

O-444-13

**TRADE MARKS ACT 1994**

**IN THE MATTER OF AN APPLICATION UNDER NO 84619  
BY MISS ELLIES (A PARTNERSHIP)  
FOR REVOCATION OF REGISTRATION NO 1292679  
IN THE NAME OF DOCTOR'S ASSOCIATES INC**

## Background

1. Registration no 1292679 stands in the name of Doctor's Associates Inc ("the registered proprietor"). Details of the registration are as follows:

Mark	Relevant dates	Specification of services
SUB	Filing date: 17 November 1986 Publication date: 8 March 1989 Entry in register: 9 June 1989	Restaurant services

2. On 6 December 2012, Miss Ellies (a partnership) ("the applicant"), filed an application seeking to revoke the registration under the provisions of sections 46(1)(c) and (d) of the Trade Marks Act 1994 ("the Act").

3. In its statement of grounds, the applicant puts its case thus:

"8. The Applicant submits that the term "sub" is common in the trade for:

- a. the type of sandwich primarily sold by the Registered Proprietor, also known as a 'submarine sandwich';
- b. the type of bread roll used to make that type of sandwich; and
- c. by extension, the services of a restaurant providing that type of sandwich.

9. The term 'sub' originated in the USA, where it has for many years been a generic word as described in paragraph 8 above. Despite originating overseas, like many North American words the term "sub" has passed into UK English usage and is defined in many UK English dictionaries as such.

10. The Applicant also notes that the Registered Trade Mark has become a generic term used to describe a type of sandwich is not in dispute. The Registered Proprietor has in open correspondence, and in proceedings before the registrar, averred that the term is generic for a type of sandwich, and it is not open to the Registered Proprietor to deny this. Full details will be provided in evidence.

11. Accordingly, where the Registered Trade Mark is used in relation to restaurant services associated with the provision of subs, and the types of food and drink commonly associated with such fast food, the term is common in the trade and is therefore liable to be revoked pursuant to section 46(1)(c) of the Act.

12. Furthermore, wherever the Registered Trade Mark "is used in relation to restaurant services not associated with the provision of those types of food, the mark will tend to mislead the customers as to the nature of the goods and services provided, as it would naturally be expected that a sub restaurant

would primarily sell subs. Accordingly, it is liable to be revoked pursuant to section 46(1)(d) of the Act.

#### Services compared to products

13. It is noted that the Applicant is aware of the fact that the Registered Trade Mark is applied for in relation to “restaurant services”, whereas the primary descriptive meaning of the term “sub” relates to a foodstuff, or a “restaurant product”.

14. The Applicant submits that the term “sub” is generic for restaurant services as well as for food products.

15. The Applicant suggests that the fact of this submission can, for example, be tested by the simple addition of the word “restaurant”. This word is entirely descriptive and forms part of the Registered Trade Mark specification, and cannot therefore increase or diminish the distinctive character of the word “sub”. As “sub” is a synonym for a type of sandwich, it is submitted that the term “sub restaurant” is generic for any establishment serving sandwiches, in the same way as the term “sandwich shop” would be generic.

16. Furthermore or in the alternative, the Applicant submits that the provision of sub sandwiches by means of a restaurant for consumption on or off the premises is inextricably linked to the manufacturing of a branded product. Although similarity may not be evidence simply because food is being provided by means of a restaurant, the type of sandwich in these circumstances is a self-contained fast food made to order. The Applicant submits that the provision of this fast food is, from the point of view of the customer, indistinguishable from the product itself.

17. The Applicant emphasises this submission by reference to the fact of the Registered Proprietor’s usage. The subs it provides are manufactured on the premises, under the eye of the customer, they are sold as products under a separate brand; and they are provided by the restaurant as a take-away food in the form of a prepared meal.

18. In conclusion, the correlation between the specified services, those which the Registered Proprietor provides to consumers, and the products themselves is so close as to create a clear overlap.

19. The Registered Proprietor has taken no steps in attempting to prevent the Registered Trade Mark to become a generic term. A search of the Registered proprietor’s websites shows no indication that the mark “SUB” is a registered trade mark, and no claim to distinctiveness is made by the use of the ®, TM or © at all. Full details of this will be provided in evidence.”

4. The registered proprietor filed a counterstatement stating that it:

“[does not] admit that the registration of the trade mark in suit is contrary to Section 46(1)(c) or Section 46(1)(d) and the Proprietors put the applicant for revocation to strict proof or substantiation of such statements and claims.”

5. The applicant was granted until 16 July 2013 to file evidence and/or submissions. Despite the indication in its statement of grounds that it would substantiate its claims in evidence, it chose not to file any. It did file written submissions, however, in which it referred to the statement made by the registered proprietor in its counterstatement and submitted:

“3. The Registered Proprietor has responded to the Applicant’s Case declining to admit that the Registration itself contravenes section 46(1)(c) or 46(1)(d) of the Act; and specifically requiring the Applicant to substantiate its claim that sections 46(1)(c) or 46(1)(d) of the Act apply.

4. The Registrar is requested to note that, although the Registered Proprietor has denied that the provisions of section 46 itself apply in law, it has chosen not to deny any of the factual observations made in the Applicant’s Statement of Grounds (“SoG”).

5. Similarly, the subsequent request for the Applicant to substantiate its claims is specially limited (by its phrasing, and by the word ‘such’) only to the operation of Section 46 to the Registration. The Registered Proprietor has not requested the Applicant to substantiate the factual matters pleaded.

6. It is therefore duly observed here that the Registered Proprietor’s has assisted the Tribunal by narrowing the issues to the operation of Section 46 in law; and accordingly, that various factual matters are not in dispute. The factual matters not in dispute include, but are not limited to:

- a. the nature of the Registered Proprietor’s business(**SoG para 3**);
- b. the nature of the goods sold by the Registered Proprietor(**SoG para 4**);
- c. that “sub” is, in fact, common in the trade for a type of sandwich sold by the Registered Proprietor; the type of bread used in that sandwich; and the services of a restaurant providing that type of sandwich (**SoG para 8a to 8c**); and
- d. that the North American word “sub” has passed into UK English usage (**SoG para 9**).

7. For the avoidance of doubt it is acknowledged that other than the above, the *submissions* pleaded by the Applicant in the Statement of Grounds, insofar as they are not established fact, do remain outstanding (**see SoG paras 11 to 20**).”

6. The statement made by the registered proprietor in its counterstatement is set out in full at paragraph 4 above. That wording makes clear that the registered proprietor does not admit that its trade mark offends the provisions of sections 46(1)(c) and (d) of the Act. In my view, the registered proprietor's counterstatement cannot be read as implicitly accepting some of the claims or statements made but instead, it is to be read as not admitting any part of the applicant's case. Having received a copy of the applicant's submissions, the registered proprietor did not comment on them and indicated that it would not be submitting either evidence or observations and this supports my view that it puts the applicant to proof of each of the claims it has made.

7. Neither party requested to be heard. I give this decision on the basis of the papers before me.

### **Decision**

8. The application is made under the provisions of section 46 of the Act, the relevant parts of which state:

"46. –(1) The registration of a trade mark may be revoked on any of the following grounds-

(a) –

(b) –

(c) that, in consequence of acts or inactivity of the proprietor, it has become the common name in the trade for a product or service for which it is registered;

(d) that in consequence of the use made of it by the proprietor or with his consent in relation to the goods or services for which it is registered, it is liable to mislead the public, particularly as to the nature, quality or geographical origin of those goods or services.

(2) For the purposes of subsection (1) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered, and use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes."

9. In its written submissions, the applicant refers me to a decision of the registrar issued under BL O-249-13 in earlier (opposition) proceedings involving the same parties (the registered proprietor in these proceedings being the opponent in those earlier proceedings) where the Hearing Officer stated:

"The average consumer would be fully aware that a "sub" is a distinct form of sandwich, originating in the USA. The bread is usually leavened and in the form of a French loaf which is then cut lengthways. The filling is very substantial unlike the normal British sandwich. The opponent is well aware of

the oversize nature of subs as its own business is founded on the American version of a sandwich”.

10. As I indicated earlier, the applicant has not filed any evidence but refers to the above extract and states:

“9. The Applicant observes that the above comments fall in line with the open pleadings of the Registered Proprietor, and that the Registered Proprietor has not appealed the above decision.

10. It is submitted that providing evidence of matters already acknowledged would be wasteful, and accordingly the Registrar is requested to take judicial notice of the facts not in dispute; and of the nature of the Registered Proprietor’s business (essential details of which are provided in the following section”.

11. In respect of the registered proprietor’s services, the applicant submits:

“11. The Applicant is the owner of a great deal of goodwill in its main brand SUBWAY, and its business operates in an identical fashion across the world. In the circumstances, it was natural for [the Hearing Officer] to take judicial notice of the nature of the Registered Proprietor’s business.

12. For the purposes of clarity, it is observed that the nature of the Registered Proprietor’s business is as a franchised chain of fast food restaurants, all of which specialise primarily in the supply to customers of sub sandwiches. Although made to order, the subs are chosen from a menu allowing for a minor degree of customisation from a limited and standardised range of ingredients.

13. Thereafter, the products are tightly wrapped in a series of packaging layers and provided primarily for consumption off-premises in the form of prepared take-away meals.

14. In its Registered Trade Mark and trade mark applications, the Registered Proprietor chooses to specify these services in class 43 by means of the term “*Restaurant services*”. It is submitted that the Registered Proprietor’s services are not in the nature of a restaurant as ordinarily understood in the English language, and although it is acknowledged that the term is general, it is further submitted that “take-away services” or “food retail services”. (the submission appears to be incomplete.)

12. Whether or not the average consumer is aware that ‘sub’ is the name given to a type of sandwich, the current proceedings do not involve goods but instead involve *restaurant services*. The applicant has filed submissions to support its claim that there is a connection between goods (being sub sandwiches) and services (restaurant services providing sub sandwiches) and refers to a number of decided cases where, in considering a likelihood of confusion under the provisions of section 5 of the Act, a degree of similarity was found in relation to various items of foodstuffs

and fast food restaurants. It also refers me to the cross search list used by the registrar as part of the examination process.

13. The provisions of section 46(1)(c) are based on article 12(2)(a) of the Directive 104/89 and must be interpreted accordingly. The leading authority under this provision is *Bjornekulla Fruktindustrier AB v Procordia Food AB* Case C-371/02 [2004] RPC 45. The court stated:

“20 The essential function of the trade mark is to guarantee the identity of the origin of the marked goods or service to the consumer or end user by enabling him, without any possibility of confusion, to distinguish the goods or service from others which have another origin (see, inter alia, Case C-39/97 *Canon* [1998] ECR I-5507, paragraph 28, and Case C-517/99 *Merz & Krell* [2001] ECR I-6959, paragraph 22). For the trade mark to be able to fulfil its essential role in the system of undistorted competition which the EC Treaty seeks to establish, it must offer a guarantee that all the goods or services bearing it have been produced under the control of a single undertaking which is responsible for their quality (*Canon*, paragraph 28).

21 That essential function of trade marks has been incorporated by the Community legislature into Article 2 of the Directive, which provides that signs which are capable of being represented graphically may only constitute a trade mark if they are capable of distinguishing the goods or services of one undertaking from those of other undertakings (*Merz & Krell*, paragraph 23).

22 That condition is given effect to in, inter alia, Articles 3 and 12 of the Directive. While Article 3 specifies the circumstances in which a trade mark is incapable, *ab initio*, of fulfilling its function as an indication of origin, Article 12(2)(a) addresses the situation where the trade mark is no longer capable of fulfilling that function.

23 If the function of the trade mark as an indication of origin is of primary importance to the consumer or end user, it is also relevant to intermediaries who deal with the product commercially. As with consumers or end users, it will tend to influence their conduct in the market.

24 In general, the perception of consumers or end users will play a decisive role. The whole aim of the commercialisation process is the purchase of the product by those persons and the role of the intermediary consists as much in detecting and anticipating the demand for that product as in increasing or directing it.

25 Accordingly, the relevant classes of persons comprise principally consumers and end users. However, depending on the features of the product market concerned, the influence of intermediaries on decisions to purchase, and thus their perception of the trade mark, must also be taken into consideration.

26 The answer to the question referred must therefore be that Article 12(2)(a) of the Directive should be interpreted as meaning that in cases where

intermediaries participate in the distribution to the consumer or the end user of a product which is the subject of a registered trade mark, the relevant classes of persons whose views fall to be taken into account in determining whether that trade mark has become the common name in the trade for the product in question comprise all consumers and end users and, depending on the features of the market concerned, all those in the trade who deal with that product commercially.”

14. It is clear from the above that the perception of the mark by consumers or end users is generally of decisive importance to the assessment of whether the mark has become a common name for the registered services.

15. No evidence has been filed in these proceedings to show what acts or inactivity the registered proprietor might have done (or not done) nor is there any evidence to show what the position in the relevant trade (restaurant services) may be. The applicant explains the absence of evidence by submitting that it would be “wasteful” to require the filing of evidence of the registered proprietor’s business given that the Hearing Officer, in the earlier decision referred to above, commented on the nature of that business.

16. The reference made by the Hearing Officer was made in very general terms and is likely to have been made on the basis of the evidence before him. Whilst the Hearing Officer provided a summary of that evidence in his decision, I note that that earlier decision was given in opposition proceedings based on objections under section 3(6), 3(1)(b) and 3(3)(b) of the Act, involved a different trade mark to the one under consideration here, that registration of that mark was sought in respect of goods rather than services and that different relevant dates were involved. The Hearing Officer’s summary of the evidence would have been directed to those objections insofar as they were claimed and defended. In light of this, it may or may not have been a complete précis of that evidence and may or may not be a reflection of the totality of the registered proprietor’s business and methods of carrying out that business. I do not know what evidence was filed in respect of the earlier proceedings and it has not been refiled or adopted into these proceedings. I also note that in accordance with the findings of the court in *Special Effects Ltd v L’Oréal SA* [2007] EWCA Civ1, there is no issue of estoppel arising from the earlier opposition proceedings.

17. I accept that there is an overriding objective to deal with matters in a manner which e.g. is expeditious, saves expense and is proportionate, however, matters must also be dealt with justly and fairly. It may be that the registered proprietor has, as the applicant submits, made averments “in open correspondence, and in proceedings before the registrar” however, it has not filed evidence of this. An objection under section 46(1)(c) requires a finding that “in consequence of acts or inactivity of the proprietor” the trade mark has become “the common name in the trade” for the service for which it is registered. The applicant not filed any such evidence and the objection under this ground fails.

18. In respect of the application made under the provisions of section 46(1)(d), this requires the applicant to show the mark is likely to mislead “as a consequence of the



use made of it". No evidence has been filed to show what use has been made of the mark. Consequently, the objection under this ground also fails.

## **Summary**

19. The application for revocation of the trade mark fails on each of the grounds on which it was brought.

## **Costs**

20. The application has failed and the registered proprietor is entitled to an award of costs in its favour. As indicated above, the registered proprietor filed a counterstatement but did not file any evidence or submissions. The counterstatement was brief in the extreme and would have taken very little time or effort to complete. The written submissions which the applicant filed were not particularly complex or lengthy, would have taken the registered proprietor little time to review and it chose not to respond to those submissions. No hearing was requested by either party. Taking all of this into account, I consider the registered proprietor is entitled to an award of costs as follows:

For preparation of and filing a counterstatement and reviewing the notice of revocation:	£200
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<b>Total:</b>	<b>£200</b>
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21. I order Miss Ellies (a partnership) to pay Doctor's Associates Inc the sum of £200 as a contribution towards its costs. This sum is to be paid within seven days of the expiry of the period for appeal against this decision or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

**Dated this 7th day of November 2013**

**Ann Corbett  
For the Registrar  
The Comptroller-General**