

O-584-15

TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK APPLICATION BY GUSTO RESTAURANTS
LIMITED TO REGISTER UNDER NO 3 055 728 THE TRADE MARK: GUSTO IN
CLASS 43

AND

IN THE MATTER OF OPPOSITION THERETO UNDER NO 403 235 BY CAFE
GUSTO LTD

O-584-15


Background and pleadings

1. Gusto Restaurants Limited (the applicant) applied to register the trade mark GUSTO in the UK on 15th May 2014. It was accepted and published in the Trade Marks Journal on 15th August 2014 in respect of the followingservices in class 43:


Restaurant services; bar services; cocktail lounge services; café services; coffee bar services; self-service restaurant services; snack bar services; banqueting services; restaurant reservation services; booking of restaurant seats, including online from a computer database or from the Internet; information about restaurants provided online from a computer database or from the Internet; telephone booking services in respect of restaurants; information, advisory and consultancy services in relation to the aforesaid services.

2. Caffe Gusto Limited (the opponent) oppose the trade mark on the basis of Section 5(2) (b) of the Trade Marks Act 1994 (the Act). This is on the basis of the following earlier trade marks:
3. UK Trade Mark 2 354 210 “Caffe Gusto” for the following services in class 43: *Services for providing food and drink including restaurant, bar, catering and cafe services.*



4. Community Trade Mark 5 567 896:  for the following services in class 43: *Cafes, restaurants, self-service restaurants, cafeterias, snack bars, canteens, pubs; providing of food and drink; catering services; hospitality services, in particular the provision of food and drink.*



5. Community Trade Mark 5 568 118:  for the following services in class 43: *Cafes, restaurants, self-service restaurants, cafeterias, snack bars, canteens, pubs; providing of food and drink; catering services; hospitality services, in particular the provision of food and drink.*
6. The opponent argues that the respective services are identical or similar and that the marks are similar.
7. The applicant filed a counterstatement denying the claims made (and requesting that the opponent provides proof of use of its earlier trade No 2 354 210 mark relied upon).

O-584-15

8. Both sides filed evidence in these proceedings. This will be summarised to the extent that it is considered appropriate.
9. A Hearing took place on 4th November 2015, with the opponent represented by Mr Malcolm Chapple of Counsel, instructed by Page Hargrave and the applicant by Dr Duncan Curley of Innovate Legal Services Limited.
10. Mr Chapple indicated that the opponent best case rested upon its earlier UK trade mark CAFFE GUSTO and this was the focus both of the evidence filed and of his submissions. As such, it is this trade mark which will form the primary considerations in this decision, with the remaining earlier trade marks only being considered if it is necessary to do so.

Evidence

Opponent's evidence

11. The evidence filed purports to demonstrate use of the earlier UK trade mark CAFFE GUSTO during the relevant period (16 August 2009 to 15 August 2014) and is in the form of a witness statement from Mr Michael Berger, A Director of Caffè Gusto Limited. Mr Berger explains that there are nine Caffè Gusto outlets still in operation as at April 2015. The majority of these are in the city of Bristol, with one in Surrey and one in Greater London. There are also a number of exhibits including:
 - Exhibit MB1 which are sample invoices in connection with the opponent's catering services from the relevant period. Clients include the University of Bristol and Price Waterhouse Cooper;
 - Exhibit MB2 is a letter (undated) from John Kemp from Price Waterhouse Cooper confirming that they have used CAFFE GUSTO's catering services for the past nine years;
 - Exhibit MB3 is a selection of photographs featuring disposable coffee cups displaying CAFFE GUSTO;
 - Exhibit MB6 is a photograph of the uniform worn by staff displaying CAFFE GUSTO;
 - Exhibits MB7, MB8 and MB9 are photographs of the opponent's shop fronts at its stores in Bristol, Staines and Surrey, displaying CAFFE GUSTO;
 - Exhibits MB10 are photographs of various marketing materials including menus, a 25% off coupon, a photo of an interior of one of the stores, print outs from the opponent's website, an example of business cards and a loyalty card. The menus show the range of food and drink items available at the CAFFE GUSTO stores (including alcohol). They are undated but Mr Berger claims they have all been in use during the relevant period.
 - Exhibit MB11 is a print out from the opponent's website showing CAFFE GUSTO catering menu and packages;

O-584-15

- Exhibit MB12 is a selection of invoices from CAFFE GUSTO suppliers during February-June 2014. These include food and drink items, IT, accountants, waste collection etc;
- Exhibit MB13 is a review of CAFFE GUSTO by the website foodanddrinkguides.co.uk. To the best of the opponent's knowledge this is from 2010.

12. Mr Berger also provides details of sales and advertising for CAFFE GUSTO outlets and catering services from 2009 – 2014:

Year	Sales £	Advertising £
2009	2,672,417	8,360
2010	3,214,148	18,564
2011	3,497,937	11,061
2012	3,344,792	9,444
2013	2,548,386	10,326
2014	2,483,529	11,150

Applicant's evidence

13. This is a witness statement from Dr Duncan Curley, representative of the applicant. Much of the witness statement contains submissions which will not be summarised at length here but have been taken into account. The main thrust of the witness statement is in respect of the level of distinctiveness of GUSTO. Dr Curley provides evidence in exhibit DC1 which consists of screen prints from Google translate, confirming the translation of GUSTO from Italian and Spanish as meaning "taste". There is also a secondary meaning in English to describe "keen enjoyment". As such, Dr Curley is of the view that this means gusto is a word which will be readily adopted by businesses in respect of food and drink services. As such it is of less than average distinctiveness. Exhibit DC2 are screen prints from various websites which are current examples of a number of food and drink establishments using the word GUSTO. This, according to Dr Curley, supports the view that GUSTO is descriptive or allusive for the relevant services.

Opponent's evidence in reply

14. This is a witness statement from the same Mr Michael Berger as previously filed a witness statement in these proceedings. This contains, in the main, submissions which will not be repeated here but have been taken into account. Safe to say, Mr Berger asserts that the main meaning of GUSTO that will be understood by the relevant public is "keen enjoyment". As Mr Berger also (correctly) points out, evidence of actual confusion is not required.

O-584-15

Proof of use

15. Relevant statutory provision: Section 6A:

“Raising of relative grounds in opposition proceedings in case of non-use

6A. - (1) This section applies where -

- (a) an application for registration of a trade mark has been published,
- (b) there is an earlier trade mark of a kind falling within section 6(1)(a), (b) or (ba) in relation to which the conditions set out in section 5(1), (2) or (3) obtain, and
- (c) the registration procedure for the earlier trade mark was completed before the start of the period of five years ending with the date of publication.

(2) In opposition proceedings, the registrar shall not refuse to register the trade mark by reason of the earlier trade mark unless the use conditions are met.

(3) The use conditions are met if -

- (a) within the period of five years ending with the date of publication of the application the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or
- (b) the earlier trade mark has not been so used, but there are proper reasons for non- use.

(4) For these purposes -

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

(5) In relation to a Community trade mark or international trade mark (EC), any reference in subsection (3) or (4) to the United Kingdom shall be construed as a reference to the European Community.

(6) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated

O-584-15

for the purposes of this section as if it were registered only in respect of those goods or services.”

16. It is noted that in skeleton argument (and during the hearing), Dr Curley accepted that the earlier CAFFE GUSTO trade mark No 2 354,210 had been used in respect of services for providing food and drink, namely catering and cafe services. He did not accept that use had been shown in respect of bar services and restaurant services. In perusing the evidence as filed above, I concur with Dr Curley’s assessment. Though alcoholic drinks are sold by the opponent, this is in the context of a cafe service where it is part of a range of items offered. This does not equal use for bar services, for which alcohol is a core product. The opposition will therefore be initially considered in respect of the catering services and cafe services only.

DECISION

17. Section 5(2)(b)

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”.

Comparison of goods and services

18. In the judgment of the Court of Justice of the European Union in *Canon*, Case C-39/97, the court stated at paragraph 23 of its judgment that:

“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”.

19. The relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, for assessing similarity were:

- a) The respective users of the respective goods or services;
- b) The physical nature of the goods or acts of services

O-584-15

- c) The respective trade channels through which the goods or services reach the market
- d) 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;
- e) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

20. The earlier services are *services for providing food and drink, namely catering services and cafe services*. Use of the word “namely” in the class 43 specification must be approached as follows (as indicated in the Trade Mark Registry’s classification guidance):

“Note that specifications including “namely” should be interpreted as only covering the named Goods, that is, the specification is limited to those goods. Thus, in the above “dairy products namely cheese and butter” would only be interpreted as meaning “cheese and butter” and not “dairy products” at large. This is consistent with the definitions provided in Collins English Dictionary which states “namely” to mean “that is to say” and the Cambridge International Dictionary of English which states “which is or are.”

Accordingly, the scope of specification is effectively “catering services and cafe services”.

21. The contested services are: *Restaurant services; bar services; cocktail lounge services; café services; coffee bar services; self-service restaurant services; snack bar services; banqueting services; restaurant reservation services; booking of restaurant seats, including online from a computer database or from the Internet; information about restaurants provided online from a computer database or from the Internet; telephone booking services in respect of restaurants; information, advisory and consultancy services in relation to the aforesaid services in Class 43.*

22. At the hearing, Mr Chappell advocated that a categorisation approach should be adopted in respect of the respective services according to their degree of similarity. Category 1 services, namely *restaurant services; bar services; cocktail lounge services; café services; coffee bar services; self-service restaurant services; snack bar services; banqueting services;* should be found to be identical and/or highly similar; category 2 services, namely *restaurant reservation services; booking of restaurant seats, including online from a computer database or from the Internet; information about restaurants provided online from a computer database or from the Internet; telephone*

O-584-15

booking services in respect of restaurants should be found to be similar and category 3 services, namely *information, advisory and consultancy services in relation to the aforesaid services*, should be found to have a degree of similarity.

23. Dr Curley did not disagree that categorisation in this manner was useful. However, even in respect of category 1 services, he argued that differences do exist. For example, Dr Curley is of the view that cafe services and restaurant services can be distinguished from one another. In support of this view, he notes in the evidence that in CAFE GUSTO outlets the customer is invited to place an order by the counter. This, he argues would not typically occur in a restaurant. Rather this would include a waiter service.
24. A cafe typically serves food and drinks. In terms of range, this may be as narrow as snacks and teas/coffees or as broad as to include main meals and alcohol. They can also provide distinct services and products at particular times of the day, that is, a breakfast menu, a lunch menu and a dinner menu. A restaurant similarly provides a range of food and drinks and these can change according to the time of day. Cafes can operate a waiter service and restaurants can require customers to note a table number and order at a counter. These features are interchangeable and not distinguishing. Therefore I find earlier cafe services to be highly similar to restaurant services. The same is considered to be true of the contested self service restaurants (and for the same reasons).
25. The contested services include cafe services. They are clearly identical to the earlier term.
26. The contested term coffee bar services offer an identical service to some cafes: coffees and related snacks and possibly also soups, sandwiches etc. They are identical. Further snack bar services would typically provide hot drinks and snacks or light meals. They are also identical to the earlier cafe services.
27. The contested banqueting services would typically provide food and drink prepared elsewhere to events including weddings, meetings, parties etc. They can also include a waiter style service. The same is true of the earlier catering services. They are identical.
28. In terms of “category 1” services, this leaves the contested bar services and cocktail lounge services. These services naturally focus upon the provision of drinks including alcohol. Soft drinks and hot drinks are also possibly provided together with snacks. Despite a likely difference in focus, there is similarity with the earlier cafe services, which can also provide alcohol. They are similar to a medium degree.
29. “Category 2” services provide customers with the ability to book a table at a restaurant or otherwise provide information about a restaurant, such as menus, opening times, location, reviews etc. These are services that an overwhelming majority of restaurants and other food providing establishments

O-584-15

would operate in some way or another. As already described, cafe services can be broad enough to be akin to restaurant services and it is considered that there is no reason why this would not also extend to providing relevant information and the ability to reserve a table in the manner already described. They are considered to be similar to a low to medium degree.

30. The remaining services are those in “category 3”. At the hearing Mr Chapple accepted that these have, by their very nature, significant differences to the earlier services. However, in a broad sense he argued they are similar as they all relate to cafe/restaurant type services. In assessing similarity here, there are a number of authorities to be taken into account: In *YouView TV Ltd v Total Ltd* ,[2012] EWHC 3158 (Ch), 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.”

31. In *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another*, [2000] F.S.R. 267 (HC), Neuberger J. (as he then was) stated that:

“I should add that I see no reason to give the word “cosmetics” and “toilet preparations”... anything other than their natural meaning, subject, of course, to the normal and necessary principle that the words must be construed by reference to their context.”

32. In *Avnet Incorporated v Isoact Limited*, [1998] F.S.R. 16, Jacob J. (as he then was) stated that:

“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.”

33. Those providing these contested services would act in a consultant capacity to provide information and advice to, for example, prospective cafe/restaurant/bar owners. This would include all aspects of running such a business in that particular industry. This is very different in nature to any of the earlier services. The end user is also different, the channels of trade differ and

O-584-15

one would not expect such services to be offered by the same undertakings as those of the earlier services. Therefore I do not find the earlier catering and cafe service to be similar to the services covered by category 3.

34. The sum of all this is that the following services are considered to be identical and/or similar to those of the earlier trade mark:

Restaurant services; bar services; cocktail lounge services; café services; coffee bar services; self-service restaurant services; snack bar services; banqueting services; restaurant reservation services; booking of restaurant seats, including online from a computer database or from the Internet; information about restaurants provided online from a computer database or from the Internet; telephone booking services in respect of restaurants.

35. In respect of the remaining services (i.e. category 3) found to be not similar, the following is borne in mind: In *eSure Insurance v Direct Line Insurance*, [2008] ETMR 77 CA, Lady Justice Arden stated that:

“49..... I do not find any threshold condition in the jurisprudence of the Court of Justice cited to us. Moreover I consider that no useful purpose is served by holding that there is some minimum threshold level of similarity that has to be shown. If there is no similarity at all, there is no likelihood of confusion to be considered. If there is some similarity, then the likelihood of confusion has to be considered but it is unnecessary to interpose a need to find a minimum level of similarity.

36. As these services have been found not similar, there is no need to go on to consider the matter (to this extent) any further and so the opposition fails in this regard.

37. I go on to consider the position in respect of the goods found to be identical and/or similar.

Comparison of marks

38. 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 Case C-591/12P, *Bimbo SA v OHIM*, that:

O-584-15

“.....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.”

39. 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.

40. The respective trade marks are shown below:

CAFFE GUSTO	GUSTO
Earlier trade mark	Contested trade mark

41. In considering the respective dominant components, it is noted that the earlier trade mark is composed of two elements, neither being more visually dominant than the other. In the later mark there is only one element so the answer is easy. As to distinctiveness it is considered that it is possible that CAFFE in the earlier trade mark will be understood as the Italian for coffee but more likely it will be seen as a misspelling of cafe. Either way it is low in terms of distinctiveness. Though GUSTO does not have the greatest degree of distinctiveness, it is likely to be the more memorable aspect and will have greater relative weight.

42. Visually, the marks coincide in respect of GUSTO and differ in respect of CAFFE in the earlier trade mark. The differing beginning does have an impact. However, this is limited as they are clearly visually similar, to a medium to high degree.

43. Aurally the matter is similar – CAF or CAF-AY GUS-TO and GUS-TO. They are aurally similar to a medium to high degree.

44. Conceptually, Dr Curley argues (as already outlined), that GUSTO would be understood as meaning taste or will otherwise be understood as meaning a keen enjoyment. I accept that the latter meaning outlined will likely be understood in each of the marks: keen enjoyment. I am not convinced that the English speaking public will understand CAFFE as being the Italian word for

O-584-15

coffee. More likely they will understand CAFFE as a reference to cafe. Either way, CAFFE does not succeed in creating a conceptual gap between the marks and so they are considered to be conceptually similar to a medium to high degree.

Average consumer and the purchasing act

45. 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, Case C-342/97*.

46. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

“60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

47. The average consumer of all of these services would be the general public and also businesses (in respect of, for example, catering services). A decision to visit a particular food and drink establishment may take place following a word of mouth recommendation, perusal of reviews/menus or simply passing trade. With the probable exception of passing trade, the same is true of catering services and the like. As such, both aural and visual considerations are important. As to the level of attention likely to be displayed, in reality there will probably be a range dependent upon the occasion and/or price involved. The average degree of attention displayed therefore is likely to be medium.

Distinctive character of the earlier trade mark

48. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated that:

O-584-15

“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).”

49. There is no claim from the opponent that its mark enjoys an enhanced degree of protection as a result of use made. Its degree of distinctiveness must therefore be evaluated on a *prima facie* basis. It is noted that Dr Curley has filed evidence of a number of establishments providing food and drink using the element GUSTO in one way or another. In my view, the evidence filed is accepted in so far as it shows that GUSTO has been used by others in the food and drink industry in some manner or other. It is noted that on several occasions this is used in combination with other elements and sometimes alone. In any case, it does not necessarily follow that it is definitely descriptive or is non distinctive for the earlier relevant services here. At worst, it is allusive. As such, it is accorded a degree of distinctive character, though this is admittedly toward the lower end of the spectrum. The addition of CAFFE at the start of the earlier trade mark does not elevate the combination to a degree of distinctiveness higher than this. The overall degree of distinctive character is fairly low.

GLOBAL ASSESSMENT – Conclusions on Likelihood of Confusion.

Parallel trading

50. Mr Curley argues that there has been no evidence of actual confusion between the marks, despite the applicant having used GUSTO continuously in the UK since September 2007.

O-584-15

51. Evidence of parallel trading is a factor which could, potentially, assist in deciding whether there exists a likelihood of confusion. This is because if the evidence establishes that the respective marks have actually been put to use in the same market without the consumer being confused regarding economic origin, then this can inform the tribunal's decision. Alan Steinfield QC, sitting as a deputy judge of the High Court, in *Fiorelli Trade Mark* [2007] RPC 18 gave weight to an absence of confusion in the marketplace. However, this approach must be set against a number of decisions which express caution about the circumstances in which it is appropriate to give these factors weight (see the Court of Appeal in *The European Ltd v. The Economist Newspaper Ltd* [1998] FSR 283 at page 291, Laddie J in *Compass Publishing BV v. Compass Logistics Ltd* [2004] RPC 41 at 809 and the Court of Appeal in *Phones 4U Ltd v. Phone 4u.co.uk Internet Ltd* [2007] RPC 5 at paragraphs 42 to 45). In the first of these cases, Millet LJ stated:

“Absence of evidence of actual confusion is rarely significant, especially in a trade mark case where it may be due to differences extraneous to the plaintiff's registered trade mark.”

52. Bearing in mind the case-law referred to above, for concurrent trading to play a meaningful role in the assessment of the likelihood of confusion I must be satisfied that the parties have traded in circumstances that suggest consumers have been exposed to both marks and have been able to differentiate between them without confusion as to trade origin. That simply is not the case here, where there has been no evidence at all to this effect.

53. In respect of the assessment of a likelihood of confusion, 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

O-584-15

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.

54. The services have been found to be either identical or similar (to varying degrees, though nothing turns on this point). The marks have been found to be similar to a medium to high degree with the coincidental element in each mark, namely GUSTO being accorded greater relative weight. It is true that the earlier trade mark has a fairly low degree of distinctiveness. In this regard the following is noted: in *L'Oréal SA v OHIM*, Case C-235/05 P, the Court of Justice of the European Union found that:

O-584-15

“45. The applicant’s approach would have the effect of disregarding the notion of the similarity of the marks in favour of one based on the distinctive character of the earlier mark, which would then be given undue importance. The result would be that where the earlier mark is only of weak distinctive character a likelihood of confusion would exist only where there was a complete reproduction of that mark by the mark applied for, whatever the degree of similarity between the marks in question. If that were the case, it would be possible to register a complex mark, one of the elements of which was identical with or similar to those of an earlier mark with a weak distinctive character, even where the other elements of that complex mark were still less distinctive than the common element and notwithstanding a likelihood that consumers would believe that the slight difference between the signs reflected a variation in the nature of the products or stemmed from marketing considerations and not that that difference denoted goods from different traders.”

55. The fairly low degree of distinctive character is only one aspect to consider in the global assessment and is not fatal in itself to the opponent’s case. It does not alter the overall impact of the medium to high degree of similarity between the signs and the degree of similarity between the services. The addition of CAFFE to the earlier trade mark, though it will not go unnoticed, does not negate against the effect of imperfect recollection here and would not enable the relevant consumer, the general public, to accurately distinguish between these signs. This is because it is considered likely that GUSTO will provide the memorable visual, aural and conceptual hook in respect of these services even if a medium degree of attention is displayed during the purchasing process. There is therefore considered to be clearly a likelihood of confusion.

Final Remarks

56. It is noted that the applicant put forward a fallback specification, which is as follows:

Restaurant reservation services; booking of restaurant seats, including online from a computer database or from the Internet; information about restaurants provided online from a computer database or from the Internet; telephone booking services in respect of restaurants; information, advisory and consultancy services in relation to the aforesaid services.

57. Bearing in mind the foregoing, this does not assist the applicant. However, the opposition does not succeed in respect of all the services. The following should proceed to registration:

Information, advisory and consultancy services in relation to restaurant services, bar services, cocktail lounge services, café services, coffee bar services, self-service restaurant services, snack bar services and banqueting services; information, advisory and consultancy services in respect of restaurant reservation services and booking of restaurant seats (including

O-584-15

online from a computer database or from the Internet); information, advisory and consultancy services in relation to information about restaurants provided online from a computer database or from the Internet and telephone booking services in respect of restaurants.

58. It is noted that the opponent relies on two other earlier trade marks. However as it accepted at the Hearing, these do not place them in any better position and so they will not be considered.
59. Finally, both parties mentioned a co-existence agreement that exists between them. No detail was provided on this during the proceedings or at the Hearing. Both parties accepted that this agreement did not assist the Tribunal in reaching a decision in these proceedings and so no reliance was placed upon it.

COSTS

60. The opponent has been proportionally more successful and is entitled to a contribution towards its costs. In the circumstances I award the opponent the sum of £1200 as a contribution towards the cost of the proceedings. The sum is calculated as follows:

Opposition fee and preparing statement of grounds – £200
Preparing evidence and considering other side's evidence - £500
Preparing for and attending Hearing - £500

TOTAL - £1200

61. I therefore order Gusto Restaurants Limited to pay Caffe Gusto Limited the sum of £1200. The above sum should be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 10th day of December 2015

**Louise White
For the Registrar,
The Comptroller-General**

O-584-15