

O-209-15

TRADE MARKS ACT 1994

**APPLICATION No. 3028699 BY SHAHIN AHMED
TO REGISTER THE TRADE MARK 'MASALA EMPIRE'**

AND

OPPOSITION No. 401844

BY MW EAT LIMITED

Background and pleadings

1. On 30 October 2013, Shahin Ahmed (“the applicant”) applied to register the words MASALA EMPIRE in class 43 as a trade mark for:

Cafe services; Cafés; Cafeteria services; Catering services; Catering services for the provision of food; Catering services for the provision of food and drink; Cocktail lounge services; Fast food restaurant services; Fast-food restaurants; Food cooking services; Food preparation; food takeaway service; Provision of food and drink; Provision of food and drink in restaurants; Restaurant services; Restaurants.

2. The application was accepted and published in the Trade Marks Journal on 13 December 2013.

3. MW Eat Limited (“the opponent”) opposes the registration of the trade mark on the basis of sections 5(2)(b) and 5(3) of the Trade Marks Act 1994 (the Act). This is on the basis of following three earlier Community trade marks.

CTM 10010502 - MASALA

CTM 10010437 - MASALA ZONE

CTM 10691666 - MASALA EXPRESS

4. The opponent claims that there is a likelihood of confusion because all three of its marks are similar to the applicant’s mark and are registered for identical services in class 43, namely:

Services for providing food and drink; temporary accommodation; restaurant, bar and catering services; preparation of food and drink; restaurant services for the provision of fast food; take away services.

5. The opponent further claims that the marks MASALA ZONE and MASALA EXPRESS have a reputation in the Community for the services listed above, with the exception of ‘temporary accommodation’. This reputation is the result of use of MASALA ZONE since 25 May 2001 in relation to restaurants throughout London, and the use of MASALA EXPRESS since 1 January 2012 in relation to a single restaurant located in the Selfridges department store in London. The opponent claims that the applicant’s mark would, without due cause, take unfair advantage of the reputations of its marks and/or that use of the applicant’s mark would be detrimental to the reputation and distinctive character of the earlier marks. In this connection, the opponent makes the following points:

- The opponent is known for operating Michelin starred restaurants in the UK.
- If the applicant is associated with the opponent in any way it will damage the aura of the opponent's business.
- The applicant is actually using MASALA EXPRESS, which shows that it is intending to free-ride on the opponent's reputation.
- The use of MASALA EXPRESS or MASALA EMPIRE by the applicant is likely to cause consumers to change their economic behaviour in that consumers looking for the opponent's business might believe that it has changed its name, or is operating in a different area of the UK, or that the standard of dining is not what it was previously.

6. All three of the opponent's Community trade marks are earlier trade marks for the purposes of s.6 of the Act. However, none of them had been registered for five years at the date of publication of the applicant's mark. Consequently, the proof of use requirement in s.6A of the Act does not apply.

7. The opponent also opposes the applicant's mark under s.5(4)(a) of the Act on the ground that use of the applicant's mark would deceive the public and constitute passing off.

8. The applicant filed a counterstatement dated 23 June 2014 denying the grounds of opposition. The applicant makes the following points.

- The word Masala means a mixture of spices and is used to describe a very common food dish served in most Indian restaurants. According to Wikipedia, Chicken Tikka Masala is the UK's second most popular foreign dish.
- The word Masala is commonly used in the names of Indian restaurants. According to Yell.com there are over 100 such outlets with MASALA in their names.
- The word Express is also commonly used in the restaurant and take-away field. According to Yell.com there are 75 outlets with names consisting of MASALA, INDIAN, CURRY or BALTI and EXPRESS.
- The word MASALA should not have been registered as a trade mark for restaurant services because it is non-distinctive.
- The applicant's business was originally called MASALA EXPRESS but the applicant changed its name to MASALA EMPIRE when the opponent objected to such use.

- Before picking the new name, the applicant searched to make sure that the new name was free to use.
- The applicant's business has hit a low and takings are down 40%. It is a small business and cannot afford the cost of legal representation.

7. The applicant annexed to its counterstatement the results of the searches it conducted on Yell.com. As the counterstatement was signed by the applicant in person and included a statement of truth, I informed the parties that I proposed to accept the search material as evidence without requiring the applicant to complete a formal witness statement. The opponent did not object to that course. This material therefore stands as the applicant's evidence in these proceedings.

Representation

8. The opponent is represented by Lewis Silkin LLP, solicitors. As already indicated, the applicant is a litigant in person. Neither side asked for a hearing so this decision has been taken on the basis of the papers before me. These include the evidence and written submissions filed on behalf of the opponent.

The opponent's evidence

9. The opponent's evidence takes the form of a witness statement dated 13 November 2014 by Dominic Farnsworth, who is a solicitor and partner at Lewis Silken LLP. Mr Farnsworth says that his evidence is based on his own knowledge, or is true to the best of his belief, and that he identifies the source of any facts not within his own knowledge.

10. Mr Farnsworth states that the opponent operates 7 restaurants in London under the name MASALA ZONE. This statement appears to be based on the material he exhibits as exhibit 1 to his statement. He does not say what this is, but it appears to be pages from the opponent's website in 2014. The website does indeed state that the opponent operates seven MARSALA ZONE restaurants in London located in places such as Covent Garden and Soho. They are informal brasserie type restaurants. I note that the opponent also operates 3 fine dining Indian restaurants, but these are not called MASALA ZONE. The opponent's website makes no mention of a restaurant called MASALA EXPRESS.

11. Exhibits 4 and 5 to Mr Farnsworth's statement are said to show that the opponent's Facebook page has over 13,000 'likes' and that the opponent's Twitter feed has over 5000 followers. I note that the pages in evidence date from 2014. The Facebook page indicates that it has received 4259 visits, but it is not clear when these were made (i.e. how many were before the date of the opposed application on

30 October 2013). The copy of the opponent's Facebook page is also undated. I note that it refers to the existence of six MASALA ZONE restaurants, perhaps indicating that the 7th such restaurant opened recently.

12. There is no evidence as to the turnover of the MASALA ZONE restaurants. Nor are there any details about the promotion or marketing of the restaurants prior to the date of the applicant's application or at all (except for the opponent's website, Facebook and Tweeter pages in 2014).

13. Mr Farnsworth states that *"the [opponent's] Masala Zone and Masala Express restaurants instantly became popular since opening in Soho in 2001"*. As Mr Farnsworth provides no source for this information, the implication is that it comes from his own knowledge. However, he offers no explanation as to how, as a solicitor with no apparent connection to the opponent's business, he knows the opening date of the opponent's restaurants. The opponent's pleadings do not claim that MASALA EXPRESS opened in Selfridges before 1 January 2012, so Mr Farnsworth statement cannot be correct in stating that this particular restaurant opened in Soho in 2001. I am left with the impression that this part of Mr Farnsworth evidence is unattributed hearsay. Although such evidence is admissible, this may have a bearing on the weight that can be placed on it. I find that there is no persuasive evidence that the opponent operated a restaurant called MASALA EXPRESS prior to the date of the opposed application. I am prepared to accept that the opponent operated at least one restaurant in Soho called MASALA ZONE since 2001, and probably operated several more such restaurants in London by the date of the opposed application. However, I find that the extent of the opponent's goodwill and reputation under that mark has not been established in evidence.

14. Mr Farnsworth's evidence is that despite the applicant's claim that it has changed the name of its restaurant to MASALA EMPIRE, it continues to trade as MASALA EXPRESS. In support of this claim, Mr Farnsworth provides exhibits 2 and 3, which consist of copies of what appears to be the front page of the applicant's website and another page featuring some reviews. Both use the name MASALA EXPRESS. Mr Farnsworth says that the pages were downloaded on 13 October 2014, i.e. after the date of the applicant's counterstatement in which he claimed that the name had been changed to MASALA EMPIRE.

15. I note that the applicant's restaurant is located in Cardiff. I also note that the last review on the website is dated March or May 2014 (it is hard to tell which), i.e. prior to the date of the applicant's counterstatement. I do not consider that applicant's failure to close its MASALA EXPRESS website means that it was still operating a restaurant under that name in October 2014. In any event, as the opponent has not established its claim to have operated a restaurant under that name in Selfridges, London, at the date of the opposed application, little could be inferred about the applicant's motives in continuing to use that name for a restaurant in Cardiff.

16. The remainder of Mr Farnsworth statement consists of submissions and assertions. I have taken the former into account in reaching my decision.

Decision

17. Sections 5(2)(b) of the Act is as follows:

“5(2) A trade mark shall not be registered if because-

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected, or there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark”.

18. In *Gérard Meric v Office for Harmonisation in the Internal Market*¹, the General Court stated that:

“29. In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by trade mark application (Case T-388/00 Institut für Lernsysteme v OHIM- Educational Services (ELS) [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark”.

19. Taking this into account, there is no doubt that the respective services must be considered to be identical.

The case law

20. The following principles are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P.

The principles

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the

¹ Case T- 133/05,

chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;

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

(i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

(k) if the association between the marks creates a risk that the public might believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of marks

21. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall

impressions created by the marks, bearing in mind their distinctive and dominant components. The Court of Justice of the European Union stated at paragraph 34 of its judgment in *Bimbo SA v OHIM*², that:

“.....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

It would be wrong, therefore, to artificially dissect the trade marks, although, it is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

22. The respective trade marks are shown below:

MASALA MASALA EXPRESS MASALA ZONE	MASALA EMPIRE
Earlier trade marks	Contested trade mark

Considering first the word mark MASALA, I find that there is a moderate level of overall visual and aural similarity between the marks. This is because the opponent’s mark makes up the first word of the applicant’s mark, and the beginning of that mark therefore looks and sounds just like the opponent’s mark. However, the second word in the applicant’s mark is absent from the opponent’s mark.

23. The opponent submits that the average UK consumer would not be familiar with the word Masala. However, the applicant points out that it is the name of a popular Indian dish and therefore highly likely to be known to consumers of restaurant and takeaway services, particularly users of Indian restaurants/takeaways. The applicant’s evidence from Wikipedia and Yell.com is not conclusive, but it is consistent with Mr Ahmed’s narrative. Further, I bear in mind that Mr Farnsworth is not involved in the operation of Indian restaurants. I therefore prefer Mr Ahmed’s statement on this point. Even without it, I would have been prepared to take judicial notice of the fact that Masala is a very well known sauce used in Indian dishes, particularly in famous tikka dishes such chicken tikka masala. This means that there is a medium level of conceptual similarity between the marks because the word masala will carry the same meaning in both marks. Again, that fact is offset to some

² Case C-591/12P

extent by the well known meaning of 'empire' which has no counterpart in the opponent's word mark MASALA.

24. Overall, I find that there is a moderate level of similarity between MASALA and MASALA EMPIRE.

25. As regards MASALA EXPRESS, I find that there is a medium level of visual and aural similarity between this mark and MASALA EMPIRE. Again the first word is identical, but in this case the opponent's the opponent's mark includes a second word which also begins with the latter E and has the letter P as the third letter. Further, EXPRESS and EMPIRE are of a similar length. On the other hand the marks MASSALA EMPIRE and MASALA EXPRESS still look rather different overall. I would expect that the second word in the marks will be pronounced M – PIRE and X – PRESS, respectively, which means that MASALA EMPIRE does not sound particularly similar to MASALA EXPRESS either.

26. Further, the meanings of the words EMPIRE and EXPRESS are well known and entirely different. Therefore although the word MASALA has the same meaning in both marks, there is still only a low degree of conceptual similarity between the marks as wholes.

27. Overall, I find that there is a medium level of similarity between the marks MASALA EMPIRE and MASALA EXPRESS.

28. Finally, turning to MASALA ZONE, I find that there is a low degree of visual and aural similarity between this mark and MASALA EMPIRE. This is because the similarity created by the common first word MASALA is quite heavily offset by the wholly different looking and sounding second words ZONE and EMPIRE, respectively.

29. Further, the meanings of the words ZONE and EMPIRE are well known and entirely different. Therefore although the word MASALA has the same meaning in both marks, there is still only a low degree of conceptual similarity between the marks as wholes.

27. Overall, I find that there is a moderate level of similarity between the marks MASALA ZONE and MASALA EXPRESS.

Average consumer and the purchasing act

28. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd*

Schuhfabrik Meyer. I find that restaurant, catering, takeaway and drink related services are likely to be selected by the general public paying an average degree of attention. The services are likely to be selected mainly by eye, although oral use through recommendations etc. must also be considered.

Distinctive character of the earlier trade mark

29. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, the CJEU stated that:

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

30. The word MASALA is registered as a Community trade mark and must therefore be assumed to have some distinctiveness³. However, I find that the word MASALA has a low degree of inherent distinctive character for restaurant and other food services. This is because it is the name of a very well known sauce used in popular Indian dishes. It is more distinctive than (say) CURRY, which is often used to characterise Indian restaurants, or even BALTI, which is well known to be used to characterise Indian restaurants specialising in balti dishes. By contrast, it is not well known (and there is no evidence) that there is a class of Indian restaurants which specialise in masala dishes. Nevertheless, like the names of other famous Indian curry sauces, such as Madras and Korma, the word Masala has only limited distinctiveness in relation to food services. Because of its meaning, it is not the sort of word that consumers would be surprised to find being used as part of the trade marks of different providers of food services. Admittedly, the word has a higher (although still only average) level of distinctiveness in relation to bar services.

³ See, by analogy, *Formula One Licensing BV v OHIM*, Case C-196/11P, CJEU

31. The word 'express' is also low in distinctiveness for food (and drink) services because it describes the speed of the service. Therefore the mark MASALA EXPRESS has only a little more inherent distinctiveness than MASALA alone in relation to the services at issue.

32. The mark MASALA ZONE has an average degree of inherent distinctiveness for the services at issue. Again the word MASALA and, to a lesser degree, the word ZONE are semi-descriptive of the services (together alluding to an area where masala is found), but the combination is sufficiently allusive to qualify as a mark of average inherent distinctiveness.

33. Turning to the issue of acquired distinctiveness, it is striking that the opponent has provided no details of its market share, how many customers it has, where those customers come from, how intensive its use of MASALA ZONE has been, or the amount invested in promoting the mark, and there is only sketchy evidence as to the length of the use of the mark. Geographically, the use of MASALA ZONE appears to be limited to central London. Although the opponent claims that it operates restaurants with Michelin stars, these do not appear to be the restaurants operated under the mark MASALA ZONE. I therefore find that there is insufficient factual material before me to enable me to conclude that the distinctiveness of MASALA ZONE has been materially enhanced through the use of that mark prior to the date of the opposed application. It follows that the same must apply to the marks MASALA and MASALA EXPRESS for which there is no evidence of use.

Likelihood of confusion

34. The matter must be judged as at the date of the opposed application, i.e. 30th October 2013 ("the relevant date").

35. I start by considering the likelihood of confusion between MASALA EMPIRE and MASALA. Earlier I found that that there is a moderate level of similarity between these marks and that the opponent's mark is low in distinctiveness. On the other hand, the respective services are identical. Further, as a rule of thumb, similarity at the beginnings of marks increases the risk of confusion because the beginnings of marks generally make more of an impression on consumers than the ends⁴. However, that is no more than a rule of thumb and may have less significance where the common element is low in distinctiveness⁵.

36. I find it hard to see how average consumers paying a normal level of attention could directly mistake MASALA for MASALA EMPIRE or vice versa. Even allowing

⁴ See, for example, Cases T- T-183/02 and T-184/02, *El Corte Inglés, SA v OHIM*

⁵ See, for example, *CureVac GmbH v OHIM*, Case T-80/08, *Enercon GmbH v OHIM*, Case T-472/07 and *CM Capital Markets Holding, SA v OHIM*, Case T-563/08

for imperfect recollection, the differences between the look and sound of the marks is sufficient to avoid direct confusion. That also applies, albeit to a slightly lesser and greater extent, respectively, to the marks MASALA EMPIRE and MASALA ZONE.

37. The opponent submits that there is a risk that the public will think that MASALA EMPIRE is an updated version of its MASALA EXPRESS or MASALA ZONE marks, or a brand extension. This is effectively an argument that there will be indirect confusion or, to use the words of the Act, the likelihood of association. That argument is clearly weakened by the opponent's failure to substantiate its use of the MASALA EXPRESS mark.

38. In *L.A. Sugar Limited v By Back Beat Inc*⁶, Mr Iain Purvis Q.C. as the Appointed Person noted that:

"16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: "The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark".

17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

(a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right ("26 RED TESCO" would no doubt be such a case).

(b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as "LITE", "EXPRESS", "WORLDWIDE", "MINI" etc.).

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension ("FAT FACE" to "BRAT FACE" for example)."

39. In this case the element that is common to the applicant's mark and to the opponent's marks – MASALA – is not "strikingly distinctive". In fact it is low in

⁶ Case BL-O/375/10

distinctiveness for food related services. The fact that there appears to have been over 100 relevant businesses trading under names consisting of, or including, MASALA in 2014 is consistent with my earlier conclusion that this is not the sort of word that consumers would be surprised to see (or hear) being used as part of the trade marks of different undertakings in the context of food services. The other word in the applicant's mark – EMPIRE – is distinctive and not the sort of the word that one would expect to find used as a sub-brand or brand extension, such as EXPRESS.

40. I therefore reject the opponent's arguments that there is a likelihood of indirect confusion if the applicant's mark is used in relation to food related services.

41. The opponent's argument is slightly stronger in relation to the drink related services because MASALA is more distinctive for such services. However, even then it is only averagely distinctive. I accept that the matter is more finely balanced when it comes to the concurrent use of the parties' marks in relation to drink related services. However, on balance, I find that the differences between the parties' marks are sufficient to avoid indirect confusion, even in relation to drinks related services.

42. The s.5(2)(b) ground of opposition fails accordingly.

The s.5(3) ground of opposition

43. Section 5(3) is as follows:

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

44. The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, [1999] ETMR 950, Case 252/07, *Intel*, [2009] ETMR 13, Case C-408/01, *Addidas-Salomon*, [2004] ETMR 10 and C-487/07, *L'Oreal v Bellure* [2009] ETMR 55 and Case C-323/09, *Marks and Spencer v Interflora*. The law appears to be as follows.

a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors*, paragraph 24.

(b) The trade mark for which protection is sought must be known by a significant part of that relevant public; *General Motors*, paragraph 26.

(c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Saloman, paragraph 29* and *Intel, paragraph 63*.

(d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark's reputation and distinctiveness; *Intel, paragraph 42*

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel, paragraph 68*; whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel, paragraph 79*.

(f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; *Intel, paragraphs 76 and 77*.

(g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel, paragraph 74*.

(h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact of the earlier mark; *L'Oreal v Bellure NV, paragraph 40*.

(i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or

similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora*, paragraph 74 and the court's answer to question 1 in *L'Oreal v Bellure*).

45. There is no evidence of use of MASALA EXPRESS. Consequently, the s.5(3) ground based on this mark must fail.

46. The opponent's MASALA ZONE mark has been used in London, although the extent of the use and the reputation resulting from such use are not clear. The opponent's mark is a Community trade mark and to qualify for protection under s.5(3) it must be shown to have a reputation in the Community. In *Pago International GmbH v Tirolmilch registrierte GmbH*⁷, the CJEU held that:

“20. By its first question, the national court in essence asks the Court, first, to clarify the meaning of the expression ‘has a reputation in the Community’, by means of which, in Article 9(1)(c) of the regulation, one of the conditions is laid down which a Community trade mark must fulfil in order to benefit from the protection accorded by that provision and, second, to state whether that condition, from a geographical point of view, is satisfied in a case where the Community trade mark has a reputation in only one Member State.

21. The concept of ‘reputation’ assumes a certain degree of knowledge amongst the relevant public.

22. The relevant public is that concerned by the Community trade mark, that is to say, depending on the product or service marketed, either the public at large or a more specialised public, for example traders in a specific sector (see, by way of analogy, *General Motors*, paragraph 24, with regard to Article 5(2) of the directive).

23. It cannot be required that the Community trade mark be known by a given percentage of the public so defined (*General Motors*, by way of analogy, paragraph 25).

24. The degree of knowledge required must be considered to be reached when the Community trade mark is known by a significant part of the public concerned by the products or services covered by that trade mark (*General Motors*, by way of analogy, paragraph 26).

25. In examining this condition, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it (*General Motors*, by way of analogy, paragraph 27).

⁷ Case C-301/07

26. In view of the elements of the main proceedings, it is thus for the national court to determine whether the Community trade mark at issue is known by a significant part of the public concerned by the goods which that trade mark covers.

27. Territorially, the condition as to reputation must be considered to be fulfilled when the Community trade mark has a reputation in a substantial part of the territory of the Community (see, by way of analogy, *General Motors*, paragraph 28).

28. It should be noted that the Court has already ruled that, with regard to a Benelux trade mark, it is sufficient, for the purposes of Article 5(2) of the directive, that it has a reputation in a substantial part of the Benelux territory, which part may consist of a part of one of the Benelux countries (*General Motors*, paragraph 29).

29. As the present case concerns a Community trade mark with a reputation throughout the territory of a Member State, namely Austria, the view may be taken, regard being had to the circumstances of the main proceedings, that the territorial requirement imposed by Article 9(1)(c) of the regulation is satisfied.

30. The answer to the first question referred is therefore that Article 9(1)(c) of the regulation must be interpreted as meaning that, in order to benefit from the protection afforded in that provision, a Community trade mark must be known by a significant part of the public concerned by the products or services covered by that trade mark, in a substantial part of the territory of the Community, and that, in view of the facts of the main proceedings, the territory of the Member State in question may be considered to constitute a substantial part of the territory of the Community.”

47. I am not satisfied by the evidence that the opponent’s MASALA ZONE mark was known by a significant part of the relevant public in the territory of the UK at the relevant date. Indeed, I am not even satisfied that it was known by a significant part of the relevant public in London. The mark did not therefore have a reputation “in the Community” and the ground of opposition under s.5(3) must be rejected accordingly.

48. However, even if I am wrong about this, and MASALA ZONE scrapes over the hurdle of having a qualifying reputation for restaurant services, I find that the similarity between MASALA ZONE and MASALA EMPIRE is sufficiently low that relevant consumers would not make any link between the marks.

49. Central to that finding is the low distinctiveness of MASALA for restaurant services. The relative lack of strength of the established reputation of the opponent’s mark for restaurant services is a further factor which makes any kind of linkage with the applicant’s mark unlikely. It follows that the applicant’s mark will not take unfair advantage of the earlier mark, or be detrimental to its reputation or distinctive character.

50. The ground of opposition under s.5(3) fails accordingly.

The s.5(4)(a) ground of opposition

51. It is well established that passing off is dependent on the existence of goodwill, deception and damage. I am prepared to accept that the opponent had established goodwill in London under the mark MASALA ZONE at the relevant date, which is 30 October 2013 for this purpose too.

52. As stated by *Lord Oliver of Aylmerton in Reckitt & Colman Products Ltd. v. Borden Inc.*⁸, and adapted to the matter in hand, the question on the issue of deception or confusion is:

“is it, on a balance of probabilities, likely that, [use of the applicant’s mark will mean that] a substantial number of members of the public will be misled into purchasing the [applicant’s services] in the belief that [they are the opponent’s services]”.

53. For essentially the same reasons given in relation to the s.5(2)(b) ground of opposition, I find that it is unlikely that a substantial number of members of the public will be misled by the applicant’s use of MASALA EMPIRE. Consequently, there will be no passing off and the ground of opposition under s.5(4)(a) also fails.

Outcome

54. The opposition fails. Subject to appeal, the mark MASALA EMPIRE will be registered.

Costs

55. The applicant has been successful and is entitled to a contribution towards his costs. The applicant has represented himself throughout this opposition and has not therefore incurred legal costs. I therefore invite the applicant to submit a schedule of his costs itemising the number of hours spent dealing with the opponent’s notice of opposition and his counterstatement, the opponent’s evidence and submissions, and any other matters covered by these proceedings.

56. The Registrar has no power to award costs covering any other matters between the parties so the itemisation described above should not include the costs associated with any correspondence between the parties relating to the applicant’s use of MASALA EXPRESS.

⁸ [1990] R.P.C. 341 at page 407

57. The applicant should also include an hourly rate reflecting the cost of his time to his business. The registrar will not entertain any such claim in excess of £20 per hour.

58. Any such claim for costs must be filed within 21 days of the date of the decision shown below and must be copied to the opponent's representative.

59. The opponent has 35 days from the date of the decision shown below in which to make any written submissions it wishes in relation to any claim made by the applicant for costs.

60. If a claim is made, I will issue a further decision on costs after reviewing the applicant's claim and any submissions filed on behalf of the opponent.

Status of this decision

61. This is a final decision, except in relation to costs.

Dated this 6th Day of May 2014

**Allan James
For the Registrar**