

O-091-09

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO 2444507
BY TAKE- AND- BAKE PIZZA LTD TO REGISTER
A TRADE MARK IN CLASSES 30 AND 43**

AND

**IN THE MATTER OF OPPOSITION NO 95390 BY
WALLY YACHTS NV**

TRADE MARKS ACT 1994

**IN THE MATTER OF Application No 2444507
By Take-and-Bake Pizza Ltd to register
a trade mark in Classes 30 and 43**

and

**IN THE MATTER OF Opposition No 95390
By Wally Yachts NV**

BACKGROUND

1. On 24 January 2007, Take-and-Bake Pizza Ltd (“TBP”) applied to register the trade mark “Clever Wally’s Raw Pizza” for “pizza” in class 30 and “preparation of food” in class 43.
2. On 27 July 2007, Wally Yachts NV (“WY”) filed a notice of opposition to this application based on a single ground under Section 5(2)(b) of the Trade Marks Act 1994 (“The Act”). In relation to this ground, WY relies upon its earlier CTM¹ for the word “WALLY”. In relation to this earlier trade mark, services in class 42 are relied upon, specifically “Services in the field of temporary accommodation and in providing food and drink”.
3. TBP filed a counterstatement denying the ground of opposition.
4. Both sides filed evidence in these proceedings, a summary of which follows. Neither side requested a hearing, although WY did, however, file written submissions in lieu of a hearing. Although TBP did not file formal written submissions, it did make a number of submissions in its counterstatement and evidence which I will take into account.

WY’s evidence

5. This consists of a witness statement by Utibe Ekpiken of Marks & Clerk, the trade mark attorneys representing WY in these proceedings. Ms Ekpiken refers to WY’s mark being registered for “*services in the field of temporary accommodation and in providing food and drink*” in Class 42 which corresponds with the classification system (Nice Classification, seventh edition, 1996) in place at the time of their application for registration. Following this and before WY’s mark was registered, the Nice Classification was revised resulting in an eighth edition which had the effect of expansion of certain goods and services and the reclassification of certain goods/services. She says that the effect of this is that should WY have applied for its earlier mark following these changes, then “*services in the field of temporary accommodation and in providing food and drink*” would have been proper to the newly introduced Class 43. Exhibit UBE1 shows copies of the relevant sections of the seventh and eighth editions of the Nice Classification. As pointed out by Ms

¹ Community Trade Mark

Ekpiken, OHIM's² Transitional Rules relating to changes of classification have the effect of not reclassifying earlier CTM applications or registrations to which an earlier edition of the Nice Classification applies. Exhibit UBE2 shows excerpts of the IPO trade mark manual on Classification, and the OHIM's guide to Classification and the relevant Transitional Rules.

6. Ms Ekpiken also refers to Exhibit UBE1, in particular the explanatory note in the seventh edition of the Nice Classification where "*providing food and drink*" is defined as including the following:

"services rendered by establishments essentially engaged in procuring food or drink prepared for consumption; such services can be rendered by restaurants, self service restaurants, canteens, etc."

7. In relation to the word "WALLY", Ms Ekpiken argues that it is commonly known as being a name, the short form of WALTER and WALLACE, both of which are rarely used in modern times. Exhibit UBE4 are excerpts from the Concise Dictionary of First Names and prints from a baby name website called "Think baby names", both of which relate to the name WALLY. The exhibit also shows a decline in the popularity of the name. With regard to personal names, Ms Ekpiken also argues that consumers are used to food outlets being identified by reference to a person's name (the person they associate with the business) and refers to Exhibit UBE5 which is an excerpt from Yell.com which shows listings for pizzerias, including some incorporating personal names. Examples include "Rojano's" and "Donatello's".

8. Ms Ekpiken goes on to refer to Exhibit UBE6 which are internet excerpts relating to the Virgin Group and EasyGroup businesses. This exhibit is intended to support Ms Ekpiken's assertion that businesses diversify and, as such, an association between a manufacturer of yachts (WY's core business) and a pizza outlet cannot be dismissed out of hand.

9. Ms Ekpiken also makes a number of submissions in relation to the comparison of both the goods and services and the respective marks. As this is not evidence of fact, I do not propose to summarise this here. I will, however, take the submissions into account in my decision.

TBP's evidence

10. This is a witness statement from Gregor Sokalski, the founder and managing director of TBP. The bulk of Mr Sokalski's evidence concentrates on what he asserts to be WY's main commercial interest, the manufacturing of yachts. Exhibit GSS1 is the results of a search on Google for "Wally Yachts", where the business is described as "Brokerage and charter services of sail and power boats in futuristic design". Exhibit GSS2 is a screenshot of WY's homepage, outlining the company's range of yachts and sailboats. Exhibit GSS3 shows a Wikipedia entry for WY, describing the company's history and recent expansion into the field of "megasailers" sold to clients such as King Carlos of Spain. Exhibit GSS4 is an article highlighting the sale price of a "Wally" yacht (£18.85 million), with Exhibit GSS5 providing the

² Office for Harmonization of the Internal Market (Trade Marks and Designs)

exchange rate information to support this calculation. Exhibit GSS6 provides a summary of WY in the “Luxury, Mega and Super Yacht Builders” section of yachtforums.co.uk and Exhibit 7 is an extract from a WY newsletter highlighting the use of the word “Wally” to describe individual boats.

11. Exhibit GSS8 provides an Oxford Dictionary definition of the word “wally”, described as a foolish or inept person. Mr Sokalski explains that his grandfather was named Walter Sokalski, referred to as Wally. The aim of TBP’s mark was to commemorate the memory of his grandfather without any association with the slang term wally, hence the use of the word “clever” with “wally’s”. Exhibit GSS9 is a Clever Wally’s Raw Pizza menu, Exhibit GSS10 is a photograph of the exterior of the Clever Wally’s Raw Pizza store in London and Exhibit GSS11 is a screenshot of TBP’s website homepage. Exhibit GSS12 is a summary of feedback that TBP have received in relation to their products. This has been exhibited in order to show that none of the comments are the result of confusion with WY.

DECISION

Proof of use regulations

12. In opposition proceedings, earlier marks for which the registration procedure was completed before the end of the five year period ending with the date of publication of the applied for mark (TBP’s mark) may only be relied upon to the extent that they have been used (or that there are proper reasons for non-use)³. TBP’s mark was published on 27 April 2007. WY’s mark completed its registration procedure on 15 April 2003, therefore, the proof of use regulations do not apply. The earlier mark will, consequently, be considered for its specification as registered (to the extent relied upon by WY).

The law and the leading authorities

13. Section 5(2)(b) of the Act states:

“(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.”

14. When making my determination, I take into account the guidance from the case-law of the European Court of Justice (“ECJ”) on this issue, notably: *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000]

³ See section 6A of the Act (added by virtue of the Trade Marks (Proof of Use, etc.) Regulations) 2004 (SI 2004/946) which came into force on 5th May 2004.

F.S.R. 77, *Marca Mode CV v Adidas AG & Adidas Benelux BV* [2000] E.T.M.R. 723, *Case C-334/05P Shaker di Laudato & C.Sas v OHIM ("LIMONCHELLO")* and *Case C-120/04 Medion* [2005] ECR I 8551, it is clear from these cases that:

(a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v Puma AG*,

(b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel BV v Puma AG*, 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; *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel B.V.*,

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v Puma AG*,

(d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel BV v Puma AG*,

(e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods and services, and vice versa; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.*,

(f) the assessment of similarity can only be carried out solely on the basis of the dominant element in a mark if all of its other components are negligible (*Limonchello*, para 42)

(g) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either per se or because of the use that has been made of it; *Sabel BV v Puma AG*,

(h) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v Puma AG*,

(i) further, 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; *Marca Mode CV v Adidas AG and Adidas Benelux BV*,

(j) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.*,

Average consumer and the purchasing act

15. As the ECJ states in *Sabel BV v. Puma AG*, matters must be judged through the eyes of the average consumer. I must, therefore, assess who this is. The goods and services in question relate to food and drink and the preparation and provision thereof. TBP's goods are pizza's and the related service is preparation of food. The goods themselves are inexpensive, consumable items which one would expect to be purchased on a fairly regular basis by the general public.

16. In relation to the services, WY's services are the provision of food and drink. This can include provision of any items of food, in a number of different types of establishments, from sandwich shops or other fast food type venues to restaurants and specialist catering services. Likewise, TBP's service, preparation of food, could be offered from a number of differing types of food outlets. Due to the diverse manner in which such services could potentially be provided, they could range from the inexpensive fast food style services to those that are more luxurious and, as such, purchased on special occasions. However, I would expect such services to normally be purchased on a fairly regular basis. The nature of the goods and services lead me to believe that the average consumer would be the public at large and in choosing such goods and services, they would, overall, exhibit a reasonable (but not particularly high or low) degree of care and attention.

17. With regards to the purchasing act, the average consumer may select such goods and services spontaneously, simply by being in the vicinity of the particular food outlet or, alternatively, it may be more considered, by selecting an establishment at which to book a table or order a takeaway. Word of mouth and peer recommendation can also play an important role in the selection and purchasing process. Visual and aural impressions are, therefore, both important considerations.

Comparison of the goods and services

18. All relevant factors relating to the goods and services in the respective specifications should be taken into account in determining this issue. In *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* the ECJ stated at paragraph 23 of its judgment:

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

19. Other factors may also be taken into account such as, for example, the relevant channels of distribution (see paragraph 53 of the judgement of the CFI in Case T-164/03 *Ampafrance S.A. v OHIM – Johnson & Johnson GmbH (monBebe)*).

20. The respective specifications are shown below for ease of reference. WY are only relying on the Class 42 services shown.

WY's specification	TBP's specification
Class 42: Services in the field of temporary accommodation and in providing food and drink	Class 30: Pizza Class 43: Preparation of food

21. As a preliminary point, I must decide whether “providing food and drink” is tied to “services in the field of temporary accommodation”. In my mind, it is clear. The inclusion of the word “and” in the specification means that this service is a separate, stand alone service from “services in the field of temporary accommodation”.

22. Both parties have made a number of submissions in relation to the similarity of the respective goods and services. WY argues that it is irrelevant that its services are listed in class 42 and that TBP's are in classes 30 and 43 as this was simply due to an alteration in the Nice Classification system. Further it argues that “providing food and drink” encompasses “the preparation of food” and the provision of “pizza” and that the food will reach the customer/end user in the same manner, whether by a café, restaurant, snack bar, take-away or other food service outlet. On this basis, it argues that the services are identical.

23. In comparing the goods “pizza” with the service “providing food and drink”, WY argue that pizza is commonly served in restaurants, including fast food outlets, which often offer a takeaway or delivery service. In the course of providing food and drink, pizza may be prepared and served. Finally, WY argue that preparing uncooked pizza for take away customers can also fall within “providing food and drink”.

24. In its arguments, TBP focus on a comparison between yachts and luxury boats versus uncooked pizza and argues (unsurprisingly) that the respective goods and services are not similar. However, this is not the relevant comparison to be made in these proceedings. It may well be the case that manufacturing yachts is the core of WY's business and indeed the evidence filed, though limited, seems to support this. However, WY's earlier mark also covers “providing food and drink”. As stated earlier, as the proof of use regulations do not apply to these proceedings, I must, therefore, consider the specification of WY's mark as registered, namely “provision of food and drink”. The correct comparison to be made, therefore, is between these services and those goods and services applied for by TBP.

25. In order to fairly compare the respective goods and services, I must consider what each of the terms cover. In terms of my approach, particularly in relation to the services, I bear in mind the guidance in *Avnet Incorporated v Isoact Limited* [1998] F.S.R. 16 where Jacob J held that:

“In my view, specifications for services should be scrutinised carefully and they should not be given a wide construction covering a vast range of activities. They should be confined to the substance, as it were, the core of the possible meanings attributable to the rather general phrase.”

26. Applying this guidance to these proceedings, it seems to me that the “provision of food and drink” is, in itself, a fairly broad term. It includes the making available to customers of any items of food and drink and in any context, whether from a fast food establishment, a catering service (which often prepares food at a site other than where it is consumed) or an expensive restaurant. “Preparation of food”, it seems to me, is a service which makes ready food items for consumption. Again, this could include any food and in any context. In order to make food available for consumption by customers, it must be made ready to do so. I am, therefore persuaded by WY’s argument that the respective services go hand in hand with one another. The nature of the service “preparation of food” seems to me to be identical to “provision of food and drink” as it falls entirely within the scope of the broader term. The average consumer is the general public and will therefore be the same for both. The intended purpose, to provide or make available food to the general public for consumption, is the same whether that food is prepared, cooked and consumed on the premises or cooked and consumed at home. **I am, therefore, of the view that the respective services are identical.**

27. In the event that I am found to be wrong on this, the services are at the very least, very closely linked and consequently similar. Many food outlets, particularly fast food, offer for sale both items that have already been prepared and are ready for immediate selection and consumption and those that are specially prepared as a result of a customer request, for example if a particular ingredient needs to be added or indeed removed. Such outlets therefore, both prepare and provide food.

28. I now turn to consider the goods (pizza) applied for by TBP. I am persuaded that providing food and drink can also include the provision of a specific food product such as pizza. The intended purpose and end user of the goods and services are potentially the same (or at least very similar). There is also a complementary relationship present. **Therefore, I conclude that the goods “pizza” and the service “providing food and drink” are similar.**

Comparison of the marks

29. In assessing this factor, I must consider the visual, aural and conceptual similarities between the respective trade marks, bearing in mind their distinctive and dominant components (*Sabel BV v. Puma AG, para 23*). The respective trade marks are reproduced below for ease of reference.

WY’s earlier trade mark	TBP’s trade mark application
WALLY	Clever Wally’s Raw Pizza

30. WY argues that its mark is included in its entirety in TBP's mark and is, indeed, the subject of TBP's mark. Further, that it is the word WALLY that is the distinctive component of TBP's mark. The addition of the words "clever" and "raw pizza" serve, WY argues, to draw attention to the name WALLY as referring to an individual who is "clever" because he is the maker of "raw pizza". WY argues that these additional words are laudatory and entirely descriptive elements that do not distinguish it from WY's earlier mark. As such, the perception of the average consumer would be drawn to the name WALLY as the focus of the mark and consumers will know that the name denotes the founder, owner or notable figure in the business. TBP argue that its trade mark application is for a collective phrase as opposed to WY's word only mark and (even though not under direct consideration here) that the graphical representation of both marks is completely different. In this regard, TBP refers to the relatively small size of the word Wally's in its mark in comparison with the remainder of the phrase.

31. In terms of a visual comparison, I note that "wally" comprises the whole of WY's mark and makes up the second word in TBP's mark (albeit in possessive form). TBP's mark does contain other elements, "clever" and "raw pizza", however, bearing in mind the goods and services TBP have sought protection for, it is clear that "raw pizza" is entirely descriptive and is being used in a descriptive manner as shown in TBP's evidence. It seems to me that the distinctive and dominant elements of TBP's mark is, therefore, the words "Clever wally's". I note that TBP's mark uses the word "wally" in its possessive form whereas WY's mark does not. WY argues that normal and fair use of its mark would include use as a possessive form. Whilst I do not necessarily agree with this point, the possessive aspect does not create a significant visual difference. It remains that one of the distinctive and dominant elements of TBP's mark is very similar to the entirety of WY's earlier mark. This leads me to the view that there is a reasonable degree of visual similarity between the respective marks.

32. In relation to an aural comparison, WY argues that the average consumer would automatically shorten TBP's mark to "clever wally's" or even just "wally's". That may or may not be the case, but the words still remain in the mark and "clever wally's" is the distinctive and dominant element of the mark. In relation to its own mark, WY argues that it is customary for customers to refer to trade outlets using the possessive form and this is not, in my view, an unreasonable proposition to accept. However, even without this argument, there is little to add to my analysis on visual similarity as the dominant and distinctive element is the same, as is the point of difference and similarity. I, therefore, conclude that there is a reasonable degree of aural similarity between the marks.

33. Conceptually, I must consider whether there are any potential meanings in each of the marks. The earlier mark is "wally", which is a man's name. There is another meaning (which has indeed been exhibited in evidence), of a wally meaning a foolish, stupid or inept person. Whilst I accept the evidence that "wally" is no longer in common use as a man's name, it is nevertheless still likely to be known. I also take into account that it is fairly common for names of individuals to be used in relation to restaurants and other food outlets. I am, therefore, of the view that in the context of these goods and services, "wally" will primarily be seen by the average consumer as a man's name, rather than a foolish person.

34. The reference to “wally” in TBP’s mark will also be seen as a reference to a man’s name, possibly even more so as it is used in its possessive form. The addition of the word “clever” in this context does not detract from the concept within of a reference to a person called wally. However, the word clever gives him a particular characteristic and the words “raw pizza”, although non-distinctive, contribute to the conceptual meaning. I am, therefore, left with one mark being a reference to a person called Wally in the context of him being responsible for the food related service on offer, and the other mark relating to a raw pizza product being offered by a clever person called Wally. This creates some degree of conceptual similarity given that both make a key reference to a person called wally as the provider of the goods and/or services.

Distinctiveness of the earlier mark

35. The guidance in *Sabel BV v Puma AG* is that there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either per se, or because of the use that has been made of it. The earlier mark is the word “WALLY”. I have already found that the mark, for its relevant services, will be perceived as a name. WY accepts this, but argues that it is an uncommon personal name in the UK and around the world (Exhibit UBE4 refers) and that it is highly distinctive per se. Whilst I am of the view that WALLY is no longer in common use as a personal name, personal names (as WY itself argues) are fairly commonly used in the food industry as names of restaurants or other food outlets and the public are used to seeing them. This does not make for a highly distinctive mark. That said, because WALLY is an uncommon personal name, I consider it to have a reasonable degree of distinctive character, per se. WY did not file evidence of use, therefore, I am unable to consider enhanced distinctiveness.

Likelihood of confusion

36. In reaching a decision on whether there is a likelihood of confusion, I must consider the possibility of both direct and indirect confusion. The main thrust of WY’s argument in this regard focusses on the likelihood of an association between the marks, leading the consumer to believe that the goods come from the same or economically linked undertaking, i.e. that there is a likelihood of indirect confusion. I will, therefore, consider indirect confusion first. I bear in mind that the case law makes it clear that there is an interdependency between the relevant factors (*Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*) and that a global assessment of the factors must be made when determining whether there is a likelihood of confusion (*Sabel BV v. Puma AG*). I must, therefore, consider the relevant factors from the viewpoint of the average consumer to determine whether they are likely to be confused.

37. I have already found that “wally” forms part of the distinctive and dominant element of TBP’s mark. I have also found the marks to be similar, visually, aurally and conceptually. I have also found “wally” to be reasonably distinctive. The goods and services being identical and/or very similar is important because a lesser degree

of similarity in the marks can be offset against this factor (*Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*). The presence of “wally” (and its meaning) is, in my view, enough to form a strong link in the minds of the average consumer. I am persuaded that this would lead them to believe that “clever wally’s” is either a variation of “wally” or otherwise believe that they came from the same or economically linked undertaking, i.e. the person called wally, (as indicated by WY’s mark) has cleverly invented a raw pizza for sale or offered as part of a food service and that this is what is created by TBP’s mark. **There is therefore a likelihood of indirect confusion.**

38. Though this finding effectively settles the matter, I will also consider direct confusion which occurs when the average consumer mistakes one mark for the other and is confused as to the economic origin of the goods sold under the respective marks.

I also bear in mind that the average consumer rarely has the opportunity to view marks side by side and must, instead, rely on an imperfect picture of them he has kept in mind (*Lloyd Schuhfabrick Meyer*).

39. I have already found that some elements (“raw pizza”) in TBP’s mark are descriptive and that the distinctive and dominant components of the mark are “clever wally’s”. I have also already found that I consider “clever wally’s” to be reasonably similar to “wally” visually,aurally and conceptually. I also bear in mind that the purchasing act is not a highly considered one. I have also already found that the services in the respective specifications are identical and the goods applied for are similar to the services of WY. Allowing in particular for imperfect recollection and considering all these factors as a whole, I believe that the average consumer could quite easily mistake one mark for the other. **I conclude, therefore, that there is also a likelihood of direct confusion.**

COSTS

40. As the opposition has succeeded, WY is entitled to a contribution towards its costs. Accordingly, I order Take-and-Bake Pizza Ltd to pay Wally Yachts NV the sum of £1500. This amount is calculated as follows:

Notice of Opposition and accompanying statement - £300

Considering statement of case in reply - £200

Preparing and filing evidence - £500

Considering evidence - £250

Written Submissions – £250

TOTAL - £1500

41. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful

Dated this 3rd day of April 2009

**L White
For the Registrar
The Comptroller-General**