

O-276-15

TRADE MARKS ACT 1994

TRADE MARK APPLICATION No. 2633787

BY PING LEISURE LIMITED

AND

OPPOSITION No. 104643

BY KARSTEN MANUFACTURING CORPORATION

Background and pleadings

1. Trade mark application 2633787, for the word PING in class 43, stands in the name of Ping Leisure Limited. The application was filed on 5th September 2012.
2. The application is opposed by Karsten Manufacturing Corporation of Arizona, USA.
3. Subsequent to the opposition, the list of services covered by the application was amended and is now 'ping pong themed restaurants and bars'.
4. The opponent opposes the registration of the applicant's mark on two grounds: under s.5(2)(a) of the Act on the basis of two of its earlier registrations of the word PING for various food and drinks in classes 30, 32 and 33; and under s.5(3) on the basis of its three earlier registrations of the word PING for 'sporting articles for use in the game of golf' in class 28 and 'luggage, bags and backpacks' in class 18. The opponent claims that its PING mark has a reputation for the goods in classes 18 and 28.
5. The opponent's case is that use of the applicant's mark will create a likelihood of confusion with the opponent's mark in classes 30, 32 and 33. Further, use of the applicant's mark, without due cause, would be detrimental to the distinctive character and/or reputation of the earlier marks in classes 18 and 28 and would take unfair advantage of the reputation of the earlier marks.
6. The applicant denies the grounds of opposition and puts the opponent to proof of use of the earlier marks that were registered more than 5 years prior to the date of publication of the opposed application on 21 December 2012. This affects the earlier marks in classes 18 and 28, but not the earlier marks in classes 30, 32 and 33. These were registered too recently to be subject to the proof of use requirement set out in s.6A of the Act.

Representation

7. The applicant is represented by Scott & York Intellectual Property. The opponent is represented by Mewburn Ellis LLP. A hearing was held on 27 April 2015 at which the opponent was represented by Edmund Harrison of Mewburn Ellis. The applicant was not represented and did not file written submissions in lieu of attendance.

Decision

8. The opposition under s.5(2)(a) is successful and the application will be refused.

The s.5(3) ground of opposition

9. There is strictly no need for a decision on the further ground of opposition under s.5(3). There is not much doubt that the opponent's PING mark has a qualifying reputation for the purposes of s.5(3), at least for golf clubs and golf bags, but the merit of the opposition under s.5(3) appears to me to be more debateable than the merit of the opposition under s.5(2)(a). This makes it particularly unfortunate that I have not had the benefit of hearing the applicant's submissions on the merits of the s.5(3) ground. In all the circumstances I have decided not to make a formal decision on the opponent's ground of opposition under s.5(3).

The evidence

10. Both sides filed evidence. The applicant's evidence consists of a witness statement by Cathy Ayers, who is a trade mark attorney at Scott & York IP. Ms Ayers' evidence is that in August 2012 the applicant opened a restaurant with ping-pong playing facilities. Ms Ayers claims that other organisations in the operating in the game of ping-pong also use PING as a brand. She cites Ping England, which she says used the mark since August 2011¹.

11. The opponent filed a substantial volume of evidence consisting of four witness statements by Phillip Craghill, David Fanning, Peter Samuels and Edmund Harrison, together with 35 exhibits.

12. Mr Craghill is the Managing Director of a company called Golf Marketing Services, which as the name suggests provides marketing and PR services to the golf industry, including the opponent. Mr Craghill's evidence covers the marketing and PR conducted in the UK and elsewhere in the EU on the opponent's behalf over the previous 10 years, which in his view has resulted in PING becoming one of the best selling brands of golf clubs in Europe.

13. Mr Fanning is European Marketing Manager for Ping Europe, which is a wholly owned subsidiary of the opponent. Mr Fanning's evidence covers:

- The history of the opponent's mark;
- The extent of its use in the EU in the 5 years ending in 2012 (£250m turnover);

¹ This is supported by historical internet pages from 2011 at exhibit CA4.

- The types of goods sold under the PING mark (70% of the turnover comes from sales of golf clubs, but sales also include golf bags, golfing accessories and, more recently, general purpose bags);
- The appearance of the mark in numerous golfing and other publications, including those sold in the UK;
- The position of PING in the UK market (it has consistently been the first or second best selling brand of golf club in the UK);
- The opponent's sponsorship of some well known professional golfers who use PING clubs in televised golf competitions.

14. Mr Samuels is the opponent's Communications Director. His evidence is mainly directed at matters in the USA and is therefore mostly irrelevant.

15. Mr Harrison is the opponent's UK trade mark attorney. His evidence was filed in reply to that of the applicant's trade mark attorney. Mr Harrison points out that any link between the applicant's PING mark and its ping pong themed restaurant is not obvious from the front of the applicant's premises, or from much of its publicity material². Mr Harrison says that Ping England provides table tennis facilities in public spaces over the summer months³. He visited two of the sites and found that the use of PING was low key. In any event, he says that the use of PING for restaurants is different to the use of PING for the ping pong services facilities provided by Ping England. This is because there is a link between golf and catering, restaurants and bars. In support of this point Mr Harrison exhibits extracts from the websites of long established golf clubs and golfing facilities showing that catering services of one sort or another are expected at such establishments⁴. Mr Harrison also points out that the opponent sponsors PING PAVILLION catering facilities at an international women's golf tournament called the Solheim Cup. The tournament has not yet been held in the UK, but was held in Sweden in 2007 and Ireland in 2011.

16. Much of the opponent's evidence goes to the use and reputation of the opponent's PING marks for goods in classes 18 and 28. As no decision is required on the s.5(3) grounds, there is no need to go any further into the detail of that evidence.

Reasons for the decision under s.5(2)(a)

17. Section 5(2)(a) of the Act is as follows:

² Exhibits ESH1 and ESH2 are intended to support this submission.

³ This is supported by pages from Ping England's website at ESH4.

⁴ See exhibits ESH5-7

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

(a) it is identical with an earlier trade mark and is to be registered for goods or services similar to those for which the 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”.

18. The opponent relies on two earlier CTMs in support of this ground of opposition. CTM 10711554 is for the word PING and was entered in the register on 28 February 2012. It is registered in class 33 for:

Wines; spirits and liqueurs; alcopops; alcoholic cocktails.

19. CTM 10437804 is also for the word PING and was entered in the register on 11 April 2012. It is registered for:

Class 30: Candy; confectionery; ice cream.

Class 32: Drinking water; non-alcoholic drinks.

20. The proof of use requirement in s.6A of the Act is manifestly inapplicable to these earlier CTMs.

Identity of the marks

21. The earlier trade marks are identical to the opposed mark.

Similarity of goods and services

22. The respective goods and services are as follows.

| Application | Earlier CTMs |
|---|--|
| Class 43: Ping pong themed restaurants and bars | CTM 10437804 Class 30: Candy; confectionery; ice cream. Class 32: Drinking water; non-alcoholic drinks. CTM 10711554 Class 33: Wines; spirits and liqueurs; alcopops; alcoholic cocktails. |

23. In *Canon*⁵ the CJEU stated at paragraph 23 of its judgment that:

⁵ Case C-39/97

“In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, inter alia, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary”.

24. In *Boston Scientific Ltd v OHIM*⁶, the General Court stated that “complementary” means:

“...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”.

25. In *Sanco SA v OHIM*⁷ the General Court indicated that goods and services may be regarded as ‘complementary’ and therefore similar to a degree in circumstances where the nature and purpose of the respective goods and services are very different, i.e. *chicken* against *transport services for chickens*. The purpose of examining whether there is a complementary relationship between goods/services is to assess whether the relevant public are liable to believe that responsibility for the goods/services lies with the same undertaking or with economically connected undertakings. As Mr Daniel Alexander Q.C. noted as the Appointed Person in *Sandra Amelia Mary Elliot v LRC Holdings Limited* BL-0-255-13:

“It may well be the case that wine glasses are almost always used with wine – and are, on any normal view, complementary in that sense - but it does not follow that wine and glassware are similar goods for trade mark purposes.”

Whilst on the other hand:

“.....it is neither necessary nor sufficient for a finding of similarity that the goods in question must be used together or that they are sold together.

26. Mr Harrison drew my attention to a couple of previous decisions of the registrar⁸ where the Hearing Officer accepted that certain goods in classes 30, 32 and 33 were similar to a degree to certain related services in class 43. He also drew my attention to the decisions of the General Court in *Absacker*⁹ and *Spa Monopole*¹⁰ where the court upheld OHIM’s findings that there is some similarity between goods in class 32

⁶ Case T-325/06

⁷ Case T-249/11

⁸ BL O-198-12 and O-299-14

⁹ Case T-304/12

¹⁰ Case T-611/11. See also *Group Lottus Corp., SL v OHIM*, Case T-161/07, where the General Court held that there was a “lesser” [low] degree of similarity between beers and bar, nightclub and cocktail bar services.

and services in class 43. I take due note of these cases, but of course each case turns on the specific goods and services at issue and the evidence before the tribunal.

27. Mr Harrison submitted that the applicant's 'restaurants' covers ice cream parlours, which are similar to 'ice cream'. In *YouView TV Ltd v Total Ltd*¹¹, Floyd J. (as he then was) stated that:

"... 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."

28. I do not think that one would naturally describe an ice cream parlour as a restaurant. However, I note that the applicant's restaurant, which is an informal restaurant and bar, sells desserts, one of which is called 'PING Porn'¹². I do not therefore think that the applicant can deny that normal and fair use of its mark in relation to restaurants would cover the sort of restaurants that might offer similarly branded desserts. The applicant's restaurant services are therefore complementary to a degree with ice cream and confectionery in class 30 of CTM 10437804.

29. Further, it is well known that restaurants often offer house wines. The applicant's restaurant services are therefore complementary to a degree with 'wines' in class 33 of CTM 10711554.

30. The applicant's bar services undoubtedly cover the sort of bars that sell wines, including wine bars. Again these services may include the sale of house wines. The applicant's bar services are therefore complementary to a degree with 'wines' in class 33 of CTM 10711554.

31. The applicant's bar services undoubtedly cover the sort of bars that sell cocktails, including cocktail bars. I note that the applicant's bar sells cocktails, one of which is called the 'Ping Shot Attack' and another is called the 'Chandler Ping'. I do not therefore think that the applicant can deny that normal and fair use of its mark in relation to bar services would cover the sort of bars that might offer similarly branded

¹¹ [2012] EWHC 3158 (Ch)

¹² See exhibit CA1

cocktails. The applicant's bar services are therefore complementary to a degree with 'alcoholic cocktails' in class 33 of CTM 10711554.

32. The relevant public for the above named goods and services would be the same in each case: the general public.

33. On the other hand, foods and drinks are different in nature to restaurant and bar services. The method of use of the respective goods and services is also manifestly different. There is a degree of indirect competition between the goods and services in the sense that consumers may decide to eat or drink at a restaurant/bar or purchase food or drink for consumption elsewhere. However, the level of competition is much less than that between (say) two restaurants or bars.

34. Overall, I find that there is a low degree of similarity between 'ice cream', 'confectionery', 'wines' and 'cocktails' on the one hand, and on the other hand, 'restaurant and bar services'. I do not find the restriction to the latter as being 'ping pong themed' has any bearing on the level of similarity between the respective goods and services.

35. I find that the other goods covered by the opponent's earlier CTMs have not been shown to be similar to the services covered by the opposed application.

The level of attention paid by the average consumer

36. I have already noted that the relevant consumers for the goods and services at issue are members of the general public. The choice of a restaurant or of 'ice cream', 'confectionery', 'wines' and 'cocktails' is one that an average consumer makes with a normal or average level of attention to the provenance of the services or goods.

The distinctiveness of the earlier mark

37. The earlier mark is a dictionary word, and so it is not possessed of the very highest level of inherent distinctive character, which is usually associated with invented words. However, the word PING is not in any way descriptive or allusive of the goods covered by the earlier mark. The earlier mark is therefore of above average inherent distinctiveness. The earlier mark has been used on a substantial scale in respect of golf clubs etc., but there is no evidence of the use of PING by, or on behalf of, the opponent in relation to food or drink (or at least no use of the opponent's mark that would affect the perception of the relevant UK consumer). Consequently, there is no reason to believe that the distinctive character of the opponent's mark for goods in classes 30 and 33 has been elevated any further just because of the extensive use of the mark for dissimilar goods in classes 18 and 28.

Likelihood of confusion

38. 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 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.

39. In *Roger Maier and Another v ASOS*¹³, Kitchen L.J. stated that:

“78.the court must.... consider a notional and fair use of that mark in relation to all of the goods or services in respect of which it is registered. Of course it may have become more distinctive as a result of the use which has been made of it. If so, that is a matter to be taken into account for, as the Court of Justice reiterated in *Canon* at paragraph [18], the more distinctive the earlier mark, the greater the risk of confusion. But it may not have been used at all, or it may only have been used in relation to some of the goods or services falling within the specification, and such use may have been on a small scale. In such a case the proprietor is still entitled to protection against the use of a similar sign in relation to similar goods if the use is such as to give rise to a likelihood of confusion.”

40. As indicated above, it is therefore necessary to consider whether there is a likelihood of confusion if the earlier mark is used in relation to all the [similar] goods covered by the registered specifications of the opponent’s CTMs and the applicant’s mark is used normally and fairly in relation to any of the services covered by the application.

41. I have found that all of the applicant’s services are similar to a low degree to some of the goods covered by the opponent’s earlier CTMs. The marks are identical, which means that a low level of similarity between the respective goods and services is more likely to cause confusion than would be the case if the marks were only similar. Further, the earlier marks are of above average distinctiveness. All but the first of these factors point towards a likelihood of confusion.

42. The applicant has tried to show that third parties also use the mark PING. However, the evidence does not establish that PING is a commonly used trade mark. Importantly, there is no evidence that it is used by any third party in relation to food, drink or restaurant services. The applicant’s argument is therefore irrelevant.

¹³ [2015] EWCA Civ 220

43. The applicant's main argument appears to be that its use of PING will be understood as a reference to the ping pong theme of its restaurants/bars rather than signalling an economic connection with the user of the earlier CTMs. The amendment of the specification of the contested trade mark application is intended to cement that factor into the legal test for a likelihood of confusion. I accept that such a qualification of the services might, in principle, have a bearing on the likelihood of confusion. However, there is no evidence that the public understand PING to be an abbreviation for the game of ping pong. Further, the concept of a ping pong themed restaurant or bar appears novel. This means that the public will not readily see the mark PING as a reference to ping pong. On top of this the opponent has filed evidence which shows that the ping pong theme of the applicant's restaurant is not readily apparent from the premises or, to a lesser extent, from some of its promotional material. Consequently, even if one took the applicant's existing use as indicative of normal and fair use of the contested mark going forward, such use would not be enough to counter the inherent likelihood of confusion. This includes the likelihood that the public will believe that there is a licence or some other kind of economic arrangement between the user of PING in relation to, on the one hand, 'ice cream', 'confectionery', 'wines' and 'cocktails' and, on the other hand, restaurants and bars, including wine bars and cocktail bars. The provision of ping pong tables and related signage within the applicant's restaurants may be sufficient to avoid many members of the public being ultimately deceived. However, deception is not a requirement under s.5(2)(a)¹⁴. It is sufficient if consumers are likely to be confused. Entering a restaurant under the belief that the undertaking responsible for the restaurant is economically connected to the undertaking that trades under the same mark in relation to related goods constitutes relevant confusion.

Costs

44. The opponent asks for costs on the normal scale.

45. On 8 May 2015 (i.e after the hearing), the applicant sent a letter, the key part of which stated that:

“On 13 March, an offer was made to withdraw this application subject to the Opponents on this file agreeing for each party to meet their own costs. Regardless of the decision on this file therefore, it does not appear necessary for this case to have been heard, (given that the Opponent had achieved the result on this file it sought and the cost of preparing for and attending a hearing would be greater than a costs award) and costs for that stage of the proceedings seem, according to our understanding, to have been superfluous.”

¹⁴ See, by analogy, *BP Amoco Plc v John Kelly Ltd* [2002] FSR 5

46. In essence the applicant states that the opponent should not be entitled to the normal contribution towards the cost of the hearing because it knew before that date that it could achieve the result it wanted by agreeing that each side should bear its own share of the costs incurred to that point.

47. The opponent responded pointing out that:

- The settlement discussions that had taken place between the parties were without prejudice to costs.
- The applicant had at no time indicated that a hearing was not necessary and only signalled its decision not to attend the hearing at the very last minute.

48. I agree with the opponent that the applicant's conditional offer to withdraw the application is irrelevant to the costs awarded to the opponent. This is because the applicant did not in fact withdraw the application. The opponent was therefore fully entitled to argue its case at a hearing and ask for an award of costs in relation to the opposition proceedings.

49. I therefore order Ping Leisure Limited to pay Karsten Manufacturing Corporation the sum of £2600 as a contribution towards the cost of these proceedings. This is made up of:

£500 for filing a notice of opposition and considering the applicant's counterstatement;
£1400 for filing evidence and considering the applicant's evidence;
£600 for preparing for and attending the hearing;
£100 for responding to the applicant's submissions on costs.

50. Subject to appeal, I direct that the above sum should be paid within 14 days of the end of the period allowed for appeal or, if there is an appeal, within 14 days of the conclusion of the appeal proceedings.

Dated this 12th day of June 2015

**Allan James
For the Registrar**

