.

5) Both sides filed evidence. Mr Ghias requested a hearing, and the matter came to be heard before me on 14 March 2012 at which both Mr Ghias and Mr Adia attended

THE EVIDENCE

First witness statement of Mr Waseem Ghias dated 25 July 2012

6) Mr Ghias states that he started his “Griller” business in 2003 at 49 High Street, Romford, Essex. A selling point was to be that chicken served and supplied from the outlets was grilled rather than fried, this being a healthier option. The menu exhibited to his statement also shows the usual range of fast food items, such as burgers and chips. He says he ran his business at all times under the name GRILLER, using the flames device mark as the main house mark and sign above his shop in Romford. Facias of his franchisees, showing use of the flames mark in red, are seen in photographs exhibited to the statement. In 2005 he granted his first franchise, and this was followed by several others, listed in a table which he exhibited to his statement. The table shows that between 2005 and 2011, the year in which Mr Adia applied for his mark, a total of 25 outlets received a franchise. Of these, 15 had ceased trading and 10 were still trading in 2011.

7) Mr Ghias exhibited franchise agreements to his statement, in which franchisees are required to furnish him with statements of turnover of the franchised business and provide audited accounts at the end of the year. However, he explains that

these are “very much last resort provisions” in case he needs to use them to make sure a franchise is being run properly and not undermining the reputation of the franchise. He says a lot of his franchisees are reluctant to disclose their turnover figures, especially at the start of the relationship, and as a result he charges fixed franchise fees; he claims he can estimate the likely turnover of his franchisees anyway on the basis of his own knowledge of the industry. He suggests that the turnover of the outlet owned by him is likely to be representative of the average, and that a reasonable estimate of the turnover of the entire franchise network can be made by multiplying the number of franchisees in any given year. The turnover figures he gives in his statement for his own outlet at Chadwell Heath rise from around £35,100 in 2005, to around £74,700 in 2010, to estimated figures of £93,000 and £100,000 for 2011 and 2012. A few days before the hearing Mr Ghias submitted a request for leave to file evidence in the form of VAT returns of his Norbury franchisee for the period March to November 2012. I refused leave to file this further evidence as it does not relate to the material period. For the same reason, I also refused leave to file evidence submitted at the same time of invoices for TV advertising in 2012.

8) Mr Ghias states that he began distributing leaflets advertising his business in 2003, and that he prints about 100,000 a year for his own outlet and about the same number again for each of his franchisees. Undated examples of leaflets are exhibited. Mr Ghias states that a website was set up in 2005 advertising the business, and he exhibits pages from 2009 and the present. The number of hits is not given. Print-outs from the current version of a *Facebook* page are exhibited, which Mr Ghias says was set up in about 2008 and today has over 1,800 “friends”.

9) No overall figures for advertising expenditure are given. The invoices exhibited for advertisements placed in free distribution papers in the areas where outlets were situated show expenditure amounting to £2,379 in 2005 and £4,808 in 2007. Invoices also show some advertising between 2006 and 2010 in papers distributed to the Asian community, such as *UK Time* and *Star News*. I have no circulation figures for these. Mr Ghias has also exhibited invoices for advertising on radio and TV channels aimed at the Asian community. They show expenditure on radio advertising of around £2,800 in 2005, and around £6,500 in 2007. The corresponding amounts shown for TV advertising are £7,930 in 2006, £7,003 in 2008, £5,251 in 2009 and £9,517 in 2010. Mr Ghias exhibited a CD with recordings of the radio and TV advertising spots, which included scenes shot at the opening of the Norbury franchise in April 2007. I describe in paragraph 16 how the marks are used.

10) In July 2009 Mr Ghias’s Norbury franchisee alerted him to the opening, apparently by Mr Adia and an associate, of the “Griller King” restaurant, near the Norbury franchisee. Mr Ghias exhibits photographs of the restaurant, showing the words “GRILLER KING” in plain red capitals on the fascia. An illuminated sign bearing Mr Adia’s mark is hung outside, and what appears to be a frosted stencil of the mark appears on the door. In his Exhibit WG18 Mr Ghias includes four letters, dated between 8 September 2009 and 23 January 2012, addressed to his Norbury franchisee. Two of the writers say they wish to complain about the quality of the food at “the new Griller branch called Griller King” or “Griller King Croydon Branch of Griller”, which is not up to the quality of GRILLER. Two more make similar complaints, saying they had been told by Griller King staff that Griller King was part

of the Griller franchise. Mr Ghias also exhibits a list of 21 signatures and addresses sent to him in July 2012 by his Norbury franchisee, under the following wording:

“We all signed under here make a verbal complaint of new branch of GRILLER opened in Croydon at 10 central parade, Denning Avenue Croydon as GRILLER KING but their quality is not as per Griller’s food taste and quality. We want to tell your management verbally that GRILLER KING branch is affecting GRILLER brand’s name and giving a very bad reputation so we request head office of Griller to cancel their franchise.”

11) Mr Ghias stated that the specifications of an earlier trade mark application of Mr Adia had been identical to those of his own earlier applications (which had been based mainly on class headings of the Nice Classification). This, he said, together with other evidence such as the copying of photographs used by Mr Ghias in his website and menus, showed that Mr Adia was prepared to copy Mr Ghias’s business methods and “live dangerously”. I can see that both menus and websites certainly feature very similar photographs of cooked chicken pieces; but, comparing the photographs at the hearing in the course of Mr Ghias’s submissions, I was unable to determine that the photographs used by Mr Adia are actual copies of those used by Mr Ghias).

Witness statement of Mr Esmail Adia

12) Mr Adia’s witness statement consists largely of submissions. He submits (in paragraph 15) that Mr Ghias had not filed evidence of “any of people who had heard of “Griller” who went to the Applicant’s outlet, save those individuals who were choosing to eat in areas where there was no outlet of the Opponent the users could recognise. These individuals may be persons connected to the Opponent and are of scant evidential weight”. I find the meaning of the first sentence quoted difficult to follow. In his second witness statement, which I summarise in paragraph 14, Mr Ghias interprets it as asserting: 1 that there is no evidence that any of the customers at Mr Adia’s outlet had heard of Mr Ghias’s Griller business, except for the individuals referred to in Mr Ghias’s first witness statement; 2. that Mr Ghias’s Griller business had no (recognisable) outlet near Mr Adia’s outlet; and 3. that the individuals who had written the letters which Mr Ghias included in his Exhibit WG18 as evidence of confusion may have been connected to Mr Ghias.

13) Mr Adia disputes that Mr Ghias has produced sufficient evidence of reputation of the earlier marks to establish that Mr Adia had caused detriment or taken unfair advantage of their repute. He states (in paragraph 17): “If, as the proprietor of Griller King we contend, our signs using the word griller were brought into use without the knowing or referring to the 2 trademarks belonging to Mr Ghias, our decision to use the griller names is automatically legitimate and with due cause, and there is no unfair advantage taken of the “griller” trademarks. Even if we knew of Griller the differences that we have inserted in our signs legitimates our use of that plain English word”. Mr Adia submits that “A reasonable circumspect person would not believe that the word griller in the context of added text and image was indicative of trading through one and the same franchise. Anymore than the word “burger” or “fried” in a given sign means that all persons using that word belong to the same franchise”.

Second witness statement of Mr Waseem Ghias

14) In his second witness statement Mr Ghias replies to the submissions in paragraph 15 of Mr Adia's witness statement as follows: 1. He submits that the extent of his Griller business's reputation, as evidenced in his first witness statement, and the letters of complaint exhibited by him, which he suggests probably represent the tip of the iceberg, strongly indicate that many of Mr Adia's customers would have known of the Griller business franchised by Mr Ghias, and would have been liable to confusion. 2. He states that Mr Adia's outlet was very near that of Mr Ghias's Norbury franchisee, and he exhibits a Google Maps print-out to demonstrate the distance. He states that throughout the time of Mr Adia's use of his mark Mr Ghias's Norbury franchisee was clearly recognisable as a GRILLER outlet, operating under the signs as shown in his first witness statement. 3. He states that none of the individuals who had written the letters included in his Exhibit WG18 (except for his Norbury franchisee) were known to him before these proceedings, and none of them are connected with him in any way. He also states that, since Mr Adia is not currently operating outlets under the mark applied for, it is not possible to submit fresh evidence of confusion. He submits that Mr Adia's submissions in his witness statement treat the word "griller" as if it were "grilled", that this is strained and unnatural, and that the word GRILLER will not be seen as a descriptor.

SECTION 5(3)

The law

15) Section 5(3) of the Act reads:

"(3) A trade mark which –

(a) is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a Community trade mark or international trade mark (EC) in the European Community) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark".

The Court of Justice of the European Union ("CJEU") in *General Motors Corp v Yplon SA* ("*General Motors*") explained what is meant by a reputation in this context:

"24 The public amongst which the earlier trade mark must have acquired a reputation is that concerned by that trade mark, that is to say, depending on the product or service marketed, either the public at large or a more specialised public, for example traders in a specific sector.

25 It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined.

26 The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.

27 In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it”.

General Motors indicates that in order to satisfy the requirement relating to reputation, a registered trade mark must be known by a significant part of the public concerned by the products or services which it covers. In the case of Mr Ghias’s marks this will be the general public in the UK. (The fact that the outlets of Mr Ghias’s network serve halal meat will no doubt make them attractive to the Muslim community, but it is the general UK public who are consumers of the goods and services in question). In order to rely on section 5(3) of the Act Mr Ghias must therefore show that the earlier marks are known by a significant part of the general public in the UK for the relevant services.

Findings of fact

16) Unfortunately, much of the evidence presented by Mr Ghias is undated. However, this lack of dating is helped by his commentary in his first witness statement where, for example, he exhibits current versions of promotional leaflets, but explains that use of the marks was similar in earlier versions. Moreover, some evidence can be clearly dated: for example, the TV advertisement including scenes shot at the opening of the Norbury franchise in April 2007. This shows use of the flames device mark and aural use of the word GRILLER – though the words “Chicken n Pizza” have been cut from the chicken device mark. I am satisfied that the totality of the evidence shows that Mr Ghias made use of “the flames mark”, in relation to at least the food related services covered by the earlier mark during the period from 2003 to the 22 June 2011 (this latter date being when the application for Mr Adia’s mark was filed). Use of the chicken device mark is less clear-cut. The chicken waiter device is often used on its own. Sometimes the word GRILLER and flames device appear under it, as in the registered mark. I have not been able to find any instance of the use of the mark exactly as registered, to include the words “Chicken n Pizza”, but this might well go unnoticed by the average consumer.

17) However, it must be established not just that the mark has been used, but that it has a reputation as defined earlier. Mr Ghias has provided no evidence of his share in what must be a vast UK market. Even if I were to accept Mr Ghias’s proposed extrapolation of his own business’s turnover figures to calculate the turnovers of his franchisees, the combined turnovers at any given point between 2003 and 2011 must represent a tiny proportion of the turnover in the UK market. Mr Ghias exhibited a table of addresses and operating periods of all the GRILLER outlets that have operated in the UK since 2003. From this it would seem that the number of outlets at any given time in London and the home counties has been relatively modest, given the population of the area; coverage outside London and the south

east is sparse (in 2011 outlets in Dewsbury, Leeds and the Isle of Wight had ceased trading, and outlets in Cardiff, Coventry and Blackburn were still trading).

18) There are problems with assessing the numbers of people reached through Mr Ghias's advertising on Asian radio and TV channels in the UK. The absence of precise, independent evidence on readership and viewing figures make it difficult to assess the impact of Mr Ghias's advertising. Mr Ghias states that viewing figures for the Asian radio and TV channels on which he has advertised are hard to come by, but exhibits a Weekly Total Viewing Summary from July 2012 from the website of the Broadcasters' Audience Research Board. Unfortunately, however, the headings of the figure columns, and explanatory notes, are not shown in the print-outs. 2012 is after the material date in any event. It is therefore not possible to know with certainty exactly what the figures represent, or how they are to be interpreted in terms of the number of persons who might have viewed the relevant advertisements, and how frequently. A further problem is that such marketing is not aimed at the general public in the UK, but an ethnic subset. The distribution of leaflets, advertising in local free papers and Yellow Pages and on billboards in the vicinity of relevant outlets may be presumed to have increased local awareness of them. However, given the modest number of these outlets in the UK as a whole, it is difficult to see how the combined effect of the local advertising and advertising on Asian radio and TV could have led to the marks being known by a significant part of the UK public for the services in question. Mr Ghias has therefore not established that at the time when Mr Adia's mark was applied for either of the earlier marks enjoyed a reputation for the purposes of section 5(3) of the Act. Accordingly, **the opposition under section 5(3) fails.**

SECTIONS 5(1) and 5(2)(a)

19) Sections 5(1) and 5(2)(a) of the Act read:

“(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.

(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

..... there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

In *LTJ Diffusion v Sada Vertbadet* (C-291/00) the CJEU laid down 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”

The differences between Mr Adia's mark and the earlier marks are manifestly not so insignificant that they may go unnoticed by an average consumer for the services in question. **Mr Adia's mark is not identical with either of the earlier marks within the meaning of sections 5(1) or 5(2)(a) of the Act, and the opposition under these sections must therefore fail.**

SECTION 5(2)(b)

20) Section 5(2)(b) of the Act reads:

“(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.”

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."

Comparison of the goods and services

21) In his statement of opposition Mr Ghias relies on all the goods and services covered by the earlier marks. However, his best case clearly rests in the Class 43 services, to which I shall confine my comparison. I will make the comparison with reference to the services for which protection is sought by Mr Adia:

Services for providing food and drink; temporary accommodation; restaurant, bar and catering services; provision of holiday accommodation; booking and reservation services for restaurants and holiday accommodation.

22) These services are identical with those for which both earlier marks are registered.

Retirement home services; creche services.

23) These services have no obvious points of similarity with those for which either earlier mark is registered. No evidence or even argument has been advanced to demonstrate similarity. The services are not similar.

The average consumer

24) According to the case-law, 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 service providers 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)).

25) *Services for providing food and drink; restaurant, bar and catering services; booking and reservation for restaurants* are normal, everyday services purchased by members of the general public. They will normally involve no more than a reasonable amount of attention, and might sometimes include impulse purchases, which could increase the scope for imperfect recollection, though the average consumer is still deemed to be reasonably well informed and reasonably circumspect and observant. *Provision of holiday accommodation; booking and reservation services for holiday accommodation* are services which will normally be provided to members of the public. They are not casual purchases, and will normally involve at least an average level of attention and sometimes higher, in view of their expense, importance to the consumer, and the fact that they are less frequent purchases. *Temporary accommodation* is a service which may be provided to the general public or businesses, and will also normally involve at least an average level of attention. The purchasing process for all these services is largely a visual one, but I do not ignore the potential for oral use of the mark. I will bear these considerations in mind when reaching my conclusions on the likelihood of confusion.

The distinctiveness of the earlier marks



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

27) With regard to inherent distinctiveness, it is a simple linguistic step from the word GRILL to GRILLER, which, grammatically, would be understood to be a person or thing which grills. While this may not be directly descriptive of the most relevant services specified in the earlier mark, it is at least highly allusive. The distinctiveness of the word is therefore weak. The flames device of the flames device mark contributes some (limited) distinctiveness, but reinforces the allusive message of the word. The chicken waiter device in the chicken device mark adds some further distinctiveness, but the words “Chicken n Pizza” are descriptive. Taking all these considerations into account, I consider that the flames device mark has a low to moderate degree of distinctiveness, and the chicken device mark no more than an average degree of distinctiveness.

28) In the course of my analysis under section 5(3) I have already examined Mr Ghias’s evidence of use of the earlier marks in his own and franchised outlets, and in turnover and advertising. Given my findings, the distinctiveness of the mark is not enhanced to any material extent.

Comparison of the marks

29) Although there is a chicken element in both Mr Adia's mark and the chicken device mark, the graphic style and proportion of this element is very different in the two marks. The material included in the chicken device mark manifestly takes it further away from Mr Adia's mark. For this reason, Mr Ghias's best case clearly lies in the flames device mark. I shall therefore make my comparison by reference to this mark.

Mr Adia's mark (the applied for mark)	The flames device mark (earlier mark no 2326754)
	

30) 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.

31) The flames device mark consists of the word GRILLER written in a slightly stylized but simple font, with a flame design on each side. The flame device is certainly not negligible, but it is the word GRILLER which strongly dominates the mark.

32) The flames device mark is not registered with regard to colour, and I must bear in mind that notional and fair use would cover use of the mark in any colours. The colour in the applied for mark cannot act as a distinguishing feature in the comparison with the flames device mark. From a visual perspective, the flames device mark and Mr Adia's mark both contain the word GRILLER, which gives an element of visual similarity. I have explained in paragraph 27 that I consider the word GRILLER to be of weak distinctiveness. Mr Ghias contends that the word KING in Mr Adia's mark would be perceived as laudatory, leading the average consumer to place more emphasis on the word GRILLER. However, I consider that the words "GRILLER KING" produce a composite term, and will hang together in the consumer's perception. The roundel form of Mr Adia's mark, with the central prominence it gives to the letters Gk and stencil-style chicken head, contrasts with the horizontal form of the flames device mark. There is a low degree of visual similarity between the marks.

33) In oral use the flames device mark is likely to be spoken as "Griller". However, as I have explained, I think the words GRILLER KING will hang together in the consumer's perception. For this reason, if Mr Adia's mark is spoken, I consider that it will be spoken as GRILLER KING. The inclusion of the word GRILLER gives a moderate degree of aural similarity between Mr Adia's mark and the flames device mark.

34) As regards the conceptual comparison, the inclusion of the word GRILLER gives some degree of conceptual similarity between Mr Adia's mark and the flames device mark. But the inclusion of the word KING in Mr Adia's mark also adds an element of conceptual dissimilarity to the marks as a whole. Viewed overall, the degree of conceptual similarity between Mr Adia's mark and the flames device mark is low.

Likelihood of confusion

35) 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.

36) At the hearing Mr Ghias drew my attention to the case of *Medion AG V Thomson multimedia Sales Germany & Austria GmbH* (Case C-120/04) ("*Medion*"), in which the CJEU held that 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. However, I do not consider that the word GRILLER plays an independent distinctive role in Mr Adia's mark. The words GRILLER KING in Mr Adia's mark hang together. Moreover, the earlier mark in *Medion* was a word mark of normal distinctiveness, and I have found the word GRILLER to be of weak distinctiveness.

37) In 2011 Mr Adia's mark, and the marks of other parties, including one trading under the sign "Griller Hut", were the subject of infringement proceedings brought in the Patents County Court by Mr Ghias. Both Mr Ghias and Mr Adia referred to these previous infringement proceedings in their witness statements and at the hearing, but no claims of estoppel were pleaded. The Court's findings of fact are not binding upon me, but I have borne them in mind.

38) In the present proceedings a letter dated 9 December 2009 from his Norbury franchisee, Mr Gohar Akthar, is exhibited by Mr Ghias. It refers to Mr Akthar having raised his concern about "new Griller outlet opening in Croydon" and been assured by Mr Ghias that it was not a franchisee. He states that he attaches "some letters of complaints from our existing customers who have visited to Griller King and Griller Hut, assuming this is one of Griller franchise's outlets". Mr Ghias exhibits two letters which were considered by the recorder in the previous Patents County Court infringement proceedings. Her assessment of them was as follows:

65. There was little evidence of confusion before the Court in respect of 'Griller King' even though the restaurant opened in about August 2009. The Claimant was alerted to its opening at the end of July 2009, by his Norbury franchisee, Mr Akhtar. The Claimant exhibited two letters from customers. First, there was a letter dated 8 September 2009 sent to 'Griller Norbury Head Office' at the Norbury address, from a Mr Hassan, who said he was a regular

customer of the Norbury restaurant. He mentioned having visited the 'Griller King' restaurant, as well as the 'Griller Hut' restaurant, "as it seems that they were part of the same franchise." He said that on going to 'Griller King' the menu and food type looked different; he thought the food was of an inferior taste. He said that one of the workers at the restaurant told him that 'Griller King' was part of the 'Griller' franchise chain. At the end of his letter he asked whether 'Griller King' and 'Griller Hut' are part of the 'Griller' chain, and if so why is the taste of their food so different and inferior? Secondly there was a letter dated 10 October 2009 sent to the Claimant's restaurant address by a Mr Iqbal, who described himself as a regular customer of the Griller franchise at Norbury. He explained that when in the Croydon area he saw 'Griller King' and went in there assuming that it is the same 'Griller' that he knew. He was surprised that his usual meal was cheaper than the Norbury branch and said that he was told that this was a special promotional rate for a new Griller branch. He thought that the food was of inferior quality and asked for an explanation of the variation of food taste and price. Letters from Mr Akhtar, the franchisee, were also exhibited by the Claimant; although he alleged that there had been damaging confusion, he provided no direct evidence of confusion but referred to letters of complaint which I take to be those described above. No [*sic*] any instances of alleged actual confusion were pleaded.

66. The letter from Mr Hassan to my mind suggests that he was not confused by the use of the name 'Griller King' into thinking that the restaurant was connected with the Norbury restaurant he knew. Apparently he felt it necessary to ask a member of staff at the Second Defendant's restaurant whether the restaurants were connected and repeated that question in the letter of 8 September 2009. The letter from Mr Iqbal, on the other hand, suggests that there may at least have been initial interest confusion on his part, if he went into the 'Griller King' in the belief that it was the same Griller restaurant with which he was familiar. Such confusion may be actionable (see *Och- Ziff*, above at §101).

67. However, the letters alone in my view carry little weight, not just because they are not confirmed by a statement of truth but because one cannot tell clearly whether, to what extent and in what way the gentlemen concerned may have been confused, nor do I know the circumstances in which the letters were written. Although the 'Griller King' business has been open since about August 2009, no further evidence of confusion was put before me. Even allowing for the acknowledged difficulty of obtaining such evidence, the fact that there may have been a single instance of confusion in October 2009, but there is no evidence of any confusion since then suggests to me that there is no likelihood of confusion.

I respectfully agree with the recorder's assessment of the letters of Mr Hassan and Mr Iqbal. No dates are given for the letters from Mr Akhtar considered by the judge, but I consider her comments apply to his letter of 9 December 2009.

39) For the purposes of the present proceedings, Mr Ghias has submitted further evidence of what he considers to be evidence of confusion both provided via the

Norbury franchisee, who provides two further letters of complaint. According to these letters both writers assumed the Griller King restaurant to be a “branch” of Mr Ghias’s Griller network. However, there is no further information as to the circumstances of their visits or – crucially – exactly what it was that led them to make that assumption. Furthermore, these are just two letters.

40) There is also the “verbal complaints petition” sent to Mr Ghias by his Norbury franchisee, consisting of 21 names, addresses and undated signatures. The manner in which it was compiled is not clear, and the wording subscribed to by the signatories is highly leading, informing them that Mr Adia’s outlet is a franchisee of Mr Ghias’s Griller franchise chain. This is therefore not evidence of confusion. I do not consider that significant weight should be accorded to this evidence.

41) I have found some of the services specified in the application to be identical to the services covered by the earlier mark, while others have no similarity. I have found that the flames device mark has a low to moderate degree of distinctiveness, and that it is the word GRILLER which dominates the mark. I have found low degrees of visual, and conceptual similarity, and a moderate degree of aural similarity between Mr Adia’s mark and the earlier mark. Bearing all this in mind, together with my assessment of the nature of the average consumer and their purchasing process, allowing for the principle of imperfect recollection, and having regard to the interdependency principle, I do not consider that there is a likelihood that the average consumer will directly confuse Mr Adia’s mark with the earlier mark, since the differences are plain to see. I must also consider the likelihood of the marks causing indirect confusion, in other words, and applied to this case, whether the commonality of the word GRILLER in both marks will likely cause the average consumer to believe that the relevant services provided under the respective marks are the responsibility of the same or an economically linked undertaking; in my view s/he will simply consider that two different firms have made use of a highly allusive word in the context of different marks. **Accordingly, the opposition under section 5(2)(b) of the Act fails.**

SECTION 5(4)(a)

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

“(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, ...”

The requirements for this ground of opposition can be found in the decision of Mr Geoffrey Hobbs QC, sitting as the Appointed Person, in *WILD CHILD Trade Mark* [1998] R.P.C. 455. Adapted to opposition proceedings, the three elements that must be present can be summarised as follows:

(1) that the opponent’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 applicant (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by the applicant are goods or services of the opponent; and

(3) that the opponent has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the applicant's misrepresentation.

43) In the Court of Appeal's decision in *Neutrogena Corporation and Another v Golden Limited and Another* [1996] RPC 473 Morritt LJ confirmed that the test to be applied to determine whether deception had been shown for the purposes of passing-off was whether a substantial number of the opponent's customers or potential customers would be misled into purchasing the applicant's products in the belief that they were the opponent's.

44) At the hearing Mr Ghias highlighted the reference in Mr Adia's witness statement to his not having seen Mr Ghias's marks before trading under his own mark. Mr Ghias had submitted evidence showing the proximity of his premises to those of Mr Ghias's local franchisee, and invited me to conclude that Mr Adia must have been aware of the signs under which Mr Ghias's franchisee had been trading since 2007 before setting up his own outlet in 2009. This seems a reasonable inference to me. At the hearing Mr Adia did not claim not to have seen Mr Ghias's outlets before trading under his own mark. My impression from the totality of the evidence is that Mr Adia had been aware of Mr Ghias's marks, considered the word GRILLER to lack distinctiveness, and felt that use of the name GRILLER KING, and the distinguishing features of his own mark, adequately differentiated his business from that of Mr Ghias's network. I am not satisfied that it was his intention to confuse or deceive customers or potential customers into thinking his business was that of Mr Ghias.

45) I have already explained in paragraphs 37 to 41 why I have not found Mr Ghias's evidence of actual confusion persuasive. I have already compared Mr Adia's mark with the flame device mark, and found no likelihood of confusion. In doing so, I found that though the flames device was not negligible, the dominant element of the mark was the word GRILLER, yet I found no likelihood of confusion. Mr Ghias considers his position to be better here because his goodwill is associated with the word GRILLER per se. I bear this in mind, but I still consider the same reasoning is applicable here. I do not consider that a substantial number of Mr Ghias's customers or potential customers, would be misled by the use of Mr Adia's mark into thinking that his services were those of Mr Ghias and his franchise network. In any event, even though GRILLER per se is used on menus and aurally in advertising, the primary sign is still the flame device, as this is the sign on the shop-front and this still forms part of the fabric of the goodwill. **Accordingly, the opposition under section 5(4)(a) of the Act fails.**

SECTION 3(6)

46) Section 3(6) of the Act reads:

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

Mr Ghias avers in his statement of grounds that although Mr Adia has operated a fast food restaurant from time to time since 2009, to the best of Mr Ghias's knowledge and belief Mr Adia has not at any time made any serious preparations to use the mark in relation to any of the following services covered by the application: temporary accommodation; provision of holiday accommodation; booking and reservation services for holiday accommodation; retirement home services; creche services. In his witness statement Mr Ghias states that his opposition under 3(6) is on the basis that it is highly unlikely that Mr Adia ever had a bona fide intention to use the mark for the full range of services covered by the mark, but files no evidence on the point.

47) As stated earlier, Mr Adia did not file an amended counterstatement dealing with this ground, nor did he address it in his witness statement. At the hearing, he conceded that it was the "catering" services which he wanted to cover in his registration; there was no desire to use the mark for the other services; these had been specified in the mistaken belief that these headings had to be included to achieve protection under the class. It follows from this concession that there was, and is, no intention to use the mark for the following services: *temporary accommodation; provision of holiday accommodation; booking and reservation services for holiday accommodation; retirement home services; creche services.*

48) In line with Section 32(3) of the Act, the application form TM3 requires the applicant to state that:

"...the trade mark is being used, by the applicant or with his or her consent, in relation to those goods or services, or that he has a **bona fide** intention that it should be so used".

Whilst I accept that there was no dishonesty on Mr Adia's part, the upshot of all this is that he signed a declaration that he had a bona fide intention to use the mark in relation to all the services covered in his application, whereas the intention was, in fact, to use the mark only in relation to some of them. I think this is a sufficient basis on which to refuse registration under section 3(6) in respect of those services for which it is, and was, not intended that the mark should be used.

49) Accordingly, **the opposition on the basis of section 3(6) of the Act succeeds in respect of the following services:** *temporary accommodation; provision of holiday accommodation; booking and reservation services for holiday accommodation; retirement home services; creche services.*

Outcome

50) As a result of this opposition the specification of the application will read:

Class 43: *Services for providing food and drink; restaurant, bar and catering services; booking and reservation services for restaurants.*

COSTS

51) On balance, Mr Adia was the more successful party, and is entitled to a contribution towards his costs. However, in making my award I have taken into account that Mr Ghias was successful in his opposition under section 3(6) of the Act. The award also reflects the fact that both sides were unrepresented in the proceedings and did not therefore incur the costs of legal representation. I hereby order Mr Waseem Ghias to pay Mr Esmail Adia the sum of £500. This sum is calculated as follows:

Preparing a statement and considering the other side's statement – £150

Preparing evidence and considering and commenting on the other side's evidence – £150



Preparing for and attending a hearing – £200

52) 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 this 17th day of April 2013

**Martin Boyle
For the Registrar,
The Comptroller-General**

Annex

Case details	Relevant dates	Specification
<p>UK registration 2376629 For the mark:</p> 	<p>Filing date: 26 October 2004</p> <p>Registration date: 25 March 2005</p>	<p>Class 29: Meat, fish, poultry and game, meat extracts; preserved, dried and cooked fruits and vegetables, jellies, jams, fruit sauces, eggs, milk and milk products, edible oils and fats.</p> <p>Class 30: Coffee, tea, cocoa, sugar, rice, tapioca, sago, artificial coffee, flour and preparations made from cereals, bread, pastry and confectionery, ices, honey, treacle, yeast, baking powder, salt, mustard, vinegar, sauces (condiments), spices, ice.</p> <p>Class 32: Beers, minerals and aerated waters and other non-alcoholic drinks, fruit drinks and fruit juices, syrups and other preparations for making beverages.</p> <p>Class 43: Restaurant, bar and catering services, provision of holiday accommodation, booking/reservation services for restaurants and holiday accommodation, services for providing food and drink, temporary accommodation.</p>
<p>UK registration 2326754 For the mark:</p> 	<p>Filing date: 15 March 2003</p> <p>Registration date: 24 October 2003</p>	<p>Class 29: Meat, fish, poultry and game; meat extracts; preserved, dried and cooked fruits and vegetables; jellies, jams, fruit sauces; eggs, milk and milk products; edible oils and fats.</p> <p>Class 30: Coffee, tea, cocoa, sugar, rice, tapioca, sago, artificial coffee; flour and preparations made from cereals, bread, pastry and confectionery, ices; honey,</p>

		<p>treacle; yeast, baking powder; salt, mustard; vinegar, sauces (condiments); spices; ice.</p> <p>Class 32: Beers; mineral and aerated waters and other non-alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages.</p> <p>Class 43: Restaurant, bar and catering services; provision of holiday accommodation; booking/reservation services for restaurants and holiday accommodation, services for providing food and drink; temporary accommodation.</p>
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