

O/858/21

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. UK00003488379

IN THE NAME OF VAQAR AHMED

TO REGISTER THE FOLLOWING TRADE MARK:



IN CLASS 43

AND IN THE MATTER OF OPPOSITION THERETO UNDER NO. 421641

BY CHAI PAANI LIMITED

BACKGROUND AND PLEADINGS

1. On 10 May 2020, Vaqar Ahmed (“the applicant”) applied to register the trade mark shown on the cover page of this decision in the UK. The application was published for opposition purposes on 3 July 2020 and registration is sought for the following services:

Class 43 Cafés; Cafés.

2. On 1 October 2020, the application was opposed by Chai Paani Limited (“the opponent”) based upon section 5(2)(b) of the Trade Marks Act 1994 (“the Act”). The opponent relies upon the following registration:



(series of 2)

UKTM no. 2636847

Filing date 2 October 2012; registration date 11 January 2013

Relying upon some services for which the trade marks are registered, namely:

Class 43 Services for providing food and drink; restaurant, bar and catering services.

3. The opponent claims that there is a likelihood of confusion because the marks are similar and the services are identical or similar.

4. The applicant filed a counterstatement denying the claims made, although admitting that the services are similar.

5. Both parties filed evidence in chief. The opponent did not file evidence in reply. A hearing took place before me, by video conference, on 2 November 2021. The opponent was represented by Mr Jamie Muir Wood of Counsel, instructed by Bond Adams LLP. Mr Muir Wood filed a skeleton argument in advance of the hearing. The applicant elected not to make submissions at the hearing, but filed written submissions in lieu.

EVIDENCE AND SUBMISSIONS

6. The opponent filed evidence in the form of the witness statement of Arati Chudasma dated 22 March 2021, accompanied by 1 exhibit. Mr Chudasma is the director of the opponent.

7. The applicant filed evidence in the form of the witness statement of Adam Tolfree dated 17 June 2021. Mr Tolfree is a Patent Agent acting on behalf of the applicant in these proceedings.

8. The applicant's evidence was accompanied by undated written submissions. The applicant also filed written submissions in lieu dated 29 October 2021.

9. Whilst I do not propose to summarise the evidence and submissions here, I have taken them into consideration and will refer to them where necessary below.

DECISION

10. Section 5(2)(b) of the Act reads as follows:

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

(a) [...]

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

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

11. Section 5A of the Act reads as follows:

“5A Where the grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the trade mark is applied for, the application is to be refused in relation to those goods and services only.”

12. The registration upon which the opponent relies qualifies as an earlier registration because it was applied for at an earlier date than the applicant’s mark pursuant to section 6 of the Act. The earlier registration had completed its registration process more than 5 years prior to the filing date of the applicant’s mark and, consequently, it is subject to proof of use pursuant to section 6A of the Act. However, as the applicant has not requested that the opponent provide proof of use, the opponent may rely upon all of the services identified.

13. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Act relied upon in these proceedings are derived from an EU Directive. This is why this decision continues to make reference to the trade mark case-law of EU courts.

14. 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:

(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 greater 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 to mind the earlier mark, 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 services

15. 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 für Lernsysteme v OHIM – Educational Services* (ELS) [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark.”

16. In its Form TM8, the applicant admits that the parties’ respective services are identical or highly similar. At the hearing, Mr Muir Wood submitted that they are identical. I agree. The term “Cafés”, which appears duplicated in the applicant’s specification, falls within the broader category of “services for providing food and drink” in the opponent’s specification. These services are, therefore, identical on the principle outlined in *Meric*.

The average consumer and the nature of the purchasing act

17. As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties’ services. I must then determine the manner in which the services are likely to be selected by the average consumer. 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 (as he then was) 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 word “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

18. The average consumer for the services will be a member of the general public. At the hearing, Mr Muir Wood submitted that a medium degree of attention will be paid by the average consumer during the purchasing process. I agree. I recognise that the cost of the services may vary, and the frequency of the purchase is unlikely to be particularly frequent or infrequent. In my view, even where the cost is low, various factors will be taken into consideration such as type of food offered, speed of service and cleanliness. It is for these reasons that I consider that a medium degree of attention will be paid during the purchasing process for the services.

19. The services are likely to be selected following perusal of premises frontage, advertisements or websites. Consequently, visual considerations are likely to dominate the selection process. However, given that word-of-mouth recommendations may play a part, I do not discount an aural component to the purchase.

Comparison of trade marks



20. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a trade 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 trade marks must be assessed by reference to the overall impressions created by the trade marks, bearing in mind their distinctive and dominant

components. The CJEU stated, at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, 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.”

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

22. The respective trade marks are shown below:

Opponent's trade marks	Applicant's trade mark
 <p>(series of 2)</p>	

23. The words “chai paani” play the greater role in the overall impression of the opponent’s registration, with the stylisation and coloured backgrounds playing a lesser

role. In its Form TM8, the applicant admitted the opponent's claim that "the dominant element of the application is for CHAYE PAANI." In its written submissions in lieu, it sought to change its position, stating:

"the Applicant's Mark is a composite mark consisting of i) a highly stylised representation of a cup filled with a hot drink; ii) the invented word ChaayéPaani; and iii) the distinctive words "Love at First Sip". It is established case law that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various parts. In the present case, all three of the elements of the Applicant's Mark are equally dominant".

I do not consider it open to the applicant to change its position in this regard at this late stage in proceedings, having already made an admission in its Form TM8. However, in any event, I agree with the former position. In my view, it is the words "ChaayéPaani" which play the greater role in the overall impression of the applicant's mark. Although the device is larger, I consider that it will be recognised as a mug containing a hot drink, which is not particularly distinctive in relation to the services. The words "love at first sip" are likely to be viewed as a slogan and are in a much smaller font. Consequently, I consider the words "Love at First Sip" and the mug device play a lesser role in the overall impression. I consider that the background elements have the least impact on the overall impression.

24. Visually, the marks coincide in that they both contain the word "paani/Paani". The first three letters of the word elements are also the same i.e. "cha/Cha". However, they differ in that the ending of the first word is "-i" in the opponent's mark and "-yé" in the applicant's mark. Further, the mug device and additional wording in the applicant's mark, as well as the differing backgrounds, will also act as visual differences. As the applicant's mark is applied-for in black and white it can be used in any colour and so I do not consider that the use of colour in the opponent's mark acts as a point of difference between the marks. Taking all of this into account, I consider the marks to be visually similar to between a low and medium degree.

25. Aurally, both marks consist of foreign language words and so the pronunciation may vary. However, in my view, in the opponent's registration the letters CH will be

given their ordinary English pronunciation (as in CHIMNEY) and the letters AI will be pronounced as EYE. The word PAANI is likely to be pronounced as PAH-NEE. I agree with Mr Muir Wood that the words “ChaayéPaani” in the applicant’s mark could also be pronounced in the same way. However, I recognise that, as submitted by the applicant, because of the accent on the ‘e’ they may also be pronounced as CHAI-EH-PAH-NEE (as in café). I consider it unlikely that the words “love at first sip” in the applicant’s mark will be articulated due to their relative size and appearance as a slogan. I consider the marks to be either aurally identical or similar to between a medium and high degree, depending upon how the word “Chaayé” in the applicant’s mark is pronounced.

26. Conceptually, the applicant’s position is that the word PAANI is a British slang/British regional word for water and that it is also a common Hindu and Urdu word for the same. Mr Tolfree provides evidence that the word “PANI” appears in the Oxford English Dictionary and is described as meaning: “water”.¹ At the hearing, Mr Muir Wood noted that the spelling of this word is different to the word contained within the marks in issue; he noted that the only reference within that document which contains the correct spelling is a reference from *Times of India* which states “to make the paani for his golgappas, he still uses mineral water”. I also note that Mr Chudasma confirms that he has been unable to find reference to the word PAANI in various online dictionaries.²

27. The word PANI clearly means water. However, the fact that a word has a particular meaning does not necessarily mean that it will be understood by a significant proportion of average consumers. In any event, that is not the word with which this case is concerned. The word PAANI is referenced only in passing in the *Times of India* reference; I note that this is not a UK publication and that the use that has been made of it suggests that it has a different meaning to ‘water’. In its submissions, the applicant suggests that the proportion of UK average consumers who speak either Punjabi, Urdu, Bengali, Gujarati and/or Hindi will mean that a significant proportion will understand the word PAANI to mean ‘water’. However, I have no evidence before me

¹ Exhibit VA1

² Exhibit AC1

to suggest that the word PAANI (as opposed to PANI) will be understood to mean 'water' by those understanding/speaking those languages. Taking all of this into account, I am not satisfied that the average UK consumer will attribute any meaning to the word PAANI. In my view, it will be viewed as an invented or foreign language word with no particular meaning.

28. The words "ChaayéPaani" in the applicant's mark are unlikely to be attributed any particular meaning as they are likely to be viewed as conjoined foreign language or invented words. The device will be recognised as a mug containing a hot drink, although this is not likely to be distinctive in the context of the services. The words "love at first sip" will be given their ordinary English meaning. The word CHAI in the opponent's mark is, in my view, likely to be recognised by a significant proportion of average consumers as a type of tea. However, I also consider that there will be a significant proportion of average consumers who do not recognise its meaning and simply view it as a foreign language word. Again, I do not consider the word PAANI likely to be attributed any meaning. For average consumers who attribute no meaning to the word CHAI, the words "ChaayéPaani" and "chai paani" will be conceptually neutral, with the additional elements in the applicant's mark acting as points of conceptual difference. For average consumers who attribute meaning to the word CHAI, only the word PAANI/paani will be conceptually neutral. The mug device may create a point of conceptual overlap with the word CHAI in the opponent's registration, but the other elements will act as points of conceptual difference. Consequently, any conceptual similarity overall will be relatively low.

Distinctive character of the earlier mark

29. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 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).”

30. Registered trade marks possess varying degrees of inherent distinctive character, ranging from the very low, because they are suggestive or allusive of a characteristic of the services, to those with high inherent distinctive character, such as invented words which have no allusive qualities. The distinctive character of a mark can be enhanced by virtue of the use that has been made of it.

31. At the hearing, Mr Muir Wood confirmed that the opponent was not relying upon enhanced distinctive character. I have, therefore, only the inherent position to consider. The applicant’s position is that the sign “CHAI PAANI per se is devoid of any distinctive character in relation to [the services] relied on by the opponent as well as those mentioned [in the application] being that it exclusively describes two drinks commonly served at cafes and like establishments”. No challenge has been made to the validity of the earlier mark and, consequently, it must be attributed at least some distinctiveness pursuant to section 72 of the Act. I accept that the word CHAI may be recognised by a significant proportion of average consumers as a type of tea. However, I do not accept that the word PAANI will be recognised as having any meaning by average consumers. The combination CHAI PAANI is unlikely to be attributed any particular meaning as a whole, as the word PAANI will not convey any particular meaning to the average consumer. Consequently, I consider the earlier mark

to be inherently distinctive to at least a medium degree. The applicant submits that the stylisation used in the earlier registration is “highly distinctive Devanagari inspired typeface”. In my view, the stylisation and use of colour will not contribute significantly to the distinctiveness of the earlier mark, although it will play a role.

Likelihood of confusion

32. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other, while indirect confusion is where the average consumer realises the marks are not the same but puts the similarity that exists between the marks and the goods and services down to the responsible undertaking being the same or related. There is no scientific formula to apply in determining whether there is a likelihood of confusion; rather, it is a global assessment where a number of factors need to be borne in mind. The first is the interdependency principle 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 services or vice versa. As I mentioned above, it is necessary for me to keep in mind the distinctive character of the earlier registration, the average consumer for the services and the nature of the purchasing process. In doing so, I must be alive to the fact 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 that he has retained in his mind.

33. I have found the marks to be visually similar to between a low and medium degree. I have found the marks to be aurally identical or similar to between a medium and high degree, depending upon how they are pronounced. For average consumers who are not familiar with the meaning of the word CHAI, the marks will be conceptually neutral. For average consumers who recognise CHAI as a type of tea, any conceptual overlap will be relatively low. I have found the earlier registration to be inherently distinctive to at least a medium degree. I have identified the average consumer to be a member of the general public, who will purchase the services predominantly by visual means (although I do not discount an aural component). I have found that a medium degree of attention will be paid during the purchasing process. I have found the services to be identical.

34. I recognise that the stylisation in the marks and the presence of the device and additional wording in the applicant's mark are unlikely to be overlooked by the average consumer. Consequently, I do not consider there to be a likelihood of direct confusion. However, the common use of the word PAANI and the similar first words CHAI and CHAAYE will, in my view, lead the average consumer to conclude that these are alternative marks being used by the same or economically linked undertakings. Even for the significant proportion of average consumers that recognise the meaning of the word CHAI and will, therefore, more readily be able to distinguish between it and the word CHAAYÉ, I consider that the common word PAANI will still give rise to the view that these are alternative marks being used by the same business. Given the identity of the services, I consider there to be a likelihood of indirect confusion.

CONCLUSION

35. The opposition succeeds in its entirety and the application is refused.

COSTS

36. The opponent has enjoyed the greater degree of success and is entitled to a contribution towards its costs, based upon the scale published in Tribunal Practice Notice 2/2016. In making this award, I recognise that much of the opponent's evidence did not take its case any further forward and that the hearing was relatively short. In the circumstances, I award the opponent the sum of **£1,300** as a contribution towards its costs, calculated as follows:

Preparing a Notice of opposition and considering the applicant's counterstatement	£200
Preparing evidence and considering the applicant's evidence	£500
Preparing for and attendance at hearing	£500

Official fee

£100

Total

£1,300

37. I therefore order Vaqar Ahmed to pay Chai Paani Limited the sum of **£1,300**. This sum should be paid within 21 days of the expiry of the appeal period or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings.

Dated this 24th day of November 2021

S WILSON

For the Registrar