

0-283-13

**TRADE MARKS ACT 1994**

**IN THE MATTER OF TRADE MARK APPLICATION 2611972  
BY THE PROPER PIZZA COMPANY LIMITED  
FOR THE FOLLOWING SERIES OF TRADE MARKS IN CLASS 30, 35 & 43:**



**AND**

**OPPOSITION THERETO (UNDER NO 103460)  
BY JAMES MICHAEL ALEXANDER HAMMOND**

## **The background and the pleadings**

1) The above series of trade marks was filed on 27 February 2012 by The Proper Pizza Company Limited (“PPC”) and were published, for opposition purposes, on 16 March 2012. The marks were published in respect of the following goods and services:

**Class 30:** Fresh pizza; pizza; pizza products; prepared meals in the form of pizzas.

**Class 35:** Business assistance relating to franchising; advisory services relating to franchising; provision of business advice relating to franchising; provision of business information relating to franchising; advisory services relating to publicity for franchisees; provision of business assistance in the establishment and operation of franchises.

**Class 43:** Services for providing food and drink; provision of pizza; all catering services relating to pizza.

2) Mr James Michael Alexander Hammond opposes the registration of the marks. He claims to have been using the name THE PROPER PIZZA CO (and a logo based upon these words) since May 2009, first in Norwich and then expanding to other parts of the UK. The use claimed is in respect of pizza (and related products) and catering services. Mr Hammond considers that PPC’s marks offend section 5(4)(a) of the Trade Marks Act 1994 (“the Act”) in that its use of them is liable to have been prevented under the law of passing-off.

3) PPC denies the claim. It states that it began to develop its pizza based business in spring 2010 and began trading in June 2011. Various comments are made *vis a vis* Mr Hammond’s claim to have been trading under the name THE PROPER PIZZA CO, which, it counterclaims, may not be true because he also trades with reference to other names and that any use of the name relied upon may only be in a descriptive manner. Both sides filed evidence. Neither side requested a hearing. PPC filed written submissions in lieu of attending a hearing, Mr Hammond did not (although his representatives did file submissions earlier in the proceedings). I will bear in mind all of the arguments that have been made in the papers before me.

## **Legislation and the leading case-law**

4) Section 5(4)(a) constitutes a ground of opposition in circumstances where the use of the mark(s) in question 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..”

5) 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 thus:

“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.”

6) 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.”

7) To qualify for protection under the law of passing-off, goodwill must be of more than a trivial nature<sup>1</sup>. However, being a small player does not prevent the law of passing-off from being relied upon<sup>2</sup>.

8) If Mr Hammond establishes that he has a protectable goodwill, I must be satisfied that the goods/services offered under PPC's marks would be taken (or likely to be taken) by a substantial number of Mr Hammond's customers or potential customers to be the responsibility of Mr Hammond (or that there is some form of connection between Mr Hammond and PPC). Although an intention

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<sup>1</sup> *Hart v Relentless Records* [2002] EWHC 1984

<sup>2</sup> See, for instance, *Stannard v Reay* [1967] FSR 140, *Teleworks v Telework Group* [2002] RPC 27 and *Stacey v 2020 Communications* [1991] FSR 49

to misrepresent can be a highly relevant factor, it is not a prerequisite. Misrepresentation can be found in innocent circumstances.

9) The goods/services in question must also be factored in. Although there is no requirement in passing-off for goods/services to be similar, or for there to be a common field of activity, it is nevertheless a highly relevant factor, 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.”

10) In relation to damage, although a direct loss of sales is often the most obvious form of damage to consider, damage can arise in other ways. In *Maslyukov v Diegeo Distilling Ltd* Arnold J stated:

85 Secondly, counsel submitted that the hearing officer had wrongly failed to recognise that damage resulting from Diegeo's loss of control over the marks, including erosion of distinctiveness of the marks, was sufficient damage to sustain a passing off action, as shown by the following passage from McAlpine at [20] which the hearing officer himself quoted at para.128 of the decision:

“When it comes to considering damage, the law is not so naïve as to confine the damage to directly provable losses of sales, or ‘direct sale for sale substitution’. The law recognises that damage from wrongful association can be wider than that. Thus in *Ewing v Buttercup Margarine Ltd (1917)* 34 R.P.C. 232 Warrington L.J. said:

‘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 the 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.'

In so saying, he was not limiting the kinds of potential damage to those listed by him. Rather, he was indicating that the subtleties of the effect of passing off extend into effects that are more subtle than merely sales lost to a passing off competitor. In *Associated Newspapers Ltd v Express Newspapers* [2003] F.S.R. 909 at 929 Laddie J. cited this passage, referred to other cases and went on to say:

'In all these cases [that is to say, the *Clock Ltd* case referred to above and *Harrods v Harrodian School* [1996] R.P.C. 679 ], direct sale for sale substitution is unlikely or impossible. Nevertheless the damage to the claimant can be substantial and invidious since the defendant's activities may remove from the claimant his ability to control and develop as he wishes the reputation in his mark. Thus, for a long time, the common law has protected a trader from the risk of false association as it has against the risk of more conventional goods for goods confusion.'

The same judge expressed himself more picturesquely, but equally helpfully, in *Irvine v Talksport Ltd* [2002] 1 W.L.R. 2355 at 2366. Having pointed out the more familiar, and easier, case of a defendant selling inferior goods in substitution for the claimant's and the consequential damage, he went on to say:

'But goodwill will be protected even if there is no immediate damage in the above sense. For example, it has long been recognised that a defendant cannot avoid a finding of passing off by showing that his goods or services are of as good or better quality than the claimant's. In such a case, although the defendant may not damage the goodwill as such, what he does is damage the value of the goodwill to the claimant because, instead of benefiting from exclusive rights to his property, the latter now finds that someone else is squatting on it. It is for the owner of goodwill to maintain, raise or lower the quality of his reputation or decide who, if anyone, can use it alongside him. The ability to do that is compromised if another can use the reputation or goodwill without his permission and as he likes. Thus *Fortnum and Mason* is no more entitled to use the name *FW Woolworth* than *FW Woolworth* is entitled to use the name *Fortnum and*

Mason ...' 'The law will vindicate the claimant's exclusive right to the reputation or goodwill. It will not allow others so to use goodwill as to reduce, blur or diminish its exclusivity.' (at 2368)

In *Taittinger SA v Allbev Ltd* [1994] 4 All ER 75 at 88, Peter Gibson L.J. acknowledged that:

'Erosion of the distinctiveness of the name champagne in this country is a form of damage to the goodwill of the business of the champagne houses.' The same view was expressed by Sir Thomas Bingham MR at 93."

11) To illustrate the point further, I note that in *WS Foster & Son Limited v Brooks Brothers UK Limited* [2013] EWPC 18, Mr Recorder Iain Purvis QC stated:

*"Damage*

55 Although proof of damage is an essential requirement of passing off cases, it will generally be presumed where a misrepresentation leading to a likelihood of deception has been established, since such deception will be likely to lead to loss of sales and/or more general damage to the exclusivity of the Claimant's unregistered mark. Mr Aikens accepted that if there was a misrepresentation in the present case, then he had no separate case on damage. I hold that damage is inevitable, at least in the sense recognised in *Sir Robert McAlpine v Alfred McAlpine* [2004] RPC 36 at 49 (the 'blurring, diminishing or erosion' of the distinctiveness of the mark)."

**The relevant date**

12) Matters must be judged at a particular point(s) in time. 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 the General Court 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.”

13) The relevant date at which Mr Hammond must establish that his business had goodwill, and that the use of PPC’s marks were liable to be prevented under the law of passing-off, is 27 February 2012. However, both sides claim use earlier than this, which may also be a factor in deciding whether Mr Hammond is in a position to have prevented PPC’s use. It could be established that PPC is, in fact, the senior user, 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 PPC’s marks could not have been prevented under the law of passing-off at the relevant date. In *Croom’s Trade Mark Application* [2005] RPC 2 Mr Geoffrey Hobbs QC, sitting as the Appointed Person, stated:

“45. I understand the correct approach to be as follows. When rival claims are raised with regard to the right to use a trade mark, the rights of the rival claimants fall to be resolved on the basis that within the area of conflict:

(a) the senior user prevails over the junior user;

(b) the junior user cannot deny the senior user’s rights;

(c) the senior user can challenge the junior user unless and until it is inequitable for him to do so.”

14) In *Daimlerchrysler AG v Javid Alavi (T/A Merc)* [2001] RPC 42 Mr Justice Pumfrey, when giving his conclusion on passing-off in that case, stated:

“67 Against these findings of fact, it is possible to deal with the complaint of passing-off shortly. It must fail. Mr Alavi has been trading under the style complained of since at least 1985. He had entered the market by 1978. He did not make any relevant misrepresentation then and he had not, down to 1997 essentially changed the manner of his trading. As Oliver L.J. (as he then was) said in *Budweiser (Anheuser-Busch v. Budejovicky Budvar* [1984] F.S.R. 413 at 462):

“The plaintiffs’ primary submission is that the learned judge was wrong in regarding the material point of time at which he should consider the matter as the date of the writ. Obviously the plaintiffs must, to succeed, have a cause of action at that date, but Mr Kentridge submits, and Mr Jeffs does not contest, that it cannot be right to look simply at that date to see whether a passing off is established. In particular to test by reference to that date whether plaintiff and defendant have concurrent reputations would simply mean that no remedy lay against a defendant who had successfully

passed off his goods as the plaintiffs', so as to establish a reputation for himself.”

This is consistent with what was said by Lord Scarman, giving the opinion of the Board in *Cadbury-Schweppes Pty Ltd v. The Pub Squash Co. Pty Ltd* [1981] R.P.C. 429 at 494: the relevant date in law is the date of the commencement of the conduct complained of. I should just add that there must come a time after which the court would not interfere with a continued course of trading which might have involved passing off at its inception but no longer did so: logically, this point would come six years after it could safely be said that there was no deception and independent goodwill had been established in the market by the protagonists. There must also be doubt as to the availability of injunctive relief if there is no passing-off at the date the action is commenced.”

### **The evidence**

15) Rather than provide a standalone evidence summary, I will draw from both sides' evidence when dealing with the matters that need to be determined. The evidence is given by i) Mr Hammond himself (in two witness statements from October 2012<sup>3</sup> and March 2013 respectively) and, ii) Ms Sally Griffiths for PPC, in a witness statement from December 2012. In her witness statement Ms Griffiths identifies herself as “the Applicant in these proceedings and I trade as the Proper Pizza Company Limited”. The applicant in these proceedings is PPC not Ms Griffiths. PPC is a legal entity distinct from any of its officers. Nevertheless, Ms Griffiths is clearly one of the controlling minds of PPC, so her evidence is not undermined by the misunderstanding of the relationship between registered companies and their officers.

### **Mr Hammond's business**

16) Mr Hammond's evidence is that he came up with his business idea and its name “The Proper Pizza Co” in late 2008. His idea was to offer a mobile wood fired pizzeria, offering catering for events and parties, and to also offer the equipment for hire. He states that the inspiration for the name came from the traditional aspect of his pizza cooking style. He states that his logo was designed to look “old-fashioned and classic” so as to represent this traditional style. He states that from the beginning his business was known as either “Proper Pizza Co” or “The Proper Pizza Co”. Before coming to the actual trade that Mr Hammond has conducted, I will comment upon some of the issues which the parties have focused on in their evidence and submissions.

### ***The type of oven used and the quality of his ingredients***

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<sup>3</sup> This is an 11 page witness statement with a single multi document exhibit containing 296 pages; when I refer to documents within this exhibit I will refer to the appropriate page number.



17) Ms Griffiths highlights that Mr Hammond uses a different type of oven to that used by PPC and his ingredients are not of a high quality and are purchased from a cash and carry warehouse. Mr Hammond considers this not to be relevant. Whilst the evidence and the comments made by both parties are borne in mind, **I agree with Mr Hammond that these points have little relevance as to whether Mr Hammond has goodwill or whether a misrepresentation will occur.** Mr Hammond states that his oven cooks pizza very quickly and that in one event he cooked over 1000 pizzas in a two day period. This clearly demonstrates that Mr Hammond's oven has the ability to be used as part of an effective business. PPC's representative submits that these figures should be ignored because they are not supported by sales receipts etc; I reject this submission, I see no reason to doubt what Mr Hammond has stated in evidence. However, whether his actual trade has created protectable goodwill will be judged objectively against the facts presented to the tribunal.

***The domain name issue - does it dilute the business name?***

18) A theme running through Ms Griffiths' evidence (and the submissions from PPC's representative) is that despite Mr Hammond's claimed wish for his business to be known as The Proper Pizza Co, he uses an unrelated domain name (and associated email address), namely: [www.pizza-party.co.uk](http://www.pizza-party.co.uk). The perceived relevance of this is that those who encounter Mr Hammond's business will focus more on the domain name and less on the words The Proper Pizza Co.

19) Mr Hammond's evidence demonstrates that he registered the domain name [www.pizza-party.co.uk](http://www.pizza-party.co.uk) in August 2008 and he states that the underpinning website went live in December 2008. Pages 25 to 35 of Mr Hammond's exhibit contain a letter (and accompanying documentation) from Mr Warren Groom of Realdrive Design Solutions. This appears to have been solicited for the proceedings and, so, is treated as hearsay evidence. Mr Groom refers to working with Mr Hammond on "The Proper Pizza Co project" initially in July 2008. Various emails are provided with Mr Groom's letter. They are primarily between him and Mr Hammond. I note a reference to the name "The Proper Pizza Co" which Mr Hammond suggests as an appropriate name but welcomes thoughts from Mr Groom; Mr Hammond adds that the domain name [properpizza.co.uk](http://properpizza.co.uk) is, though, held by someone else. Further emails between the two relate to choosing a domain name; they settled on: [www.pizza-party.co.uk](http://www.pizza-party.co.uk). In his evidence, Mr Hammond states that it is not unusual for business names and domain names to differ, as domain names often consist of descriptive terms so that they can function as search terms on the Internet. He gives an example of the retailer B&Q using the domain name [diy.com](http://diy.com). He adds that it was not possible to register the exact domain as his business name so he went with [pizza-party.co.uk](http://pizza-party.co.uk) domain instead.

20) Ms Griffiths states that the B&Q example is not analogous because its business is any and all forms of DIY. She does not understand why Mr Hammond

did not select a slightly different domain name made up of the words The Proper Pizza Co (she gives examples of two that were available at the time). She adds that if the desired domain name could not be obtained then, for example, his website should contain clear references to the name in which he wished to establish goodwill. She notes that in his original emails to Mr Groom, Mr Hammond talks about the “jist” of his business relating to various things including “mobile wood fired pizza oven for hire”. She considers that Mr Hammond’s use describes the business as PIZZA PARTY and WOOD FIRED PIZZA OVEN, with less reference to The Proper Pizza Co.

21) It is clear that Mr Hammond, as he states, wished his business to be known as The Proper Pizza Co. Whilst I agree that it is a little unusual for the non-availability of the desired domain name (theproperpizzaco.co.uk) to be met with a decision to change to a completely different one (as opposed to selecting a variant of the desired domain name), there is nothing in this that suggests any desire to operate under a different business name. The proof of the pudding is, of course, in the eating. I therefore reproduce below one of Mr Hammond’s advertisements. A draft version was provided under cover of an email from Mr Groom to Mr Hammond, plus the actual advertisement as it subsequently appeared in *Triangle Norwich* of October 2008 (pages 1 to 25 of Mr Hammond’s exhibit) is also provided:



22) The nature of the above use is of a business called The Proper Pizza Co. This is the primary sign which serves to designate the name of the business responsible for the service. The use of a non-corresponding domain name does not dilute this. Throughout the rest of Mr Hammond’s evidence there are further examples of similar use on web-pages, advertisements, banners etc; although there have been some minor variations, they are fairly consistent with the above. The form of use as set out above can be classed as typical of the form of Mr Hammond’s outward facing use. PPC’s suggestion that the words THE PROPER PIZZA CO are being used descriptively is not accepted. PPC has made similar comments regarding the use of the words pizzaparty in Mr Hammond’s email address. Mr Hammond explains that this is because the emails are routed through his website. He refers to various emails that are provided throughout the

exhibit to his witness statement in which the business is identified as The Proper Pizza Co. The emails use the words The Proper Pizza Co, often being placed under Mr Hammond's name. He refers to an email exchange that took place before his website was set up. At pages 248/249 of Mr Hammond's exhibit there is an email exchange with a client which includes the name The Proper Pizza Co in the subject text and also in Mr Hammond's salutation. The emails are from November 2008 relating to a wedding celebration that took place in June 2009. A letter solicited for the proceedings is provided from the client confirming that the booking took place; also included are two photographs of the stall with a banner across which prominently and clearly reads The Proper Pizza Co. **The way in which Mr Hammond has used the words The Proper Pizza Co is capable of generating goodwill associated with that name.**

### ***The branding on the oven that Mr Hammond uses***

23) Both parties agree that the branding on the oven that Mr Hammond uses in his business is PIZZA PARTY. Ms Griffiths states that this could have been avoided because Mr Hammond could have purchased an unbranded oven from the same supplier (although Mr Hammond disagrees that this was the case). This is another factor which Ms Griffiths considers as reducing the significance of the business name. I disagree. **The nature of use I have described above, regardless of the name embossed on the oven, would still indicate that the name of the business is The Proper Pizza Co.**

### ***NCASS website reviews***

24) NCASS is the National Caterers Association. Mr Hammond's business has a number of positive reviews on this website about his service. Ms Griffiths states that they were provided in 2012 (a point I will bear in mind) and that they relate to services such as local events, weddings, parties etc (another point I will bear in mind). Ms Griffiths calls the genuineness of the reviews into question, suggesting that Mr Hammond may have paid customers to post them. She highlights that in some of Mr Hammond's promotional material an offer exists whereby a customer who recommends his service to someone else will receive £50. Mr Hammond states that whilst reviews are encouraged, he does not pay for them. The offer referred to by Ms Griffiths is, he says, a normal means of marketing. Mr Hammond is clearly right. Ms Griffiths is making an unjustified inference on the basis of quite flimsy evidence. PPC submits that this is "purchasing goodwill"; this submission is rejected – Mr Hammond has merely undertaken promotional activities in an attempt to build goodwill. **The genuineness of the reviews is accepted, although, what they add to goodwill is a different matter.**

### ***Hygiene certificates***

25) PPC has highlighted various issues relating to the type of hygiene certificates that Mr Hammond's business was required to obtain. Mr Hammond provides evidence of some certificates, including the subsequent obligation to self-certify compliance with certain food safety regulations. PPC's point appears to be that the lack of full certification is indicative of a small business. **I do not find this evidence helpful. Whether goodwill is established can only be based upon the objective evidence regarding the actual trade conducted.**

***What trade has Mr Hammond conducted?***

26) It was in the second part of 2008 that Mr Hammond purchased his first pizza oven which he says was used for small scale local bookings gained through personal recommendations and local advertising. The emails to/from Mr Groom support the timing of this; although the information attached to Mr Groom's letter is hearsay evidence, given its confirmatory nature, I am willing to give it some weight. The first advertisement for the service appeared in the *Triangle Norwich Magazine* in October 2008, as depicted earlier. The same publication also contained what is more akin to an advertorial headed "Ever thought of holding your very own pizza party?"; the text then reads "The Proper Pizza Co is based in Norwich....". The material provided by Mr Groom also contains his design for the initial website which he states (and which Mr Hammond also confirms) was live at least by 17 December 2008.

27) Mr Hammond states that he contacted event organizers around the country and gives an example of an email to and from an event organizer (the emails are from May 2009). It is stated that he was "testing the market" at this stage. Mr Hammond states that the first "public event" at which he traded was the Norfolk and Norwich Festival in May 2009. Another letter solicited for the proceedings is provided (page 37) from the organiser of this event which confirms that Mr Hammond has been engaged by the festival since 2009 and confirms that he has been trading as The Proper Pizza Co. Mr Hammond states that he has traded at this event every year since 2009.

28) Mr Hammond states that from May 2009 his business expanded. He refers to various events at which he catered. I will detail all his bookings later. Mr Hammond describes this as his 2009 trial period, following which he had a "steady flow of enquiries and bookings into early 2010" which led him to invest in The Proper Pizza Co and employ the services of an accountant.

29) Mr Hammond refers to events at which he catered in 2010 (he mentions 7 locations plus numerous events in Norfolk) and 2011 (four non-Norfolk locations are given). He states that his turnover has doubled since 2009. He states that this year (2012 given the date of his witness statement) has been the busiest yet and examples of events attended are given. The material in pages 45 to 238 are referred to which includes various emails, invoices etc. It is all consistent with operating the type of business which Mr Hammond describes.

30) Mr Hammond provides visitor numbers who have attended the shows and events at which he has catered: 36,000 in 2009, 157,750 in 2010 and 270,000 in 2011. He says “to date” (the date of his evidence is October 2012, eight months after the relevant date) he has attended over 100 events as The Proper Pizza Co, which have been attended by over 1.2 million people. He states that most of these attendees will have seen his stall. He states that he receives repeat business due to his reputation and the recommendations received from satisfied clients and that he is already booked for events next year [2013].

31) In relation to the above, Ms Griffiths states that PPC carried out extensive Google searches and the only pizza company of the name PPC wanted to use was in Kosovo. Other businesses were found but the name was “referring generally to their products” and “the company domain names were unrelated”. She notes that Mr Hammond is to incorporate soon but states that this would conflict with PPC’s name and she questions why he has not taken the advantage of corporate registration to extend his goodwill. She notes that Mr Hammond’s original plan was to “hire” his pizza oven for parties etc. She says that the website has not changed much, focusing more on individual functions such as weddings, parties and events. She also considers the business to be geographically limited (Mr Hammond’s advertisement on the NCASS website refers to the provision of his service mainly in East Anglia, the midlands, the home counties, London and the south east) and that advertising etc is often local and “passive” in that he does not actively seek out business.

32) In response Mr Hammond provides some turnover figures for his business:

2011-2012: £58,909

2009-2010: turnover was made but no details given

As of October 2012, year to date: £75,503

33) Mr Hammond claims a “broad goodwill” from attendance at various events. He admits that his testing of the market was mainly in Norfolk in 2008 but that his business has expanded since then. His first booking outside Norfolk was in Guildford on 21 June 2009. He states that he does actively seek out business. He provides in his second witness statement a full list of his bookings/events:

<b>Date</b>	<b>Event/client</b>	<b>Location</b>
18/10/08	Christening	Oxford
8/5/09	Norfolk & Norwich Festival (7 days)	Norwich
6/6/09	Wedding	Cley, Norfolk
21/6/09	21 <sup>st</sup> Birthday party	Guilford, Surrey
11/07/09	Back to the 80s Concert	Shrewsbury
17/07/09	Pizza lesson (Litcham Primary School)	Fakenham, Norfolk
23/07/09	Private party aboard a boat	Lowestoft, Norfolk
24/07/09	As above	As above

26/07/09	Mousehold Health Defenders open day	Norwich
1/08/09	Jelly Festival	Fakenham, Norfolk
11/08/09	INTO at the University of East Anglia	Norwich
15/08/09	Back to the 80s Concert (Charterhouse School)	Surrey
21/08/09	Back to the 80s Concert (Clumber Park)	Nottingham
28/08/09	Pizza oven hire	Oxford
26/09/09	Wedding	Norfolk
27/09/09	INTO at the University of East Anglia	Norwich
3/10/09	Wild about Norfolk open day	Acle, Norfolk
28/4/2010	Pizza oven hire	Osborne, Dorset
7/5/201	Norfolk and Norwich Festival (15 nights)	Norwich
18/5/10	Private booking	Norwich
22/5/2010	Ipswich Food and drink festival	Ipswich
19/6/2010	Wedding	Cambridge
9/7/2010	Summer Sessions concert	Shrewsbury
10/7/2010	The Barford Festival	Norfolk
11/7/2010	The Norwich Lanes summer festival	Norwich
17/7/2010	Bedford River Festival (2 days)	Bedford
23/7/2010	Summer Sessions concert	Ipswich
25/7/2010	Folk by the Oak	Hatfield
31/7/2010	Jelly Festival	Fakenham, Norfolk
18/8/2010	Just So Festival (3 days)	Leek, Staffordshire
4/9/2010	Bjorn Again concert	Holt, Norfolk
5/9/2010	Wedding show	Norwich
11/9/2010	Glasterleigh Festival	Oxford
12/9/2010	50 <sup>th</sup> Birthday party	Norwich
31/10/2010	Halloween Pizzas at the Alexandra Tavern	Norwich
29/4/11	Royal wedding party	Bucklebury
30/4/2011	Wedding	Buxton
30/4/2011	60 <sup>th</sup> Birthday party	Cambridge
6/5/2011	Norfolk and Norwich Festival (9 days)	Norwich
29/5/2011	The Fairy Fair (2 days)	Holt, Norwich
4/6/2011	Strawberry Fair	Cambridge
4/6/11	30 <sup>th</sup> Birthday Party	Norwich
25/6/11	Wedding	Norwich
26/6/2011	St Helens School Fun-day	Pinner, Middlesex
29/6/2011	The Royal Norfolk Show (2 days)	Norfolk
30/6/2011	Pizza oven hire	Rutland, Leicestershire
1/7/2011	Wedding	Bradford upon Avon
7/7/2011	Soho House Festival	Chiswick, London
8/7/11	St Williams School Summer Fete	Norwich
9/7/11	Nature Fest	Fakenham, Norfolk
9/7/11	The Barford Festival	Norwich

10/7/11	Norwich Lanes Summer Fayre	Norwich
16/7/11	Wedding	Norwich
23/7/11	Pizza oven hire	Cambridge
24/7/11	Folk by the Oak	Hertfordshire
28/7/11	Wedding	Sussex
30/7/11	Worstead Festival	Norfolk
30/7/11	Wedding	Lincoln
31/7/11	Wedding	Oxfordshire
5/8/11	Jelly Festival (3 days)	Fakenham, Norfolk
5/8/11	VW White-noise festival (3 days)	Fritton, Norfolk
18/8/11	Just so Festival (3 days)	Leek, Staffordshire
27/8/11	Wedding	Surrey
27/8/11	Private Party	Mundesley, Norfolk
4/9/11	Bugatti Owners Club/fuel consulting	Cheltenham
4/9/11	Babicka Summer Party	Froome, Somerset
4/9/11	Wedding	Norfolk
7/9/11	Wedding	Norfolk
10/9/11	Wedding	Norfolk
23/0/11	Reddham Ferry Festival	Norfolk
24/9/11	40 <sup>th</sup> Birthday party	Norfolk
25/1/12	Estee Lauder Staff Party	Sproston, Norfolk

34) Other events/bookings are detailed, but they fall after the relevant date so do not assist. I note in the above table some instances of events attended on the same day. Whilst this gives rise to a potential discrepancy (as the distance between some of the locations make it improbable that they were attended on the same day), the evidence has not been challenged and, in any event, the answer may simply be that it was a clerical/typographical error. I do not, therefore, consider that this undermines Mr Hammond's evidence.

### ***Findings in relation to Mr Hammond's business***

35) Although I note that in correspondence with PPC Mr Hammond referred to having been "officially trading" since 2010, I accept Mr Hammond's explanation that this was merely a reference to the time when he started to employ an accountant etc. PPC considers that this equates to Mr Hammond revising his account of his activities; I understand the point but it has little relevance as it is clear from his evidence that he was trading before 2010 albeit at this earlier stage he was "building the business". PPC also submit that the weight of Mr Hammond's evidence is affected by his failure to supply tax returns etc – I do not accept this submission – Mr Hammond has provided detailed evidence of business communications, advertisements and bookings. I have no reason to doubt the veracity of his evidence.

36) As I have already stated, the nature of Mr Hammond's use is capable of generating goodwill associated with the name The Proper Pizza Co. Goodwill

relates to the attractive force that brings in custom. In so far as the weddings, parties and similar functions at which Mr Hammond catered, goodwill will have been created with the persons who have booked Mr Hammond to attend. Such persons will take cognisance of the name of the business and they will rely on that name should they wish to book again. There will also be some goodwill with event organisers. Even though (as demonstrated by both sides' evidence) it is often the case that the caterer will have to pay to attend the event, the quality of the catering provided may contribute to the success of the event and it may be the case that event organisers seek particular caterers to attend. (As demonstrated by PPC's evidence (which I will assess shortly) of event organizers seeking caterer recommendations and, also, event organizers seeking references from other organizers). I am less persuaded that there is any significant goodwill with the event-goers; as the name of a food providing business at an event may not be noticed by the event-goer, nevertheless, it still contributes something. In terms of geography, whilst Mr Hammond's business began in the Norwich area, and whilst there is less than national goodwill, **I am satisfied that the expansion demonstrates goodwill and of more than a local nature at the relevant date. The business is, after all, a mobile one.**

#### ***The potential for misrepresentation and damage***

37) PPC have stated that it has not had a single enquiry meant for Mr Hammond, Mr Hammond responds that this cannot be said with certainty and that it is plausible that members of the public having seen his stall at events, might telephone PPC to make an enquiry. Mr Hammond refers to him receiving emails and calls from his clients who have seen PPC's trailer and have assumed that its trailer was part of his business. At page 273 of his exhibit there is an example of this, consisting of an email from Lindsay Porter of LCP Marketing Ltd who, Mr Hammond explains, has been a client for a number of years. In her email Ms Porter states that she was surprised to see a van called The Proper Pizza Company at the "Burnham Show" and was even more surprised to see that it was not [Mr Hammond's] company. She refers to this as "taking your name and trading of your goodwill". Little can be read into the claimed absence of confusion or Mr Hammond's claimed evidence of confusion. The evidence of confusion was not actual confusion because the client was able to work out that the business was not Mr Hammond's business. In terms of the absence of confusion, little can be taken from this because the parties have so far targeted different types of event and (largely) different parts of the country, hence, there has been little opportunity for confusion to arise.

38) Mr Hammond uses his mark in a particular style when advertising and in his signage etc. However, it is clear from the evidence that this business is known as The Proper Pizza Co. Although PPC's marks are depicted in logo form, it is the words that form the most memorable part of them. That the words used are very similar THE PROPER PIZZA CO v THE PROPER PIZZA COMPANY LTD is a strong indicator in favour of misrepresentation. In terms of the goods/services,



the class 43 services in PPC's application are either identical or very similar – when this is added to the mix it is clear that a misrepresentation is likely. I have borne in mind the submissions from PPC that the words themselves are not highly distinctive, nevertheless, weighing the various factors, I consider that misrepresentation is likely. PPC submitted that the distinctive nature of its trailer is a factor to bear in mind. I disagree that this is the case because it is the notional use of the applied for marks that must be considered and such use could never be limited to a particular type of trailer. In relation to the class 35 services, the various franchising services, they clearly have the capacity to operate in relation to franchising a pizza based business. For those who know of Mr Hammond's goodwill a substantial number will consider that the services being offered will be in relation to his pizza based business. That leaves pizza and pizza products. These goods are so inextricably linked to the service that I consider a misrepresentation to also be likely here.

39) In relation to damage, as observed in the case-law mentioned earlier, there is clear potential for damage to arise, not just in the form of diverted bookings, but also damage in a more general sense, including dilution of the distinctiveness of Mr Hammond's name, and the damage that could be done to Mr Hammond's goodwill/business more generally.

**40) In view of the above findings, based upon an assessment of Mr Hammond's actual use, against the notional use of PPC's trade marks, the three elements of passing-off would be in play at the relevant date.** Irrespective of this finding, I must also consider whether the circumstances of the parties' actual trade before the relevant date affects the position. In order to do so I must assess PPC's business.

### **PPC's business**

#### ***The origins of the business – spring 2010 to June 2011***

41) Ms Griffiths states that she and her husband developed the idea for a mobile catering business (consisting of a pizza and drinks trailer) in spring 2010. She was not aware of any other pizza trailers like this in the UK. Due to "technical difficulties" the drinks trailer was not pursued, but the pizza trailer was taken forward. They (presumably Ms Griffiths and her husband) decided to trade as "The Proper Pizza Company". The pizzas were to be as close as possible to the Neapolitan style but they did not call them that because an electric pizza oven was to be used rather than a wood fired oven (of the type traditionally used for Neapolitan pizzas). Ms Griffiths states she has taken advice (including legal advice) and carried out searches in relation to the name. The only pizza company of the name they wanted to use was a company in Kosovo. She adds that they located other companies using the words "proper pizza", however, she says that these were generally referring to the products. (Ms Griffiths does not say whether she identified Mr Hammond's business in these searches.) After this research,

domain names were purchased: theproperpizzacompany.com on 13 September 2010 and properpizza.co, properpizza.net and properpizzza.org on 12 January 2011. Ms Griffiths states that work was done on the “proper pizza company logos”; an invoice is provided dated 14 October 2010 (from Greener Graphics) relating to: “**Design and development work** on Great Grub and Proper Pizza logo/payouts and visuals”.

42) A limited liability company was incorporated on 26 September 2010, initially under the name The Great Grub Trading Company Limited; this was changed to “The Proper Pizza Company” on 13 January 2011 when the drinks trailer aspect of the business was dropped. Various materials to support the incorporation and change of name are provided which clearly support this. It is stated that the company was dormant until it started to trade in June 2011. She adds that when the company name was changed a search was undertaken to ensure that the change would not affect anyone else’s rights.

### ***Trading activity - June 2011 onwards***

43) Ms Griffiths provides a “to whom it may concern letter” (thus it was solicited for the proceedings) from the business’ accountant who not only confirms the incorporation/change of name discussed above, but also states that the business started trading on 1 June 2011 and that the accounts for the first year show a turnover of £24,000. The letter writer adds that the business is on track to achieve a turnover of £100,000 for its second year of trading (the year ending 31 May 2013).

44) Ms Griffiths states that PPC has not only traded at private parties and food festivals (although it has also catered at these) but at other events such as events at the Glanusk Estate (in Crickhowel, Powys) which hosts horse and pony trials. A “to whom it may concern” letter is provided from the estate manager stating that they (Ms Griffiths and, presumably her husband) have traded at many events on the estate since July 2011, including the British Eventing Glanusk Horse Trials, Pony Club Events and Garden Theatre. The letter writer states that he knows exactly who THE PROPER PIZZA COMPANY is and that he has not heard of any other company called The Proper Pizza Company. He adds that they have a very distinctive trailer and that PPC has a very loyal local following in the area.

45) Also provided, is a letter (which again appears to have been solicited for the proceedings) from The All England Jumping Course. The letter writer (its commercial manager) states that PPC first contacted him on October 2011 with a view to applying to provide catering services at the Hickstead Horse Shows. After requesting further information (photographs and menus), he asked for details of one or two events previously attended by PPC and he then contacted the organizers of those events. Positive recommendations were given and PPC’s application to provide catering services at the event was accepted. PPC attended

both of its International Horse Shows in 2012, trading for a total of ten days. This equates to 80,000 people in terms of footfall. He refers to receiving favourable comments and will be booking PPC again. The letter writer is not aware of any other business trading as The Proper Pizza Company. The letter writer states that in July (from the context of this letter this is July 2012) he received a call from the organizers of Chatsworth Country Fair seeking recommendations for catering services, PPC were recommended. When he spoke to other event organizers he referred to PPC by this name and he is certain they were all referring to the same business. Ms Griffiths states that in these two letters she has demonstrated that PPC (not Mr Hammond) is well-known by its name in three different parts of England and Wales (Crickhowell, Hickstead and Chatsworth).

46) Ms Griffiths states that PPC has also traded at the Aldon International Horse Trials, the Welsh National Horse Trials, the Derby, Barbury Castle Eventing, Logines Royal International Horse Trials (at Hickstead), Osberton Horse trials, The Wychwood Music Festival and the Welsh International Air Show. She states that all these have significant footfalls. The air show attracts 125,000 people. None of these events are dated, however, Ms Griffiths provides various emails (pages 12-68b of her evidence) of events it wanted to, and did, subsequently attend. Ignoring those from after the relevant date, the emails include one from February 2012, six from January 2012, one from November 2011, five from October 2011, three from September 2011, eight from August 2011, three from August 2011, one from May 2011, one from April 2011, three from March 2011 and one from January 2011. Typically, all these emails constitute approaches to event organizers with a view to trading at a particular event. They appear to be spread around the UK (although mostly in England and Wales). Reference is made to The Proper Pizza Company (but often with the Ltd designation) in the emails. Although not a problem exclusive to all of these emails, it is often not possible to ascertain when the event (which Ms Griffiths states was attended) took place. Some fall before the relevant date, some after, the dates of some cannot be ascertained.

47) Invoices relating to events at Hickstead are provided. These are after the relevant date. I note from the content of the invoice that PPC has to pay the event organizer to attend the event. There is also an invoice from Wychwood Music Festival dated 14 April 2011 (again PPC had to pay to attend) and a caterers application form for the same event in 2012, also an invoice from Chatsworth Country Fair dated June 2012 (after the relevant date) for which PPC must pay 20% of its sales to the event organizer. There is further information regarding other events but, again, it comes from after the relevant date. I have stated above that it is not always clear if the events took place before the relevant date. Helpfully, Ms Griffiths provides a breakdown of events attended. She lists seven in 2011 and adds that 10 further local pony club events and private functions were held in London, Powys and Wiltshire; these are all therefore

before the relevant date. Of the events listed for 2012, none are before the relevant date.

### ***The service station approach***

48) Ms Griffiths refers to an approach made to PPC by a businessman, Mr Brian Tew, at an event in Nottingham. He is director of a group of service stations based in England and Wales and was interested in incorporating PPC's brand into some of its service stations. A series of emails between the two are provided from the end of 2011 to early 2012. They mainly discuss arranging meeting dates and the practicalities of where within the service station the stall/trailer will be placed. The exact contractual relationship is not clear, but reference is made to discussing "the legalities of franchising the business". There is no evidence that anything has yet resulted from this. However, a "to whom it may concern letter" is provided from Mr Tew. He confirms most of what I have said above, although what can be added is that although the plan to have an in-house franchise has not yet been achieved, the actual trailer has been used in one of the service stations in Wales, commencing on 3 December 2012 (after the relevant date).

### ***Franchising and the logos***

49) Ms Griffiths states that the above approach prompted PPC to consider the concept of franchising the business so they consulted a firm of solicitors. PPC were advised that the words of the trading name were too descriptive but that it could register its logo, which it duly did. She adds that if the franchise model is to be followed they will be adopting a distinctive logo, reference is made to a logo which appears to be graphic mock-up (so not evidence of actual use) showing the logo as registered, also shown is a letter head featuring a trailer emblazoned with a similar but not identical logo, and a picture of a mocked-up trailer featuring, again, a similar, but not identical logo. What is noticeable by its absence is a depiction of the trailer in situ. There is only one example, headed PPA4.pdf, but this is not commented upon in the witness statement. Reference to the correspondence between Ms Griffiths and Mr Hammond when the conflict first became apparent is also made; the relevance of this is limited.

### ***Mr Hammond's comments upon the evidence of PPC business***

50) Mr Hammond comments upon some of the above. He highlights the change of name of the company, by the time of which he had already been trading. Mr Hammond states that if the applicant had been attending the events at which it intended to sell its food and drink then it would have come across his business. He assumes that the applicant may have been attempting to trade on his goodwill. He adds that until recently PPC's website was still under construction and that it has only recently started using social media profiles. He notes that the "to whom it may concern" letters are to be regarded as hearsay. He provides information regarding the definition of Neapolitan pizza; I do not consider this to

be pertinent. He highlights that his turnover was higher [than the turnover of PPC] in the year 2011-2012; PPC submitted that this is not a like for like comparison because this was PPC's first years of trade whereas Mr Hammond has already been trading – whilst noted, this submission does not alter the basic facts. In relation to the various emails, he notes that most (but accepts not all) relate to equestrian type events, and that some may not have proceeded to bookings (not all are listed in the summary of events provided by Ms Griffiths). He does not see the interactions with Mr Tew as being pertinent.

51) In relation to PPC's use, he states that he became aware of it when he noticed an advertisement on the National Caterers Association Website in March 2012. He provides an email he sent to PPC via the contact form on the NCASS website informing it of the conflicting names. He received a response from Ms Griffiths on 20 March 2012 saying that PPC had researched the name and also checked at Companies House. She adds that as the company name is not registered nor a domain name it was not possible to find the business of Mr Hammond. Mr Hammond sent an email in response stating that an Internet search would have revealed his use of the name and that he plans to incorporate soon. He states that he does not plan to change his name so leaves the ball in PPC's court. In its counterstatement PPC states that the tone of this email meant that it did not communicate back to Mr Hammond; Mr Hammond states that the e-mail was polite and reasonable, I agree with this, but it does not really add much to the equation. He then undertook research and discovered that PPC had registered the business name at Companies house and was also seeking to register the mark, he notes that Ms Griffiths did not volunteer this information. This then led to the opposition the subject of these proceedings.

### ***Relevance of PPC's evidence***

52) By its own admission PPC did not begin to trade until June 2011. At this point Mr Hammond had already been trading and having regard to the bookings etc set out earlier I am satisfied that his goodwill associated with the name The Proper Pizza Co would have been established by this date. **Consequently, Mr Hammond is the senior user and he would have been in a position to prevent the use of PPC marks at this earlier date.**

53) Another issue is whether Mr Hammond has acquiesced to the use by PPC of its marks. This is clearly not the case. **Mr Hammond has not acquiesced and has in fact sought to resolve the matter and has brought these opposition proceedings.**

54) The final issue is whether the use that PPC's has made gives rise to the consequence that its ongoing use would not be preventable under the law of passing-off. I remind myself of the comments in the *Merc* case:

“I should just add that there must come a time after which the court would not interfere with a continued course of trading which might have involved passing off at its inception but no longer did so: logically, this point would come six years after it could safely be said that there was no deception and independent goodwill had been established in the market by the protagonists”

There is only a short period of time between the date of PPC’s first use and the relevant date. It is a period of just nine months. **This falls a long way short of the time period required.**

**55) The use made by PPC does not affect the position.**

### **Outcome**

56) The opposition succeeds under section 5(4)(a).

### **Costs**

57) Mr Hammond has been successful and is entitled to a contribution towards his costs. I hereby order The Proper Pizza Company Limited to pay Mr Hammond the sum of £1700. This sum is calculated as follows:

*Opposition fee - £200*

*Preparing a statement and considering the other side’s statement - £300*

*Considering and filing evidence - £800*

*Filing written submissions (earlier in the proceedings) - £400*

58) 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 15<sup>th</sup> day of July 2013**

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