

O-188-14

**TRADE MARKS ACT 1994**  
**IN THE MATTER OF APPLICATION NO 2615792**  
**BY**  
**COMPANIE DE BMR LIMITED**  
**TO REGISTER THE TRADE MARK**



**IN CLASS 43**  
**AND**  
**IN THE MATTER OF OPPOSITION THERETO**  
**UNDER NO 103810**  
**BY**  
**GRAHAM ROBERT HANSON**

## BACKGROUND

1) On 28 March 2012, Comanie de BMR Limited ('the applicant') applied to register the trade mark on the cover page of this decision for *Restaurant services; services for providing food and drink; temporary accommodation* in class 43.

2) The application was published on 15 June 2012 in the Trade Marks Journal and notice of opposition was subsequently filed by Graham Robert Hanson ('the opponent'). The opponent claims that the application offends under section 5(2)(b) and 5(4)(a) of the Trade Marks Act 1994 ('the Act').

3) The opponent relies on the following trade marks under Section 5(2)(b) of the Act:

Mark details	Goods and services relied upon
<p><b>UK trade mark no: 2460189</b></p> <p><b>SFC</b></p> <p><b>Filing date: 03 July 2007</b></p> <p><b>Date of entry in the register: 07 March 2008</b></p>	<p><b>Class 29:</b> <i>Chicken and chicken products; prepared meals consisting predominantly of chicken; cooked chicken; prepared meat products; prepared meat and poultry dishes; prepared vegetables; sauces in class 29.</i></p> <p><b>Class 35:</b> <i>Retail and wholesale services in connection with chicken and cooked chicken products; retail and wholesale services in connection with prepared foodstuffs.</i></p>
<p><b>UK trade mark no: 2460191</b></p> <p><b>SFC</b></p> <p><b>SFC</b></p> <p><b>Filing date: 30 September 2009</b></p> <p><b>Date of entry in the register: 22 February 2010</b></p>	<p><b>Class 29:</b> <i>Chicken and chicken products; prepared meals consisting predominantly of chicken; cooked chicken; prepared meat products; prepared meat and poultry dishes; prepared vegetables; sauces in class 29.</i></p> <p><b>Class 35:</b> <i>Retail and wholesale services in connection with chicken and cooked chicken products; retail and wholesale services in connection with prepared foodstuffs.</i></p>

4) Both marks shown in the table above have completed their registration procedure; they are earlier marks in accordance with section 6 of the Act. Further, as the earlier marks had been registered for less than five years prior to the publication date of the

opposed trade mark, none are subject to the proof of use conditions contained in section 6A of the Act.

5) For the claim under Section 5(4)(a), the opponent relies on the mark SFC which it states has been used since at least 1990 in the United Kingdom in relation to *Chicken and chicken products; fish products*. It states:

‘Said goods have been sold into the catering trade for sale through take away shops and into the retail trade.

The trade mark SFC enjoys reputation and goodwill derived from the use made of the mark by the Opponent or on its behalf, by its permitted user. Use of the applied for mark in relation to the applied for services would lead to confusion and a misrepresentation and damage of the Opponent’s business. Use of the applied for mark is liable to be prevented as it amounts to passing off.’

6) The applicant filed a counterstatement in which it stated, *inter alia*, the following:

‘The Applicant denies that there is a likelihood of confusion (including a likelihood of association) between the Applicant’s mark and the Opponent’s earlier registrations as set out in the Notice of Opposition.

The applicant denies that its mark is visually, phonetically or conceptually similar to the marks appearing in the Opponent’s earlier registrations.

...

The Opponent claims to have used the mark in the UK since at least 1990, however no evidence to this effect has been provided.

The applicant therefore puts the Opponent to strict proof of the reputation and goodwill it claims to have in its marks.’

7) The opponent filed evidence; the applicant filed submissions only. The matter came to be heard before me on Thursday 09 January 2014. Mr Ian Silcock of Counsel (instructed by Silverman Sherliker LLP) represented the opponent; the applicant was not represented at the hearing and nor did it file written submissions in lieu.

### **The opponent’s evidence**

8) The opponent’s evidence consists of two witness statements and exhibits thereto. The first is dated 28 March 2013, in the name of Graham Robert Hanson. The second is dated 30 July 2013 in the name of Christopher John Sherliker, Partner at Silverman Sherliker LLP (the opponent’s representatives in these proceedings).

## Mr Hanson's evidence

9) Mr Hanson's witness statement contains a mixture of fact and submissions. I will bear in mind the submissions but will not detail them here. In terms of factual information, it suffices to record that Mr Hanson states, in summary, the following:

- Mr Hanson states that he adopted the trade mark SFC in 1985 to identify his chicken processing and preparation business. As his business developed, he set up the companies SFC (Wholesale) Limited and SFC Limited. He is the majority shareholder of those businesses and controls use of the mark through his majority share.
- Mr Hanson lists a number of trade mark registrations of which he is the registered proprietor. (However, only two of these registrations have been relied upon in this opposition.)
- Mr Hanson refers to exhibit 2 which he states shows the current range of products under the SFC brand. This exhibit shows print outs from a website with the mark SFC clearly visible on the packaging of various prepared chicken products. At the top of each page the name SFC Wholesale Ltd and address details are visible together with the heading 'OUR RETAIL PRODUCTS'.
- Mr Hanson provides a table setting out sales figures for SFC products for the 11 years preceding the date of application of the contested mark. This table is shown below:

<b>Year</b>	<b>Figure</b>	<b>Period</b>	<b>Audited ?</b>
2002	£2,220,953	(12 mth to 31 March 2007)	Internally audited
2003	£1,974,785	(12 mth to 31 March 2007)	Internally audited
2004	£2,089,479	(12 mth to 31 March 2007)	Internally audited
2005	£1,383,322	(12 mth to 31 March 2007)	Internally audited
2006	£2,116,573	(12 mth to 31 March 2007)	Internally audited
2007	£2,424,936	(12 mth to 31 March 2007)	Internally audited
2008	£3,702,922	(12 mth to 31 March 2008)	Internally audited
2009	£12,510,633	(12 mth to 31 March 2009)	independently audited
2010	£20,715,106	(12 mth to 31 March 2010)	independently audited
2011	£27,701,941	(18 months to 30 Sept 2011)	independently audited
2012	£15,539,135	(12 months to 30 Sep 2012)	independently audited subject to final review
2013	~£18.9 million		Estimated Figure

- By way of a specific example, Mr Hanson states that SFC sales figures for the period October 2011 to March 2012 (being the six month period prior to the contested application being filed) were £8,314,598.
- Boxes of SFC chicken and chips were sold to some 47 wholesalers for onward sale to the Food Services sector, who then sell them on a wholesale basis to many tens of thousands of individual customers. Before the date of application average weekly sales were already typically over 1000 cases from the wholesalers alone in the 1980s and this has grown to establish the sales figures provided above.

- Products are sold throughout the UK. Customers include the supermarket chains Asda, Iceland, Tesco, Sainsburys, Farmfoods, Morrisons, CO-OP, SPAR.
- Mr Hanson refers to exhibit 3 which lists some corporate statistics. This exhibit shows, inter alia, a graph entitled 'our market'. The graph indicates that the '% spend' on 'SFC products' sits between 'Birds Eye' and 'Bernard Matthews' in UK retailers. The contact details of SFC Wholesale Ltd are visible on page 55 of the exhibit.
- Exhibit 4 shows a selection of award certificates including two certificates from 'THE SUNDAY TIMES FAST TRACK 100' awarded to 'SFC (Wholesale)' for the years 2009 and 2010 for achieving the ranking of 49 and 22 respectively in the annual league table of Britain's private companies with the fastest growing sales.
- The annual amount spent on advertising and promotion of SFC products in the UK in the six years prior to the date of the contested application including expenditure paid to supermarkets, such as Iceland, to promote SFC products (the latter being represented by the '+' amounts below) were as follows:

<b>Year</b>	<b>Figure</b>	
2007	£4,992	
2008	£17,705	
2009	£64,621	
2010	£22,317	(+ £286,729)
2011	£654,555	(+ £259,518)
2012	£420,990	(+ £296,000)

- Mr Hanson states that the 'SFC' brand is marketed via trade fairs, trade magazines, sales representation and industry sponsorship.
- SFC products are also sold in dedicated freezer cabinets in retailers and are advertised in the front windows of the relevant stores. Exhibit 8 shows photographs of posters adhered to shop-front windows (which Mr Hanson states is the supermarket Iceland) and of freezer cabinets filled with a variety of prepared chicken products bearing the SFC trade mark (which Mr Hanson states is in the supermarket Asda).

### Mr Sherliker's evidence

10) Mr Sherliker exhibits to his witness statement a Trade Mark Licence between the opponent and SFC (Wholesale) Limited. Under the terms of that licence, the opponent is the licensor and SFC (Wholesale) Limited is the licensee of the 'SFC' mark.<sup>1</sup> Clause 4.4 of the agreement states:

"All goodwill arising from the use of the Mark made during the term of this agreement will accrue to the Licensor, who shall hold it on trust for the exclusive benefit of the Licensee...."

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<sup>1</sup> This evidence was filed in response to a submission by the applicant that the witness statement of Mr Hanson indicated that any goodwill which did exist belonged to SFC (Wholesale) Limited and/or SFC Limited and not to Mr Hanson.

## DECISION

### Section 5(2)(b)

11) This section of the Act states:

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

**(a) .....**

**(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.**

12) The leading authorities which guide me are from the Court of Justice of the European Union (CJEU): *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77, *Marca Mode CV v Adidas AG & Adidas Benelux BV* [2000] E.T.M.R. 723, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH* C-120/04 and *Shaker di L. Laudato & C. Sas v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) C-334/05 P (LIMONCELLO)*. It is clear from these cases that:

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

(b) the matter must be judged through the eyes of the average consumer for the goods/services in question; *Sabel BV v Puma AG*, who is deemed to be reasonably well informed and reasonably circumspect and observant - but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind; *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel B.V.*,

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

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

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

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

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

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

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

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

(k) further, the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense; *Marca Mode CV v Adidas AG and Adidas Benelux BV*,

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

**Comparison of goods and services**

13) The goods and services to be compared are:

Opponent's goods and services	Applicant's services
<p><b>Class 29:</b> <i>Chicken and chicken products; prepared meals consisting predominantly of chicken; cooked chicken; prepared meat products; prepared meat and poultry dishes; prepared vegetables; sauces in class 29</i></p> <p><b>Class 35:</b> <i>Retail and wholesale services in connection with chicken and cooked chicken products; retail and wholesale services in connection with prepared foodstuffs.</i></p>	<p><b>Class 43:</b> <i>Restaurant services; services for providing food and drink; temporary accommodation.</i></p>

14) The leading authorities as regards determining similarity between goods and services are considered to be *British Sugar Plc v James Robertson & Sons Ltd* ('*Treat*') [1996] R.P.C. 281 and *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* [1999] R.P.C. 117 ('*Canon*'). In the latter case, the CJEU accepted that all relevant factors should be taken into account including the nature of the goods/services, their intended purpose, their method of use and whether they are in competition with each other or are complementary. The criteria identified in the *Treat* case were:

- (a) The respective uses of the respective goods or services;
- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;
- (d) The respective trade channels through which the goods or services reach the market;
- (e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- (f) The extent to which the respective goods or services are competitive.

15) In *Beautimatic International Ltd v. Mitchell International Pharmaceuticals Ltd and Another* ('*Beautimatic*') [2000] FSR 267 Neuberger J held that the words must be given their natural meaning, subject to their being construed within their context; they must not be given 'an unnaturally narrow meaning simply because registration under the 1994 Act bestows a monopoly on the proprietor'. However, I must also bear in mind the comments of Jacob J in *Avnet Incorporated v Isoact Ltd* ('*Avnet*') [1998] FSR 16:

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

16) Further, in *YouView TV Ltd v Total Ltd* ('*YouView*') [2012] EWHC 3158 (Ch) at [12] Floyd J said:

'... Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 *The Chartered Institute of Patent Attorneys (Trademarks) (IP TRANSLATOR)* [2012] ETMR 42 at [47]-[49]. Nevertheless the principle should not be taken too far. *Treat* was decided the way it was because the ordinary and natural, or core, meaning of 'dessert sauce' did not include jam, or because the ordinary and natural description of jam was not 'a dessert sauce'. Each involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification



for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question.’

17) Whether goods/services are complementary (one of the factors referred to in *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer*), will depend on whether there exists a close connection or relationship such that one is important or indispensable for the use of the other. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) ('Boston Scientific')* Case T-325/06 it was stated:

‘It is true that goods are complementary if there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking (see, to that effect, Case T-169/03 *Sergio Rossi v OHIM – Sissi Rossi (SISSI ROSSI)* [2005] ECR II-685, paragraph 60, upheld on appeal in Case C-214/05 *P Rossi v OHIM* [2006] ECR I-7057; Case T-364/05 *Saint-Gobain Pam v OHIM – Propamsa (PAM PLUVIAL)* [2007] ECR II-757, paragraph 94; and Case T-443/05 *Ei Corte Inglés v OHIM – Bolaños Sabri (PiraÑAM diseño original Juan Bolaños)* [2007] ECR I-0000, paragraph 48).’

On the matter of complementarity, I also bear in mind the comments of Mr Daniel Alexander QC, sitting as the appointed person, in *Sandra Amalia Mary Elliott v LRC Products Limited* BL O/214/13.

18) I also bear in mind that, where it is not obvious to me that there is similarity between any of the respective goods and services, the onus is on the opponent to present evidence (or at least focused submissions) in support of its contentions that there is similarity (see, for example, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* Case C-39/97, paragraph 22). I will now approach the comparison by addressing each term within the applicant’s specification in turn and, where appropriate, may group certain terms together (*Separode Trade Mark* BL O-399-10).

19) *Restaurant services; services for providing food and drink*

In its counterstatement, the applicant states, inter alia, the following:

“consumers would not think that the same undertaking is responsible for supplying unfinished food products (e.g. meat) and a restaurant service [and] the customers of the applicant and the customers of the opponent are different as one would expect to purchase food to prepare at home and the other expects to dine in a restaurant;”

Whilst the opponent’s specification includes ‘chicken’ which is an unfinished meat, it also contains a number of prepared meat foodstuffs such as *prepared meals consisting predominantly of chicken and prepared meat and poultry dishes*. In terms of respective nature, clearly the opponent’s prepared goods are tangible foodstuffs whereas the applicant’s services are not tangible. Nevertheless, there is a shared purpose since both the opponent’s prepared goods and the applicant’s services are intended to satisfy hunger. Further, a consumer may choose between purchasing a prepared meal/dish and visiting a restaurant. I therefore disagree with the applicant;

the respective goods and services have the same users, intended purpose and are in competition. Further, the opponent's goods are indispensable to the applicant's services; they are complementary in the *Boston Scientific* sense. Bearing all of this in mind, I find there to be a high degree of similarity between the opponent's *prepared meals consisting predominantly of chicken; prepared meat and poultry dishes* and the applicant's *restaurant services; services for providing food and drink*.

20) Temporary accommodation.

In respect of the term *temporary accommodation*, I remind myself of my earlier comments at paragraph 18 and that none of the witnesses for the opponent have provided any evidence as to the similarity between the opponent's goods and services and *temporary accommodation*; indeed, there is no specific mention of the latter services at all in the evidence submitted nor in the form of any written submissions. In the light of this, at the hearing, I requested that Mr Silcock explain to me the basis for the opponent's contention that the respective goods and services are similar. Mr Silcock contended that the term *temporary accommodation* was "extremely broad" and that it was "difficult to pin down exactly what [the term] means". He also sought to persuade me that in order to ascertain the meaning of the term, I should read it in the light of the other terms in the specification. I disagree with Mr Silcock's submissions. Firstly, the natural and ordinary meaning of the term is, to my mind, quite clear; it describes services that are concerned with the provision of shelter for a limited period of time and would include hostels, hotels and other holiday and tourist accommodation. Secondly, that meaning is in no way affected by the other terms listed in the applicant's specification; each term listed is distinct from the others and is to be construed as and of itself.

Mr Silcock also contended the following:

"Anyone providing hotel services would be likely also to be providing, as part of those services, the provision of food and drink and quite possibly also as part of room services, for example, and also possibly as restaurant services within a hotel"



Whilst I accept that various providers of *temporary accommodation* (such as hotels) may provide food to its customers, that factor alone does not lead to a finding of similarity between the respective goods and services. Applying the factors set out in the case law, and keeping in mind the principles in *Avnet* and *YouView*, I find that in terms of respective nature, there is no similarity between the opponent's goods and services and *temporary accommodation*. The core purpose of the applicant's services is to provide shelter. The purpose of the opponent's goods is, as already stated, to satisfy hunger and its retail and wholesale services are for the purpose of bringing together various foodstuffs for the consumer for easy selection. There is no shared purpose between the respective goods and services. Further, they are not in competition or complementary in the *Boston Scientific* sense. I find there to be no similarity between the applicant's *temporary accommodation* and the opponent's goods and services.

### Average consumer and the purchasing process

21) It is necessary to consider these matters from the perspective of the average consumer of the goods and services at issue (*Sabel BV v. Puma AG*). The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect, but his/her level of attention is likely to vary according to the category of goods. The average consumer in the instant case will consist primarily of members of the general public. The goods and services at issue are unlikely to be purchased with a great deal of care and attention and may even, on occasion, be described as an impulse purchase. The goods will be selected from retail establishments and therefore the purchase is likely to be mainly visual. The services at issue are also likely to be sought out by the eye. However, that is not to say that aural considerations are discounted. I bear in mind, for instance, that the aural aspect may play a greater role in respect of certain of the opponent's goods which may be requested orally over a counter perhaps.

### Comparison of marks

22) The relevant marks to be compared are:

Opponent's marks	Applicant's mark
 <p><b>SFC</b> <b>SFC</b> <b>SFC</b></p>	 <p><b>SFC plus</b></p>

23) The average consumer normally perceives a mark as a whole and does not proceed to analyse its details. The visual, aural and conceptual similarities must therefore be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components (*Sabel BV v. Puma AG*). Accordingly, there cannot be an artificial dissection of the marks, although, it is necessary to take into account any distinctive and dominant components.

## **Dominant and distinctive components**

24) The opponent's marks do not lend themselves to deconstruction into dominant and distinctive elements; the distinctiveness lies in each mark as a whole.

25) The applicant's mark consists of the three letters 'SFC' followed by the word 'plus', presented on a black rectangular background framed by a yellow border. I do not consider the word 'plus' to be a distinctive element given that it is a word commonly used to denote that the services offer something extra. I agree with Mr Silcock's submission that "the plus element itself is no more than a laudatory epithet". Furthermore, given its positioning at the end of the mark, after the letters 'SFC', it lacks dominance. The black rectangular background with yellow border appears to act as little more than a backdrop for the other elements in the mark; it is neither a dominant nor a distinctive element. Mr Silcock submitted that "the SFC element of the mark is the dominant and distinctive element ... and... it retains within that mark an independent distinctive role..." I agree. That said, it is still the mark as a whole which must be compared with the opponent's marks as none of the elements in the applicant's mark can be described as negligible.

## **Visual comparison**

26) The opponent's earlier registrations include representations in black and white. Accordingly, the colour in the applicant's mark is not a distinguishing factor. In *Specsavers International Healthcare Limited & Others v Asda Stores Limited* [2010] EWHC 2035 (Ch) Mann J stated:

'119. It is not clear to me that this is a debate which advances the case very much, but the position seems to me to be as follows. As a matter of principle the exercise involves comparing the offending sign with the registered mark and assessing the likelihood of confusion or association. The two things have to be compared. Since we live in a visual world, and signs are visual, some form of appearance has to be considered. If the registered mark is limited to a colour, then the mark that is used has to be compared, as used, to the mark that is registered, as registered (and therefore in colour). If the registered mark is unlimited as to colour then it is registered for all colours. This means that the colour of the offending sign becomes irrelevant. It will not be possible to say that its colour prevents there being an infringement. At this point one can take one of two courses, each of which ought to have the same result. The first is to imagine the registered mark in the same colour as the offending sign. The second is to drain the colour from the offending sign. Either way one then has the material for comparison. One could even imagine them both in a third colour. It does not matter. So in a sense both Mr Purvis and Mr Bloch are right. As a matter of visual convenience it seems to me to be easier to imagine the registered mark in a colour than to imagine the offending sign drained of colour, and I propose to adopt that course.'

27) Whilst the word 'plus' and the rectangular background in the applicant's mark create some visual contrast, there is nevertheless, owing to the common presence of the letters 'SFC' in both marks, a reasonable degree of visual similarity.

## **Aural comparison**

28) The opponent's mark will be pronounced as the three letters, 'S' 'F' 'C'. The applicant's mark will be pronounced 'S' 'F' 'C' 'PLUS'. Whilst the 'plus' element in the applicant's mark creates a point of aural difference, there is still a good degree of aural similarity on account of the shared 'SFC' element.

## **Conceptual comparison**

29) Insofar as the three letters 'SFC' evoke any concept at all, this concept will be the same for both marks. The applicant's mark contains the additional concept evoked by the word 'plus' which is likely to indicate that the services on offer provide something extra. It follows that, insofar as the totality of both marks evokes a concept, that concept will be highly similar.

## **Distinctive character of the earlier mark**

30) I must consider the distinctive character of the earlier mark. The distinctive character of a trade mark must be assessed by reference to the goods or services for which it is registered and by reference to the way it is perceived by the relevant public (*Rewe Zentral AG v OHIM (LITE)* Case T-79/00 [2002] ETMR 91).

31) The opponent's mark consists of the three letters 'SFC' in an unremarkable type face. The applicant contends, in the absence of any evidence on its part, that the mark is an 'acronym [which] stands for Southern Fried Chicken, being a generic term which should be free for all to use'. It is not open to me to conclude that the earlier mark is devoid of any distinctive character. Further, it is not clear to me that the letters SFC alone are an immediately recognisable abbreviation for southern fried chicken. Nevertheless, I do bear in mind that, as letter marks are commonly used by a wide variety of traders and that there is a limit as regards the number of permutations available for use, such marks are not particularly distinctive. I find the opponent's mark, from an inherent perspective, to be possessed of a fairly low degree of inherent distinctive character. I must now turn to consider whether the opponent's evidence indicates that the use made of the mark has enhanced its distinctiveness. Viewing the opponent's evidence as a whole, and bearing in mind, in particular, the reasonably substantial sales figures for the period of 2002 - 2012 and that the opponent's goods appear to be stocked in a number of popular high street supermarkets such as Asda, Iceland and Sainsburys, I think it fair to conclude that the distinctive character of the mark has been enhanced through the use made of it. I consider the effect of this to be that the earlier mark's distinctiveness has been elevated to a reasonable degree in relation to *chicken products; prepared meals consisting predominantly of chicken*.

## **Likelihood of confusion**

32) I must now feed all of my earlier findings into the global assessment of the likelihood of confusion. That assessment requires that I also keep in mind the following factors:

- i) the interdependency principle, whereby a lesser degree of similarity between the goods and services may be offset by a greater similarity between the marks, and vice versa (*Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*);
- ii) the factor of imperfect recollection i.e. that consumers rarely have the opportunity to compare marks side by side but must rather rely on the imperfect picture that they have kept in their mind (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V*), and;
- iii) the principle that the more distinctive the opponent's mark is, the greater is the likelihood of confusion (*Sabel BV v Puma AG*).

33) I have found there to be no similarity between any of the opponent's goods and services and the applicant's *temporary accommodation*. Accordingly, there can be no likelihood of confusion (including initial interest confusion)<sup>2</sup> in respect of the applicant's *temporary accommodation*. (See, for example, *Waterford Wedgwood plc v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case C-398/07*).

34) As for the other services in the applicant's specification, I have found these to be similar to a high degree to the goods (as identified) of the opponent. The average consumer will consist primarily of members of the general public who are unlikely to afford a great deal of care during the mainly visual purchase. However, aural considerations must also be given due weight in my considerations. As regards the marks themselves, I have found that they share a reasonable degree of visual similarity, a good degree of aural similarity and insofar as the totality of both marks evokes any concept, that concept will be highly similar. I have also found that the earlier mark is possessed of a reasonable degree of distinctive character as a consequence of the use made of it in relation to certain goods, as identified.

35) Taking all factors into account, I consider that the similarities between the marks outweigh the differences and this, together with the high degree of similarity between the respective goods and services and, bearing in mind the interdependency principle, leads me to the conclusion that even if the average consumer does not mistake one mark for the other, they are likely, at the very least, to believe that the respective goods and services emanate from the same or linked undertaking(s). There is a likelihood of confusion.

**The ground of opposition under section 5(2)(b) of the Act succeeds in respect of *restaurant services; services for providing food and drink*.**

#### **Section 5(4)(a)**

36) The opponent relies upon the use made of the sign SFC since at least 1990 in relation to *chicken and chicken products; fish products*. I will only consider this ground in relation to the services for which the opponent has been unsuccessful under section 5(2)(b). That is to say, only in respect of *temporary accommodation*.

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<sup>2</sup> Mr Silcock had contended that there was, at the very least, a likelihood of 'initial interest confusion' in respect of *temporary accommodation*, relying on the judgment of Arnold J in *Och-Ziff Management Europe Ltd and Oz Management LP v Och Capital LLP, Union Investment Management Ltd and Ochocki* [2011] FSR (11) 289 (Ch).

37) The relevant section of the Act provides:

“5.-(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented –

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or

(b) ....

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an “earlier right” in relation to the trade mark.”

38) The principles of the law of passing-off were summarised by Lord Oliver in *Reckitt & Colman Products Ltd v. Borden Inc* [1990] RPC 341 at page 406:

“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.”

39) I must determine the date at which the opponent's claim is to be assessed ('the material date'). 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 said:

“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.”

40) The filing date of the contested application, namely 28 March 2012, is the material date.

41) Taking a collective view of the evidence it appears to me that much of the use of the sign SFC has been made by SFC (Wholesale) Limited. Bearing this in mind together with the agreement exhibited to Mr Sherliker's witness statement and my earlier comments at paragraph 31 regarding the scale and nature of use, I accept that the opponent, Mr Hanson, had a protectable goodwill in the sign SFC in relation to *chicken products* at the material date.<sup>3</sup> Having reached this finding, I must now turn to consider whether there is a likelihood of misrepresentation and damage.

42) As Mr Silcock submitted at the hearing, in actions for passing off, there is no need for a common field of activity.<sup>4</sup> However, in *Harrods v Harrodian School* [1996] RPC 697, the difficulty in establishing confusion where there is a distance between the fields of activities was considered by Millet LJ who stated:

“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.”

In the same case Millet LJ also held:

“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.”

43) It is apparent that proximity of trade, whilst not, of itself, determinative, is a highly relevant consideration. Bearing this in mind and the nature of the opponent's goodwill, I find that the respective fields of activity of the opponent and applicant are simply too disparate for the public to suppose that the opponent has made itself responsible for the quality of the applicant's *temporary accommodation* services.

**The opposition based upon section 5(4)(a) to fails.**

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<sup>3</sup> I note that in his witness statement, Mr Hanson states that he has goodwill in connection with restaurant services also. However, this was not pleaded in the notice of opposition and, in any event, the evidence before me does not support this contention.

<sup>4</sup> See the comments in *Lego System Aktieselskab and Another v Lego M. Lemelstrich Ltd* [1983] FSR 155.



## **OVERALL SUMMARY**

The opposition **succeeds** in respect of the following services:

*Restaurant services; services for providing food and drink.*

The opposition **fails** in respect of the following services:

*temporary accommodation.*

## **COSTS**

44) In the light of the degree of success of both parties, I consider that each side should bear its own costs. Consequently, I decline to make an order.

**Dated this 30th day of April 2014**

**Beverley Hedley  
For the Registrar,  
the Comptroller-General**