

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. 2114598
BY CHARLES ROBERT MAXWELL TO REGISTER
A MARK IN CLASS 42**

AND

**IN THE MATTER OF OPPOSITION THERETO UNDER
NO. 47559 BY SOFRA RESTAURANTS LIMITED**

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DECISION

15 On 1 November 1996 Charles Robert Maxwell of Denmark Street, London, WC2 applied to register the following mark for a specification of services in Class 42 which reads “hot and cold food; catering business; cafe, bar, restaurant, bistro”.

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The application is numbered 2114598.

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On 23 September 1997 Sofra Restaurants Limited of King Street, London, WC2 filed notice of opposition to this application. In summary the grounds of opposition are:

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- (i) under Section 3(3)(b) in that registration of the application in suit is likely to deceive the public as to trade origin.
- (ii) under Section 3(4) in that use of the mark would be prohibited by rule of law. The opponents go on to make specific reference to the law of passing off but that is an issue that properly falls to be considered under Section 5(4)(a) (see below).
- (iii) under Section 3(6) in that the application was made in bad faith.
- (iv) under Section 5(2)(b) by virtue of an earlier trade mark owned by the opponent. I comment in passing that the opponents refer to No. 2134081 which is a later filed application. It is said that an earlier application (number not given) was filed on 1 November 1995 but the opponents' comments

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suggest that this application is no longer extant.

5 (v) under Section 5(3) by virtue of the reputation of the “said earlier trade mark”. This ground must also fall away by virtue of the position in relation to Section 5(2)(b). Section 5(3) in any case is concerned with goods and services which are “not similar”.

10 (vi) under Section 5(4)(a) in that use of the mark applied for is liable to be prevented by the law of passing off. The opponents refer also to any other rule of law protective of an unregistered mark or sign but do not further particularise the objection.

15 The opponents also ask the Registrar to refuse the application in the exercise of his discretion. As the Registrar has no discretion to refuse an application that otherwise meets the requirements for registration I need say no more about this ground.

The opponents have asked for an award of costs in their favour.

20 The applicant did not file a counterstatement. Only the opponents filed evidence. No hearing has been requested. Acting on behalf of the Registrar and after a careful study of the papers I give this decision.

Opponents’ Evidence

25 The opponents filed a statutory declaration dated 13 August 1998 by Richard Murray Bray, their solicitor and professional representative in these proceedings. He confirms that he has had full access to the opponents’ files and records and is authorised to make his declaration.

30 In relation to the opponents’ claim to an “earlier trade mark” he comments as follows:

35 “The Company applied by Form TM3 on the 1st day of November, 1995 for a United Kingdom Registered Trade Mark for “Sofra”, “Cafe Sofra”, “Sofra Restaurant” and “Sofra Bistro” in Class 42 in respect of “the provision of food and drink both hot and cold”. A reminder to such application was subsequently sent to the Patent Office. The sequence of events is detailed in my Affidavit dated 27th October, 1997 with reference to Trade Mark Application Number 2134081. In circumstances beyond the control of the Company, such application was not promptly progressed and as a consequence my Clients have been denied the possibility of registration. Further, and without prejudice to the validity of such (1st November, 1995) Application, the Company has made a

40 subsequent Application (under number No. 2134081) in Class 42, the progress of such application has been hampered by an application by Robert Charles Maxwell in suit. The Company is thereby, and inter alia, specifically aggrieved by the Application in suit.”

45 Mr Bray goes on to say that the opponents and other companies in the Sofra Group have for many years (since in or about 1988) carried on business in the United Kingdom under and by reference to the name or mark SOFRA in the field of provision of restaurant, cafe and bar

services and the provision of food and drinks. The company also provides a take-away service. Three restaurants and ten cafes/bars exist in the London area. He gives further information on the names and corporate structure of companies in the group all of which are said to carry the word SOFRA as a predominant and distinctive part of their titles. In support of all this he exhibits

RMB1 - a bundle of documents including advertisements, press write-ups and articles, a customer's letter, extracts from restaurant guides, reviews, papers relating to awards won, pictures of celebrities at or outside the restaurants.

RMB2 - photographs of a number of the restaurants and cafes, letter headed paper, invoice and a promotional leaflet about the group including a map showing the location of the premises.

As a result it is said that the company has built up a considerable goodwill and reputation in SOFRA whether used alone or in connection with descriptive words such as restaurant, cafe and bistro. Mr Bray confirms that the company has never granted its permission or licence to Robert Charles Maxwell to use its name or mark SOFRA whether used in the form of the application in suit or otherwise.

Most of the remainder of Mr Bray's declaration is taken up with a commentary on the consequences in law arising from the state of affairs set out in the evidence.

I will consider this below but will record the following comments by Mr Bray in relation to the applicant's position:-

"Robert Charles Maxwell provides his address as being in Central London. In that the Company has numerous branches of their business situated in Central London, and has a long standing reputation, it is more likely than not that Robert Charles Maxwell was well aware of the Company's presence in the market, and the use of the name or mark "SOFRA" prior to the date of his application. He therefore at least must have had reason to believe that he was not free in equity and law to seek to assert rights to the name or mark the subject of the Application in suit. In the premises, and in any event the Application should not be registered or alternatively should not be registered to the extent that it was made in bad faith, pursuant to the provisions of Section 3(6) of the Trade Marks Act 1994. The inference of bad faith is, in my respectful view exacerbated by the Applicant's failure to respond to the Notice of Opposition herein."

Finally Mr Bray says that the opponents are unaware of any trading activities by Mr Maxwell under the name or mark SOFRA. He refers to a letter before action sent to the applicant on 20 June 1997 (Exhibit RMB3).

That concludes my review of the evidence.

For reasons which I have already touched on in my summary of their statement of grounds I do not think the opponents have established a case under either Section 5(2)(b) or Section

5(3) of the Act. It seems from the statements made (and referred to in the evidence summary) that what would have been an earlier trade mark was said to have been filed on 1 November 1995. Reference is made to an affidavit filed in relation to a later filed application (No. 2134081) explaining the circumstances surrounding the previous application. As that affidavit has not been filed in these proceedings and no further information has been supplied I have no basis for considering a case under Section 5(2)(b). The Section 5(3) case is based on the “said earlier trade mark” and the fact that it has a reputation in this country. The opponents’ case must inevitably fall. Section 5(3) is concerned with “goods and services which are not similar”. As the 1 November 1995 filing appears no longer to be extant it is not an earlier trade mark. In any case it would appear to have covered services which would be considered identical or similar to the applicant’s services and so the opponents would fail to bring themselves within Section 5(3).

This action primarily falls to be considered under Section 5(4)(a) and in particular the law of passing off (no other basis having been particularised or substantiated). The relevant Section reads:

“(4) 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”.

A helpful summary of the elements of an action for passing off can be found in *Halsbury’s Laws of England* (4th Edition) Vol. 48 (1995 reissue) at paragraph 165. The guidance given with reference to the speeches in the House of Lords in *Reckitt & Colman Products Ltd v. Borden Inc.* [1990] RPC 341 and *Erven Warnink BV v J Townend & Sons (Hull) Ltd* [1979] A.C 731 is (with footnotes omitted) as follows:

“The necessary elements of the action for passing off have been restated by the House of Lords as being three in number:

(1) that the plaintiff’s goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;

(2) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by the defendant are goods or services of the plaintiff; and

(3) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant’s misrepresentation.

The restatement of the elements of passing off in the form of this classical trinity has been preferred as providing greater assistance in analysis and decision than the formulation of the elements of the action previously expressed by the House. This latest statement, like the House's previous statement, should not, however, be treated as akin to a statutory definition or as if the words used by the House constitute an exhaustive, literal definition of 'passing off', and in particular should not be used to exclude from the ambit of the tort recognised forms of the action for passing off which were not under consideration on the facts before the House".

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10 I have given a brief overview in the evidence summary of the material supplied by the opponents in support of their position. Exhibit RMB1 shows that their restaurants have attracted much favourable comment in national newspapers (The Times, The Guardian, The Observer etc.), local press and guides (Inside Mayfair, The Evening Standard, The West End Guide to Eating and Entertainment) and a variety of other publications (Time Out, Where
15 London, Tatler etc.). There is also evidence in the form of the opponents' own promotional literature, invoices, letterhead and price lists. The physical existence of the restaurants is evidenced by the photographs in Exhibit RMB2. Most of the material dates from about 1992 but I note that amongst the references to awards won is one to SOFRA winning the 1990 Ethnic Restaurant of the Year Award. It would be possible to criticise the evidence as failing to quantify the use that has been made of SOFRA in terms of turnover, advertising spend etc. and in other circumstances this might have caused the opponents rather more difficulty. But I bear in mind that this is a case where their basic claims have not been challenged and the applicant has in effect played no part in the proceedings. I comment in passing that the relevant stage of the proceedings took place before the Trade Marks (Amendment) Rules
20 1998 came into force and made the effect of failing to file a counterstatement the deemed withdrawal of the application for registration. The opponents were thus invited to file evidence. In the circumstances, however, I take the view that they should not be put to unnecessary effort or expense in an undefended action. I have no hesitation in concluding that the opponents' have a sound claim to the reputation and goodwill (albeit perhaps local in
25 30 nature) necessary to found an action under Section 5(4)(a).

The applicant's mark is not identical to the one used by the opponents containing as it does a device element to the left of the words and some slight and in my view inconsequential stylistic variation in the presentation particularly of the final letter. However, I have no doubt that it would constitute a misrepresentation and if used would inflict damage on the opponents' business. In short the opposition succeeds under Section 5(4)(a).

As my above finding decides the matter in the opponents' favour and given that the applicant has not defended his position I do not propose to consider the Section 3 grounds in detail.
40 The opponents have not explained the basis for their objections under Section 3(3)(b) and 3(4) and their references to deceptiveness as to trade origin and passing off suggest that they may be confusing absolute and relative grounds of objection. I can see no basis for finding in their favour under these heads.

45 Under Section 3(6) it is claimed that the application was made in bad faith having regard to Mr Maxwell's choice of a closely similar mark and his address being in the vicinity of a number of the opponents' restaurants. The opponents say that it is more than likely that he

was aware of their activities. The applicant has neither denied the charge or produced evidence of his own to indicate how he came to adopt the mark independently. In my view the opponents have at least got an arguable case but I do not need to make a formal finding on the matter.

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As the opposition has been successful the opponents are entitled to a contribution towards their costs. I order the applicant to pay the opponents the sum of £500.

Dated this 21 day of January 1999

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15 **M REYNOLDS**
For the Registrar
The Comptroller General