

O-344-18

TRADE MARKS ACT 1994

**IN THE MATTER OF REGISTRATION NO. 3168494
IN THE NAME OF QURESHI FOODSTUFF TRADING LLC
FOR THE FOLLOWING TRADE MARK:**



IN CLASS 30

AND

**AN APPLICATION FOR A DECLARATION OF INVALIDITY
UNDER NO. 501638 BY KRBL LIMITED**

Background and pleadings

1. On 8 June 2016, Qureshi Foodstuff Trading LLC (“the proprietor”) applied for the trade mark, shown below, under number 3168494 (“the contested trade mark”):

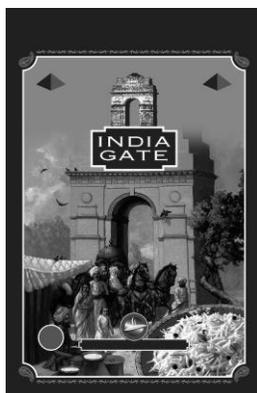


It was registered on 2 September 2016 for the following goods:

Class 30: Coffee, tea, cocoa and artificial coffee; rice; tapioca and sago; flour and preparations made from cereals; bread, pastry and confectionery; ices; sugar, honey, treacle; yeast, baking-powder; salt; mustard; vinegar, sauces (condiments); spices; ice.

2. On 24 April 2017, KRBL Limited (“the applicant”) applied to have the contested trade mark declared invalid under s. 47 of the Trade Marks Act 1994 (“the Act”). The application required amendment. The grounds are based on ss. 5(2)(b), 5(3), 5(4)(a) and 3(6) of the Act. Under ss. 5(2)(b), 5(3) and 5(4)(a), the invalidity is directed against all of the goods in the contested trade mark’s specification. The applicant did not indicate in its application for invalidity whether the application under s. 3(6) was directed against some or all of the goods in the contested mark’s specification. However, as there is no indication that the application relates only to certain goods, I will proceed on the basis that the application under s. 3(6) is directed against all of the goods in the contested mark.

3. Under ss. 5(2)(b) and 5(3), the applicant relies upon its European Union trade mark (“EUTM”) number 11888955 for the trade mark shown below:



The mark was filed on 11 June 2013 and has a registration date of 22 October 2013. It is registered for “rice; rice products” in class 30, all of which are relied upon for the application.

4. Under s. 5(2)(b), the applicant claims that there are visual, phonetic and conceptual similarities between the marks and that the overall impression of the contested mark is similar to that of the earlier mark. It claims that the goods are identical or similar. It claims that there is a likelihood of confusion, which is increased by the enhanced distinctive character enjoyed by the earlier mark as a result of its use in the EU.

5. Under s. 5(3), the applicant claims that its mark has a reputation in the EU such that use of the contested mark would cause the relevant public to believe that there is an economic connection between the applicant and the proprietor, where no such connection exists. It claims that the contested trade mark would take unfair advantage of the earlier mark, or be detrimental to its reputation or distinctive character.

6. Given its date of filing, the opponent’s trade mark qualifies as an earlier mark in accordance with s. 6 of the Act. However, as the earlier mark had not been registered for five years at the date of the application for invalidation, it is not subject to the proof of use provisions contained in ss. 47(2A)-(2E) of the Act. The proprietor can, therefore, rely upon all of the goods in its specification, without having to show that it has used the mark.

7. The applicant further claims under s. 5(4)(a) of the Act that the sign shown above at paragraph 3 has been used throughout the UK since 2007 in respect of “rice; rice products”. The applicant claims that it has acquired goodwill under the sign and that use of the contested trade mark would constitute a misrepresentation to the public, resulting in damage to the applicant’s goodwill.

8. The applicant’s case under s. 3(6) is set out as follows:

“The Registrant is using rice packages bearing striking similarity to the Earlier Trade Mark Holder’s packaging and has sought registration bearing a high degree of similarity to the ones of the Earlier mark in a number of other jurisdictions also, namely Pakistan and United Arab Emirates, where its applications have been objected by the Earlier Trade Mark Holder and the relevant proceedings are pending. Therefore, this contextual background demonstrates the fact that there is history between the two parties and the Earlier Trade Mark Holder alleges that the contested application was made in bad faith”.

9. The proprietor filed a counterstatement, subsequently amended, in which it denies the grounds of invalidity. It denies any visual, aural or conceptual similarity between the marks. While it accepts that some (unspecified) goods are similar to the applicant’s “rice” and “rice products”, it denies any similarity between the remaining goods. It puts the applicant to proof of its reputation and goodwill. The ground under s. 3(6) is denied and the applicant is put to proof of its allegations.

10. Only the applicant filed evidence. Neither party requested a hearing, though the applicant filed written submissions in lieu, which I will bear in mind. The applicant has been represented throughout by Azrights Solicitors and the proprietor by IP Lab Limited.

11. This decision is taken following a careful reading of all of the papers.

Evidence

12. The applicant's evidence consists of the witness statement of Priyanka Mittal, with accompanying exhibits PM1-PM16. Ms Mittal describes her position as "Whole-Time Director" of the applicant company.

13. Ms Mittal states that the applicant first began to sell its "INDIA GATE" basmati rice in the UK in 2007 and that "regular sales" began in 2013.¹ Ms Mittal states that the goods are sold in packaging bearing the earlier mark. The applicant's goods are said to have been sold in the EU, including in the UK, Germany, Sweden, Spain, the Netherlands, Denmark and Belgium. Wholesale figures for sales into the EU for the years 2007 to 2017 are provided (in US dollars), as follows:²

Year	Sales
2007-2008	\$13,585
2008-2009	\$128,134
2009-2010	\$391,025
2010-2011	\$328,680
2011-2012	\$426,849
2012-2013	\$372,281
2013-2014	\$198,849
2014-2015	\$1,091,098
2015-2016	\$593,463
2016-2017	\$966,883

14. Annual figures for wholesale sales into the UK of basmati rice sold under the mark are given as follows (again in US dollars):³

¹ §2.

² §3.

³ §4.

Year	Sales
2007-2008	13,585
2013-2014	39,825
2014-2015	270,643
2015-2016	359,758
2016-2017	687,199

15. A number of invoices and shipping documents are produced. There are six at exhibit PM1, dated between August 2007 and March 2015, to companies in the UK. I note that the sums on each invoice are not insignificant. I also note that one invoice is produced for each of 2007 and 2013, which corresponds to the total UK sales claimed for those years. The \$13,585 in August 2007 is the smallest invoice, the largest is for \$142,392 in April 2014.

16. Evidence is exhibited regarding sales to Germany between August 2012 and October 2014, in the form of four invoices for sums between \$27,470 and \$36,530.⁴ Three invoices, and shipping details, are provided for sales to Spain between September 2008 and January 2014, each totalling between \$24,020 and \$42,940.⁵ There are a further eight invoices and shipping details of sales to Sweden, dated between May 2012 and August 2014.⁶ The amounts vary considerably, from a low of \$20,020 in February 2013 to \$92,400 in May 2014. There is one invoice to Denmark, dated March 2015, for \$42,300, and one invoice to a company in the Netherlands, for \$85,410 in October 2014.⁷ The buyer for the latter is in the United Arab Emirates (“UAE”), though the final destination is given as the Netherlands. The majority of these documents show sales of rice identified either on the invoice or the shipping receipt as “INDIA GATE” rice.

⁴ PM2.

⁵ PM3.

⁶ PM4.

⁷ PM5 and PM6, respectively.

17. At PM7 are two invoices from Sunrise Radio for advertising slots in the period October 2016 to December 2016. Ms Mittal explains that this was during the “festival period” and that Sunrise Radio is “the first and leading commercial Asian radio station in the UK”. I note that some of the commercials explicitly identify ‘India Gate Rice’ as the campaign title. The invoices total £6,000 but are not itemised.

18. At PM8 are images said to be from advertising at Bestway and Batleys cash-and-carry outlets. The images are not dated. The mark is shown on packaging as reproduced below:



19. PM9 appears to consist of prints from the Batleys and Bestway websites. They are not dated. Ms Mittal states that the holding company for these entities is “referred to as the largest independent cash and carry operator in the UK”. I cannot see that explicit statement in the exhibit.

20. PM10 is a copy of the Bestway and Batleys e-newsletter from May 2014. It states “India Gate: the world’s largest rice miller and Basmati exporter, KRBL has chosen Map Trading as their UK distribution partner”.

21. At PM11 is a print said to be from Asian Trader magazine. The image is of very poor quality: the words “INDIA GATE” are just discernible. It is not dated.

22. PM12 is a print from the Asian Media & Marketing Group website, giving information about its Asian Trader publication. Fortnightly circulation is said to be 40,312 copies and it is said to be the biggest title in the independent convenience sector. The page bears a copyright date of 2009.

23. Exhibit PM13 includes invoices said to be for TV advertising from TV Today Network (2002), Hearst Throb (2005-2006, 2008, 2013) and what appears to be Lintas Media Group (2013-2014). The words “INDIA GATE” are present on the invoices from the first two companies. All of the invoices show addresses in India. The sums billed are in rupees, with no sterling equivalent provided.

24. Ms Mittal accepts that the TV channels relating to the advertising spend shown at PM13 originate in India but asserts that NDTV, STAR PLUS, STAR GOLD, SONY ENTERTAINMENT and ZEE TV are all broadcast by Sky TV in the UK.⁸ Exhibit PM14 is said to show details of the relevant channels. There are four articles. The first is a print from Wikipedia about CNN-News18, with a last-modified date of 14 May 2016. The article indicates the channel is in English and that it is available in the UK as News 18 India.⁹ Although it mentions NDTV, it is not clear what the relationship is between the two channels, if any. There is an article from Sony Entertainment Television Asia about its TV shows, which bears a copyright date of 2016. A second article from Wikipedia is about the Star Plus channel and was modified on 15 May 2016. It indicates that the channel was originally available in English in the UK but that it later (it would seem in 1996) became a Hindi-language channel.¹⁰ The article states that Star Plus is available on UK satellite television.¹¹ STAR Gold is mentioned as a sister channel but there is no further information about it. The last article is about Zee Network, which appears to be from the network’s website. It states that Zee TV was launched in the UK in 1995 “to address the demand for South Asian entertainment”.¹² The copyright date is 2016.

⁸ §10.

⁹ p. 213.

¹⁰ p. 221.

¹¹ pp. 222-223.

¹² p. 226.

25. Ms Mittal states that Sky TV is the largest provider of Indian TV channels in the UK and that the estimated Indian population in the UK is 1.4 million people, or 2.5% of the UK population. There is neither documentary evidence to support these statements, nor any indication of the source of this information.¹³

26. Ms Mittal explains that, in addition to the advertising described above, her company promotes its INDIA GATE brand on the internet, through social media and by maintaining its own websites, www.krblrice.com and www.indiagaterice.com.¹⁴

27. PM15 consists of prints from www.visitbritain.org about visitors to the UK from the UAE, including details such as a breakdown by gender and age, and the regional spread of visitors. Ms Mittal points in particular to the statement that 76% of visitors from the UAE are making a repeat visit (p. 229). Ms Mittal asserts that INDIA GATE is the largest selling basmati rice brand in the UAE, having a 32% market share.¹⁵ There is no evidence to support this assertion.

28. PM16 consists of a table entitled “India Export of Agro Food Products/ Product Group Report/Country Wise”, which is said to be taken from the website of the Agricultural & Processed Food Products Export Development Authority (“APEDA”) of the Indian government. It shows the quantity and value (in US dollars) of exports of basmati rice from India between 2014 and 2017. It is broken down by country, including the UK and the UAE. It shows the total value of exports to the UK as \$147,576,547 in 2014-2015, \$143,139,109 in 2015-2016 and \$102,572,447 in 2016-2017.

29. That concludes my summary of the evidence, to the extent that I consider it necessary.

¹³ §10.

¹⁴ §12.

¹⁵ §11.

Decision

30. Section 5 of the Act has application in invalidation proceedings because of the provisions set out in section 47. The relevant legislation is set out below:

“47. - [...]

(2) The registration of a trade mark may be declared invalid on the ground-

(a) that there is an earlier trade mark in relation to which the conditions set out in section 5(1), (2) or (3) obtain, or

(b) that there is an earlier right in relation to which the condition set out in section 5(4) is satisfied,

unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.

(2A) But the registration of a trade mark may not be declared invalid on the ground that there is an earlier trade mark unless –

(a) the registration procedure for the earlier trade mark was completed within the period of five years ending with the date of the application for the declaration,

(b) the registration procedure for the earlier trade mark was not completed before that date, or

(c) the use conditions are met.

(2B) The use conditions are met if –

(a) within the period of five years ending with the date of the application for the declaration 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) it has not been so used, but there are proper reasons for non-use.

[...]

(6) Where the registration of a trade mark is declared invalid to any extent, the registration shall to that extent be deemed never to have been made. Provided that this shall not affect transactions past and closed”.

Section 5(2)(b)

31. Section 5(2)(b) of the Act reads 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,

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark”.

32. 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 are:

(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 will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of goods

33. When making the comparison, all relevant factors relating to the goods in the specification should be taken into account. In *Canon*, the Court of Justice of the European Union (“CJEU”) stated at paragraph 23 of its judgment:

“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”.

34. Guidance on this issue has also come from Jacob J. (as he then was) *British Sugar Plc v James Robertson & Sons Ltd* (the *Treat* case), [1996] R.P.C. 281, where he identified the factors for assessing similarity as:

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

35. In *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T- 133/05, the General Court (“GC”) 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 fur 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”.

36. I also remind myself of the guidance given by the courts on the correct approach to the interpretation of specifications. 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”.

37. In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06, the GC 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”.

38. In *Sanco SA v OHIM*, Case T-249/11, the GC 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 O/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”.

39. I also bear in mind Mr Alexander’s comments in the same case, where he warned against applying too rigid a test when considering complementarity:

“20. In my judgment, the reference to “legal definition” suggests almost that the guidance in Boston is providing an alternative quasi-statutory approach to evaluating similarity, which I do not consider to be warranted. It is undoubtedly right to stress the importance of the fact that customers may think that responsibility for the goods lies with the same undertaking. However, 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. I therefore think that in this respect, the Hearing Officer was taking too rigid an approach to Boston”.

Rice

40. This term appears in both specifications. The goods are self-evidently identical.

Flour and preparations made from cereals

41. The earlier specification includes the very broad term “rice products”. I can see no meaningful difference between a rice product and a preparation made from rice. As rice is a cereal grain, the latter term is encompassed by the term “preparations made from cereals” in the contested mark’s specification. “Flour” includes rice flour, which is also a rice product. These goods are identical on the principle outlined in *Meric*.

Confectionery

42. This is a very broad term which includes snack bars of rice. “Rice products” also includes rice-based snack bars. The goods are identical. I acknowledge that the contested “confectionery” will include goods which are not made of rice and which are not, therefore, identical. However, they are still likely to be similar to at least a medium degree, sharing a similar purpose, nature, channels of trade and being in competition. No fall-back specification has been provided and I will, if necessary, return to this point when I consider the likelihood of confusion.

Tapioca and sago

43. The purpose of these goods may overlap with that of rice, which includes pudding rice, as they are all intended for use as ingredients in puddings. Their nature is similar, as may be their method of use. Although their users are the same, that is a superficial point of similarity. Channels of trade are likely to coincide and the goods may be used as alternatives to one another, thus having a competitive relationship. They are not complementary. The goods are similar to a reasonably high degree.

Bread

44. These goods are different in nature and purpose from rice products (including rice flour). Their channels of trade are unlikely to intersect to a material extent and their

method of use will differ. Whilst I accept that bread is most usually made with wheat flour, gluten-free diets are now commonplace and there may be a competitive relationship between these goods as, instead of purchasing ready-made gluten-free bread, a consumer may buy rice flour (covered by rice products) so that they can bake their own. There may be complementarity, as flour is both essential for making breads and it would not be unusual for bread and bread flour to be sold by the same undertaking. They are similar to a fairly low degree.

Pastry

45. Flour is an essential ingredient in pastry and the consumer might purchase rice flour to make their own pastry rather than purchasing pre-prepared pastry. Unlike the position regarding bread, however, it is not usual for the same undertaking to be responsible for making both (rice) flour and finished pastry products, whether in the form of pastry for home baking/cooking or in the form of ready-to-eat pastries. The nature and purpose of the goods are different and they are unlikely to be sold in close proximity. The goods are similar to a low degree.

Baking-powder

46. Baking powder is used as a raising agent in home baking. Its purpose therefore differs from that of rice products, including rice flour, though their method of use is likely to be similar. There is some similarity in nature, with both being powdered or very finely milled. However, whilst the users of the goods will be the same, the goods are not in competition: one would not be substituted for the other. Although the goods may be found in the same general area of a supermarket, they are unlikely to be on the same shelves. There may be complementarity, as the goods are not only used together but may also be produced by the same undertakings. The goods are similar to a low degree.

Yeast

47. This is also an ingredient which is used as a leavening agent, usually in bread making, and whose purpose differs from that of rice products (rice flour). They are not similar in nature, as yeast is neither powdered nor milled. The users will be the same, as will their method of use. Their channels of trade may overlap to the extent that they may be sold in the same aisle, though they would not ordinarily be on the same shelf. They are not in competition, though there may be a complementary relationship, as it is not unusual for flour producers to sell yeast as well. The goods are similar to a low degree.

Sugar

48. I acknowledge that there may be an overlap in method of use with rice flour, both being ingredients in baking. That is a superficial level of similarity, however. The purpose of sugar is to sweeten, which is different from that of flour. Their nature is not similar, one being granular and the other powdered/finely milled. They are unlikely to share channels of trade at a meaningful level. They are neither in competition nor complementary. There is no meaningful similarity between these goods.

Coffee, tea, cocoa and artificial coffee; ices; honey; treacle; salt; mustard; vinegar; sauces (condiments); spices; ice

49. All of the above goods have some similarity with the applicant's goods, at a very superficial level, as they are all food/drink products intended ultimately for consumption and will have the same users (i.e. the general public). However, that highly general level of similarity is not, of itself, sufficient to engage overall similarity between the goods. The specific purpose of the above goods is not similar to that of rice or rice products, nor is their nature. These goods are unlikely to share channels of trade, save for at a very superficial level, and they are neither in competition nor complementary. In the absence of any evidence or submissions on the point, I find they are not similar.

50. As there can be no confusion under s. 5(2)(b) where the goods are not similar, the invalidation against “coffee, tea, cocoa and artificial coffee; ices; sugar; honey; treacle; salt; mustard; vinegar; sauces (condiments); spices; ice” is hereby dismissed.¹⁶

The average consumer and the nature of the purchasing act

51. It is necessary for me to determine who the average consumer is for the respective parties’ goods. I must then decide the manner in which these goods are likely to be selected by the average consumer in the course of trade. 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 in question: *Lloyd Schuhfabrik*.

52. 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”.

53. I have no submissions from the proprietor on this point. The applicant submits that the level of attention paid to the purchase will be low, because “rice is a relatively

¹⁶ See *Waterford Wedgwood plc v OHIM* – C-398/07 P (CJEU) and *eSure Insurance v Direct Line Insurance*, [2008] ETMR 77 CA at [49].

inexpensive common household food product”.¹⁷ I also note Ms Mittal’s submissions that the south Asian diaspora forms “a significant part of the relevant public for basmati rice” and that “[apart] from the South Asian population in the UK, the next major basmati rice consumers in the UK are the travellers from the [UAE]”.¹⁸

54. Turning first to the identity of the average consumer, whilst I am willing to accept that certain ethnic communities, such as those originating from the Indian subcontinent, are likely to consume rice, I do not accept that the rest of the UK population will consume rice in such insignificant quantities that they are not relevant. I reject the submission that visitors from the UAE are a second group of relevant consumer of rice, as the evidence is wholly insufficient to support a contention that visitors from the UAE are significant consumers of rice in the UK at all, let alone that they are an important group requiring separate consideration. All of the goods at issue are foodstuffs, none of which strikes me as unusual or of the type not freely available in supermarkets. The average consumer will consist of members of the general public, as well as business consumers, namely wholesalers or retailers of the goods at issue.

55. The goods at issue are general household items. The member of the general public purchasing most of the identical or similar goods (such as rice and flour) is likely to do so reasonably often, taking some care to ensure, for example, the particular flavour or type of product. They will be bought with a medium level of attention. However, some of the goods, such as confectionery, are inexpensive and will be purchased with more frequency. These will be bought with a low level of attention.

56. The business consumer of the goods is likely to pay a higher level of attention to the purchase, given that order quantities will be larger and that lead times and repeat contracts may be factors. Their level of attention is likely to be reasonably high.

¹⁷ Submissions, §5.

¹⁸ §§10-11.

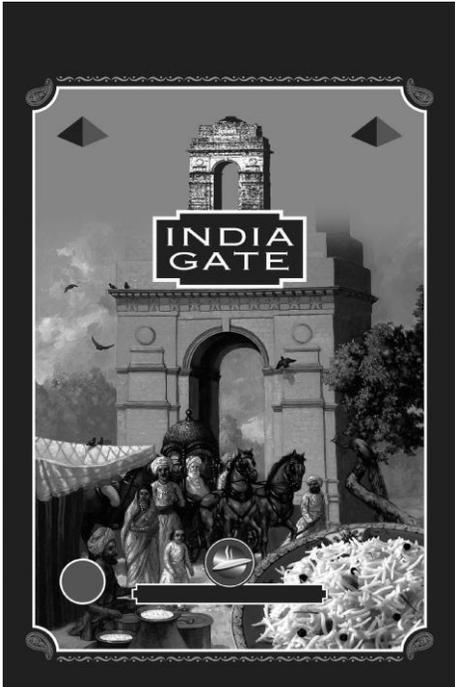
57. For both groups of average consumer, the purchasing process is likely to be primarily visual, whether because goods are self-selected from the shelves of retail premises such as supermarkets (and their online equivalents) or because the goods are chosen from wholesale catalogues and brochures. Both groups may be exposed to advertisements in print or online. However, I do not discount that there may be an oral component to the process, as orders may also be discussed in person or over the telephone.

Comparison of trade marks

58. It is clear from *Sabel* (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 CJEU stated at paragraph 34 of its judgment in *Bimbo*, 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”.

59. It would be wrong, therefore, artificially to 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. The marks to be compared are:

Earlier mark	Contested mark
	

60. The proprietor claims in its counterstatement that the marks have no resemblance to one another. In respect of the contested mark, it submits that the letters “PG” and the words “PAKISTAN GATE” are “the main body of the mark”. According to the proprietor, in the earlier mark “the words INDIA GATE [form] very much the minor part of the overall impression of the device”.

61. The applicant submits that the dominant elements of the marks are “INDIA GATE” and “PAKISTAN GATE”, respectively.

62. The earlier mark is a complex figurative mark. It features the words “INDIA GATE”, presented in capital letters in an unremarkable typeface, in white on a black background. The black background is a rectangular shape with indented corners and has a white border. Placed above this device is a representation of a monumental arch:

it is not particularly sharp. These elements appear in the top third of a realistic representation of a scene in front of a monumental arch: the image is roughly rectangular, with indented corners and surrounded by a white border, and there are various individuals in saris or turbans, and horses drawing a carriage. Superimposed in the bottom right-hand corner is an image of rice on a plate. There are also two quadrilateral shapes shaded in grey in the top corners, a grey circle in a white border in the bottom left, and a small, elongated rectangular shape with indented corners and a white border, which is towards the bottom of the mark. There is a second grey circle, outlined in white, in the bottom centre of the mark: it has an ellipse placed horizontally which gives the impression of reflecting light across the circle's middle, and two roughly vertical lines. In the corners of the outermost border are decorative swirls, while there is decorative lining (featuring wavy lines and dots) along the top and bottom edges, in grey. All of this is on an outer black border which is rectangular. Although the words "INDIA GATE" occupy only a relatively small area of the mark, owing to their placement near the top and the tendency of words to speak louder than devices, they will play a roughly equal role in the overall impression to the device of the realistic scene, which has a significant impact. The image of rice on a plate and all of the other elements (the geometric and decorative shapes and the borders) are likely to be seen as ornamental or non-distinctive and have only a very weak role.

63. The contested mark is also made up of a number of elements. The words "PAKISTAN GATE" are presented in capital letters in a slightly stylised typeface. The letters are in red with a white outline. There is a horizontal line, in gold, above and below the words. Above those words are the letters "PG" in a stylised font, in white on a black circular background. The black circle has a gold border, which also has a curved gold line around the upper part. There are fairly ornate scrolls at each side of the letters "PG", also in gold. All of these elements are presented on a rectangular yellow background. I consider that the words "PAKISTAN GATE" are the most dominant part of the mark, given their size and presentation in red. Although the letters "PG" appear above the words "PAKISTAN GATE", those letters reinforce the words and play a weaker, but not insignificant, role. The scrolls add to the impression but play a lesser

role, while the horizontal lines, borders and background are weaker still in the overall impression.

64. There is some visual similarity between the marks due to the presence in both of the word "GATE". However, there are different verbal elements in each mark ("INDIA", "PAKISTAN" and the letters "PG"). There are device elements in both marks which have no counterpart in the other mark, in particular the realistic scene in the earlier mark and the scrolls in the later mark. The marks are visually similar to a low degree.

65. Aurally, none of the figurative elements in either mark will be articulated. The earlier mark will be referred to as "INDIA GATE", and the contested mark as "PAKISTAN GATE". It is possible, though I consider it unlikely, that the letters "PG" will be articulated, given that they are the initial letters of the words which appear below. There is an obvious difference between the words "INDIA" and "PAKISTAN", whilst the same word "GATE" is in both marks. If the letters "PG" are articulated, the marks are similar to a fairly low degree; if they are not, the marks are aurally similar to a medium degree

66. The applicant submits that the average consumer is unlikely to know that the India Gate is an actual triumphal arch in India. I agree. Although the average consumer will readily identify India as a country and will know the meaning of the word "GATE", the words "INDIA GATE" together do not, in my view, convey a clear concept. The same applies to "PAKISTAN GATE": the country and word "GATE" are well known but the phrase as a whole does not convey a distinct meaning. Whilst Pakistan and India are countries, indeed adjacent countries, each is a major country in its own right. Whilst I accept that there is some conceptual similarity at a very general level because both are countries this does not, in my view, give rise to a strong degree of conceptual similarity. Given that both marks refer to a "gate", there is a medium degree of conceptual similarity overall.

Distinctive character of the earlier trade marks

67. The distinctive character of the earlier mark must be assessed, as the more distinctive the earlier mark, either inherently or through use, the greater the likelihood of confusion (*Sabel* at [24]). In *Lloyd Schuhfabrik*, 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-2779, 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)”.

68. The applicant has claimed that the earlier mark enjoys an enhanced distinctive character because of the use which has been made of it in the UK and EU. For the purposes of this assessment, the relevant market is the UK market.¹⁹ The only goods

¹⁹ See the comments of Iain Purvis, Q.C., sitting as the Appointed Person, in *China Construction Bank Corporation v Groupement des cartes bancaires* (BL O/281/14) at [30]-[34].

for which there is evidence of sales are rice. There is evidence of sales in the UK, with the highest annual total being almost \$688,000. There is, however, no indication of the size of the UK market as a whole which, given that rice is an everyday foodstuff, is likely to be huge. Such evidence as there is of the applicant's portion of the Indian export market shows that it enjoys a tiny share of exports to the UK. The evidence of advertising does not establish that the applicant has any presence in the UK. Whilst one UK radio station is mentioned, the TV channels are not UK-based and there is no documentary evidence of the reach of any of the media on which commercials appeared. The Wikipedia evidence in particular is unreliable, given that it can be amended by anybody, at any time. The claim to enhanced distinctiveness through use is dismissed.

69. Turning to the inherent position, "INDIA" solus is suggestive of a characteristic of the goods, namely that they are from India. However, "INDIA GATE" as a whole is no more than allusive of the origin of the goods and I see no reason why the mark as a whole, which includes a complex figurative element, should be considered to have a lower than normal level of inherent distinctiveness. The mark has an average degree of inherent distinctive character.

Likelihood of confusion

70. The factors considered above have a degree of interdependency (*Canon* at [17]), i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and vice versa. A global assessment of the competing factors must be made when determining whether there is a likelihood of confusion (*Sabel* at [22]). It is a matter of considering the various factors from the perspective of the average consumer and deciding whether they are likely to be confused. In making my assessment, I must keep in mind that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he has retained in his mind (*Lloyd Schuhfabrik* at [26]). Confusion can be direct (where the average consumer mistakes

one mark for the other) or indirect (where the average consumer realises the marks are not the same but puts the similarity that exists between the marks/goods down to the responsible undertakings being the same or related). Indirect confusion was explained by Iain Purvis, Q.C., sitting as the Appointed Person, in *L.A. Sugar Limited v By Back Beat Inc.*, Case BL O/375/10, where he stated 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”).

71. In *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17, Mr James Mellor Q.C., sitting as the Appointed Person, stressed that a finding of indirect confusion should not be made merely because the two marks share a common element. In this connection, he pointed out that it is not sufficient that a mark merely calls to mind another mark. This is mere association not indirect confusion.

72. The marks are visually similar to a low degree and conceptually similar to a medium degree. Their aural similarity will be either fairly low, if all of the verbal elements of the application are articulated, or medium if they are not. The earlier mark is inherently distinctive to an average degree. The goods have varying degrees of similarity, so I will begin by considering position in relation to identical goods, where there is a medium degree of aural similarity. In doing so, I keep in mind that the purchase will be dominated by visual considerations, which makes the visual similarity between the marks a factor of particular importance. However, although both marks include the word “GATE”, I consider that the differences created in the marks as wholes by the different first elements “PAKISTAN” and “INDIA”, and the figurative elements in both marks, particularly the elaborate device in the earlier mark, are sufficient that there is no likelihood of confusion, direct or indirect, even when the effects of imperfect recollection are taken into account. I bear in mind that some of the goods will be purchased with a low degree of attention but there are sufficient differences between the marks to avoid a likelihood of confusion, even when identical goods are at issue. The differences between the marks are such that the later mark would not be seen as a logical brand extension and the similarities would, in my view, be attributed to coincidence rather than economic connection. The applicant’s position is even weaker where the goods are only similar and not identical, or where there is a lower degree of aural similarity: there is no likelihood of confusion. The application for invalidation under s. 5(2)(b) is dismissed.

Section 5(4)(a)

73. Section 5(4)(a) states:

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

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

(b) [.....]

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

74. In *Discount Outlet v Feel Good UK*, [2017] EWHC 1400 IPEC, Her Honour Judge Melissa Clarke, sitting as a deputy Judge of the High Court stated that:

“55. The elements necessary to reach a finding of passing off are the ‘classical trinity’ of that tort as described by Lord Oliver in the *Jif Lemon* case (*Reckitt & Colman Product v Borden* [1990] 1 WLR 491 HL, [1990] RPC 341, HL), namely goodwill or reputation; misrepresentation leading to deception or a likelihood of deception; and damage resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all three limbs.

56 In relation to deception, the court must assess whether “a *substantial number*” of the Claimants’ customers or potential customers are deceived, but it is not necessary to show that all or even most of them are deceived (per *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21)”.

75. Whether there has been passing off must be judged at a particular point (or points) in time. In *Advanced Perimeter Systems Limited v Multisys Computers Limited*, BL O/410/11, Mr Daniel Alexander QC, sitting as the Appointed Person, considered the matter of the relevant date in a passing off case. He said:

“43. In *SWORDERS TM* O-212-06 Mr Alan James acting for the Registrar well summarised the position in s.5(4)(a) proceedings as follows:

‘Strictly, the relevant date for assessing whether s.5(4)(a) applies is always the date of the application for registration or, if there is a priority date, that date: see Article 4 of Directive 89/104. However, where the applicant has used the mark before the date of the application it is necessary to consider what the position would have been at the date of the start of the behaviour complained about, and then to assess whether the position would have been any different at the later date when the application was made.’”.

76. There is no claim and no evidence that the contested mark was in use prior to the date of application. That being the case, the relevant date is 8 June 2016.

77. I bear in mind the following guidance regarding goodwill from the House of Lords in *Inland Revenue Commissioners v Muller & Co’s Margarine Ltd* [1901] AC 217 (HOL):

“What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start”.

78. The applicant claims that the sign has been used since 2007 in relation to “rice” and “rice products” and that the applicant has acquired goodwill in the UK as a result. There is no evidence whatsoever of use in relation to goods other than rice. However, there is

some evidence of sales of rice in the UK, both in terms of annual turnover figures provided by Ms Mittal and the invoices produced at PM1. Whilst the figures are modest, they are sustained over a period of several years and are not so small as to be trivial. Ms Mittal's unchallenged evidence is that the sales were under the "INDIA GATE" brand, which is reflected on the invoices and shipping information. Whilst the evidence of the particular way in which the sign was used is not dated, I am satisfied, on the balance of probabilities, that the applicant had by the date of application acquired goodwill in the UK and that, at the relevant date, the sign was distinctive of the applicant's UK trade in rice.

79. However, in my view, the applicant's case falls down at this point. This is because, for the reasons given in my finding under s. 5(2)(b), even when considering goods in the same field of activity, the use of the contested mark is not likely to deceive a substantial number of the applicant's customers or potential customers. Misrepresentation is even less likely in respect of goods which are outside the immediate field of activity of the applicant's goods. Consequently, use of the contested mark would not constitute a misrepresentation to the public. The s. 5(4)(a) ground of invalidity is dismissed.

Section 5(3)

80. Section 5(3) states:

"(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 European Union trade mark or international trade mark (EC), in the European Union) 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".

81. 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, *Adidas-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*).

Reputation

82. As is clear from the case law cited above, as the earlier mark is an EUTM it must be known by “a significant part” of the relevant public in the EU.²⁰ Both EU and UK sales figures are provided, as well as 23 invoices for various EU countries including the UK, Germany, Spain and Sweden. The invoices span the period 2007 to 2015. Although they cover a wide geographical area, the evidence does not show particularly intensive use. I note that the individual invoices are not for trivial amounts. However, the size of neither the EU market as a whole nor the size of the markets in the individual countries is provided. There is thus no way for me to establish the applicant’s share of the relevant market. Whilst there is some evidence at PM16, and at §13 of Ms Mittal’s statement, of the value of export sales from India enjoyed by the applicant, that evidence is of limited assistance in determining the applicant’s presence in the market. In any event, this evidence puts the applicant’s share of exports to the UK at a very small percentage. The EU sales figures provided by Ms Mittal are small even when they are considered just against the UK export figures: when set against the EU market as a whole, the applicant’s share is likely to be minuscule. There is some evidence of advertising, on television and radio, which I take into account. However, there is no indication of the reach of these radio and television stations. In particular, there is no reliable evidence of the extent to which the India-based television channels are available or viewed in the UK. The sums expended on advertising in the UK are modest, while in relation to the India-based entities neither a conversion rate nor the sterling equivalent is provided. Taking into account all of the above, I do not consider that the applicant has shown that the earlier mark benefits from a reputation among a significant part of the relevant public. The invalidation under section 5(3) falls at the first hurdle and is dismissed accordingly.

²⁰ *PAGO International GmbH v Tirolmilch registrierte Genossenschaft mbH*, C-301/07 (CJEU).

Section 3(6)

83. The relevant part of s. 47 of the Act reads:

“47. - (1) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 3 or any of the provisions referred to in that section (absolute grounds for refusal of registration)”.

84. Section 3(6) of the Act states:

“(6) A trade mark shall not be registered if or to the extent that the application is made in bad faith.”

85. The law in relation to section 3(6) of the Act (“bad faith”) was summarised by Arnold J. in *Red Bull GmbH v Sun Mark Limited and Sea Air & Land Forwarding Limited* [2012] EWHC 1929 (Ch):

“130. A number of general principles concerning bad faith for the purposes of section 3(6) of the 1994 Act/Article 3(2)(d) of the Directive/Article 52(1)(b) of the Regulation are now fairly well established. (For a helpful discussion of many of these points, see N.M. Dawson, "Bad faith in European trade mark law" [2011] IPQ 229.)

131. First, the relevant date for assessing whether an application to register a trade mark was made in bad faith is the application date: see Case C- 529/07 *Chocoladenfabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH* [2009] ECR I-4893 at [35].

132. Secondly, although the relevant date is the application date, later evidence is relevant if it casts light backwards on the position as at the application date: see *Hotel Cipriani Srl v Cipriani (Grosvenor Street) Ltd* [2008] EWHC 3032 (Ch), [2009] RPC 9 at [167] and cf. Case C-259/02 *La*

Mer Technology Inc v Laboratoires Goemar SA [2004] ECR I-1159 at [31] and Case C-192/03 *Alcon Inc v OHIM* [2004] ECR I-8993 at [41].

133. Thirdly, a person is presumed to have acted in good faith unless the contrary is proved. An allegation of bad faith is a serious allegation which must be distinctly proved. The standard of proof is on the balance of probabilities but cogent evidence is required due to the seriousness of the allegation. It is not enough to prove facts which are also consistent with good faith: see *BRUTT Trade Marks* [2007] RPC 19 at [29], *von Rossum v Heinrich Mack Nachf. GmbH & Co KG* (Case R 336/207-2, OHIM Second Board of Appeal, 13 November 2007) at [22] and *Funke Kunststoffe GmbH v Astral Property Pty Ltd* (Case R 1621/2006-4, OHIM Fourth Board of Appeal, 21 December 2009) at [22].

134. Fourthly, bad faith includes not only dishonesty, but also "some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined": see *Gromax Plasticulture Ltd v Don & Low Nonwovens Ltd* [1999] RPC 367 at 379 and *DAAWAT Trade Mark* (Case C000659037/1, OHIM Cancellation Division, 28 June 2004) at [8].

135. Fifthly, section 3(6) of the 1994 Act, Article 3(2)(d) of the Directive and Article 52(1)(b) of the Regulation are intended to prevent abuse of the trade mark system: see *Melly's Trade Mark Application* [2008] RPC 20 at [51] and *CHOOSI Trade Mark* (Case R 633/2007-2, OHIM Second Board of Appeal, 29 February 2008) at [21]. As the case law makes clear, there are two main classes of abuse. The first concerns abuse vis-à-vis the relevant office, for example where the applicant knowingly supplies untrue or misleading information in support of his application; and the second concerns abuse vis-à-vis third parties: see *Cipriani* at [185].

136. Sixthly, in order to determine whether the applicant acted in bad faith, the tribunal must make an overall assessment, taking into account all the factors relevant to the particular case: see *Lindt v Hauswirth* at [37].

137. Seventhly, the tribunal must first ascertain what the defendant knew about the matters in question and then decide whether, in the light of that knowledge, the defendant's conduct is dishonest (or otherwise falls short of the standards of acceptable commercial behaviour) judged by ordinary standards of honest people. The applicant's own standards of honesty (or acceptable commercial behaviour) are irrelevant to the enquiry: see *AJIT WEEKLY Trade Mark* [2006] RPC 25 at [35]-[41], *GERSON Trade Mark* (Case R 916/2004-1, OHIM First Board of Appeal, 4 June 2009) at [53] and *Campbell v Hughes* [2011] RPC 21 at [36].

138. Eighthly, consideration must be given to the applicant's intention. As the CJEU stated in *Lindt v Hauswirth*:

"41. ... in order to determine whether there was bad faith, consideration must also be given to the applicant's intention at the time when he files the application for registration.

42. It must be observed in that regard that, as the Advocate General states in point 58 of her Opinion, the applicant's intention at the relevant time is a subjective factor which must be determined by reference to the objective circumstances of the particular case.

43. Accordingly, the intention to prevent a third party from marketing a product may, in certain circumstances, be an element of bad faith on the part of the applicant.

44. That is in particular the case when it becomes apparent, subsequently, that the applicant applied for registration of a sign as a Community trade mark without intending to use it, his sole objective being to prevent a third party from entering the market.

45. In such a case, the mark does not fulfil its essential function, namely that of ensuring that the consumer or end-user can identify the origin of the product or service concerned by allowing him to distinguish that product or service from those of different origin, without any confusion (see, inter alia, Joined Cases C-456/01 P and C-457/01 P *Henkel v OHIM* [2004] ECR I-5089, paragraph 48)".

86. The relevant date under s. 3(6) is the date of the application, i.e. 8 June 2016.

87. This ground can be shortly dealt with. The applicant made a number of allegations in its statement of grounds, in support of which it has filed no evidence whatsoever. There is no evidence before me concerning any packaging used by the proprietor, nor are there details of any other trade mark disputes between the parties, past or present. The ground, or information which might be relevant to it, is not mentioned by Ms Mittal. It is conspicuous by its absence from the applicant's submissions, which are divided into sub-headings by ground. There is no evidence that the application was filed in bad faith and the invalidation under s. 3(6) is dismissed accordingly.

Conclusion

88. The application for invalidation has failed. Subject to appeal, the contested mark will remain registered for all of the goods in its specification.

Costs

89. The proprietor has been successful and is entitled to an award of costs. Awards of costs in proceedings commenced after 1 July 2016 are governed by Tribunal Practice Notice (“TPN”) 2/2016. Only the applicant filed evidence, which is reflected in the award below. I award costs to the proprietor on the following basis:

Considering the notice of opposition and
preparing and filing the counterstatement: £200

Considering the other party’s evidence: £300

Total: £500

90. I order KRBL Limited to pay Qureshi Foodstuff Trading LLC the sum of **£500**. This sum is to 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 7th day of June 2018

**Heather Harrison
For the Registrar
The Comptroller-General**