

O-181-14

IN THE MATTER OF THE TRADE MARKS ACT 1994

-and-

**IN THE MATTER OF APPLICATIONS NOS. 2573462 and 2573461 in the
name of NOBLE FOODS LIMITED**

TO REGISTER THE MARKS

HAPPY SANDWICHES

HAPPY QUICHE

in class 30

-and-

**IN THE MATTER OF CONSOLIDATED OPPOSITIONS NOS. 102439 AND
102441**

BY MCDONALD'S INTERNATIONAL PROPERTY COMPANY LIMITED

**APPEAL TO THE APPOINTED PERSON FROM THE DECISION OF MS JUDI
PIKE, HEARING OFFICER, ACTING ON BEHALF OF THE REGISTRAR OF
TRADE MARKS DATED 21 MARCH 2013**

DECISION

Introduction

1. The Applicant, Noble Foods Limited, applied to register two marks on 28 February 2011 ('the Application Date'). Both marks were applied for in class 30.
2. The Applications were for:

- (i) HAPPY SANDWICHES in respect of *Sandwiches; filled sandwiches; open sandwiches; fillings and spreads for sandwiches.*
 - (ii) HAPPY QUICHE in respect of *Quiches, flans, tarts.*
- 3. The Applications are opposed by McDonalds International Property Company Limited ('McDonald's'), the intellectual property holding company for the well-known multinational chain of fast-food outlets.
- 4. McDonald's oppose the applications on the basis of its own rights in the mark HAPPY MEAL, relying on 4 registered trade marks: UK marks 125878, 125879, 125880 and CTM 58230. These marks are registered for a variety of goods and services. The goods for which they are registered include food items and drinks.
- 5. Because the HAPPY MEAL marks relied on are all more than 5 years old at the application date, McDonalds are required by s6A of the Trade Marks Act 1994 to prove in respect of each of them that it had 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*'. The Hearing Officer found that McDonalds had proved this use only for two of the marks relied on, and then only to a limited subset of the goods and services covered by those marks, as follows:

1258878 in respect of:

Hamburgers, cheeseburgers, cooked chicken, all for human consumption; milk [class 29]

CTM 58230 in respect of:

Burgers prepared from meat, but not from pork; foods prepared from pieces of fish; foods prepared from poultry; preserved fruits and vegetables; milk [class 29]

preparation of carry-out foods [class 43]

6. Because there is no Respondent's Notice, I need not be concerned with any other of the marks relied on or any other of the goods and services covered by the two marks mentioned above.
7. The Hearing Officer, Ms Judi Pike, upheld the Opposition under s5(2)(b) on the basis that the use of HAPPY SANDWICHES and HAPPY QUICHE in relation to any of the goods applied for (sandwiches and fillings in the one case and quiches and flans in the other) would be likely to cause confusion with the mark HAPPY MEAL. She did not consider that the marks would be mistaken for one another, but there would be a likelihood of 'indirect confusion' in that the average consumer would consider that HAPPY SANDWICHES or HAPPY QUICHE were 'brand extensions' of HAPPY MEAL.
8. She made no findings in relation to the further objections raised by McDonald's under s5(3) and s5(4) of the Act. Once again there is no Respondent's Notice on these points so I need not concern myself with them.

The Appeal

9. The Applicant appeals essentially on two grounds:
 - (a) The Hearing Officer was far too generous to McDonald's under s6A. She should have found that they had not proved use of HAPPY MEAL in relation to any of the goods and services for which they were registered. As a fall-back, they contend that she should only

have found use in relation to the preparation of carry-out foods in class 43.

(b) In any event, the Hearing Officer was wrong to find a likelihood of confusion under s5(2).

Use under s6A

10. It was common ground before me that the evidence filed by McDonald's on the question of use of the HAPPY MEAL mark was 'poor' (the epithet chosen by Mr Stobbs who represented McDonalds before me and before the Hearing Officer).
11. That evidence comprised a single witness statement from the 'European Counsel IP/Marketing' of 'McDonald's Europe', Ms Leona Jacobson. It is very short – running to about one page of text, with a single exhibit attached.
12. The witness statement explained that *'the mark HAPPY MEAL is used for a children's menu which typically also includes a toy'*. The mark was first used in 1986. Very large numbers of HAPPY MEAL menus have been sold by McDonald's in the UK over the years, peaking at the remarkable number of around 120,000,000 per annum during the relevant 5 year period. That was the only relevant information contained in the witness statement itself.
13. The exhibit was described as *'examples for advertisements and packaging from the UK showing use of the mark HAPPY MEAL'*. It was divided into sections. The first 4 of these were marked '2002', '2003', '2004' and '2005', and were thus irrelevant since the 5 year period is February 2006 to February 2011. The next section was entitled *'External Happy Meal Poster and Happy Meal box examples: 2007-2012'*. This seemed more hopeful, since the period in question at least

overlapped the 5 year period, although of course anything from 2012 (and most of 2011) would be irrelevant. It contained a single example of a HAPPY MEAL box identified as being from 2009, together with a couple of examples of posters advertising HAPPY MEAL tie-ins with children's movies dated 2007, 2009 and 2011. The final section was entitled '*Additional examples of UK advertisements and promotional materials*'. It comprised what appeared to be an on-line menu (undated), some chicken pieces packaging (undated), some more packaging (undated), an extract from the website dated 2012 (outside the relevant period) another extract from the website (undated), an extract from the website with a copyright notice of 2010, an article from the Daily Telegraph dated January 2012 (outside the relevant period).

14. Given the obvious scale of the sales of HAPPY MEALS in the relevant period, the paucity of evidence from that period as to how precisely the mark had been used was remarkable. It was simply not possible to determine how HAPPY MEAL had been promoted, either in-store or by way of general advertising. It was even difficult to ascertain precisely what was comprised within the HAPPY MEAL menu.

15. On appeal, the applicant challenged the Hearing Officer's finding of fact that there had been use of the mark HAPPY MEAL at all. In the end, before me, however, both parties were prepared to proceed on an agreed basis, namely that McDonald's had proved substantial use of the HAPPY MEAL mark but only as follows:
 - (i) as the name of a children's menu offered within McDonald's outlets comprising a selection of items from the main menu (a main dish which could be a burger, chicken pieces or fish; fries or fruit; a drink);
 - (ii) on the boxes in which the meal (plus toy) was provided to customers.

16. The first question to be resolved in this Appeal is whether this use of the mark amounts to use 'in relation to' any of the goods or services set out in ¶5 above. It is convenient to consider the goods and services separately.

Use in relation to goods

17. The applicant's case is that the use of HAPPY MEAL as the name of a fixed price menu scheme is not use in relation to the individual items of food or drink which may be ordered within that menu. The Hearing Officer accepted this argument in relation to fizzy drinks but not in relation to foodstuffs such as burgers.
18. The Hearing Officer considered this issue between ¶¶26 and 28 of her Decision, making extensive reference to the analysis by Mr Daniel Alexander QC sitting as an Appointed Person in The Light [BL O/472/11]. The question which arose in that case was whether the use of a trade mark to identify a shopping centre was use in relation to certain of the services available within that shopping centre and specifically the provision of food and drink by third party outlets. Having cited a number of relevant authorities including the leading CJEU case of Celine [C-17/06] and the UK authorities Euromarket Designs Incorporated v. Peters & Anor [2000] EWHC 453 (Ch), [2001] FSR 20 and Premier Brands UK Ltd. v Typhoon Europe Ltd & Anor [2000] EWHC 1557 (Ch) [2000] FSR 767, Mr Alexander concluded his account of the law as follows:

'24. ...these cases demonstrate that in considering whether use is in relation to given goods or services, the tribunal may take into account a number of factors, including whether the goods were in fact obtained from the proprietor, the presence or absence of other branding on the goods, how the goods were sold and so on. An approach which entitles

the tribunal to make an overall assessment of this aspect of use is similar to that of Ansul, which requires regard to all the facts and circumstances in evaluating whether use was genuine.

25. The effect of these authorities, both at EU and at national level, is therefore that this aspect of the non-use provisions requires the tribunal to consider whether, having regard to all the facts and circumstances, the mark has been used to identify to the average consumer the proprietor as the origin of, including having responsibility for, the particular goods or services in question.'

19. Turning to the facts of the present case, the mark HAPPY MEAL would be understood by the average consumer as indicating a subset of menu choices within the main McDonald's menu which can be used to acquire a fixed price meal in a special box including a children's toy.
20. Does this mean, applying Mr Alexander QC's test in The Light, that the mark HAPPY MEAL is being used to indicate that its proprietor is the origin of the foodstuffs appearing in the menu and delivered in the box? In my view it does not. The goods delivered in the box are separately and individually packaged. The origin of those goods is separately indicated on that packaging (the fizzy drinks are provided in cups bearing marks such as Coca Cola and the food in wrappers or boxes bearing the McDonald's or 'golden arches' logos). It is not indicated by the name HAPPY MEAL on the box itself.
21. The Hearing Officer accepted (a finding which is not challenged) that the mark HAPPY MEAL is not being used as a trade mark in relation to the fizzy drinks served in as part of a HAPPY MEAL, because of the separate branding, but thought that the position of the burgers and chicken pieces was different. The reason she made this distinction was that the burgers and chicken pieces (although separately branded, like the drinks) are produced under the control of McDonald's, the same

company which owns the HAPPY MEAL trade mark, and therefore there was a '*close integral relationship between them*' which did not apply in the case of the drinks.

22. It seems to me that this is a false distinction. One can test it by asking whether, if McDonald's were to acquire the business of Coca Cola, it would change the nature of the indication being given by the HAPPY MEAL mark. In my view it would not. The significance of the mark to the consumer would remain the same. The reason HAPPY MEAL is not being used in relation to fizzy drinks has nothing to do with the fact that the marks Coca Cola and HAPPY MEAL are controlled by separate companies. It is because the mark HAPPY MEAL is not an identifier of the origin of the contents of the menu or the contents of the box at all. It merely identifies the set of customer choices which have resulted in the meal selection inside the box. On that basis, no distinction can be drawn on this issue between the items of food and the items of drink. The factual connection between the company providing the HAPPY MEAL and the company manufacturing the burgers inside a HAPPY MEAL box is irrelevant.
23. I therefore consider that the Opponent has failed to show that the mark HAPPY MEAL has been used in relation to any of the goods for which it is registered.

Use in relation to services

24. The Hearing Officer held that the mark had been used in relation to *the preparation of carry-out foods* in class 43. The applicant contends that no such use had been shown either. In my view the Hearing Officer was right in this respect. Ordering and receiving a HAPPY MEAL involves the preparation of a meal in the sense of the gathering together of certain items of food and drink and their presentation in a carry-out box. This to my mind is within the definition of *the*

preparation of carry-out foods (I do not agree that the word '*preparation*' is limited to the actual creation of the individual items of food and drink themselves).

25. I therefore uphold the decision of the Hearing Officer on s6A insofar as it relates to the class 43 services for which the CTM is registered.

Likelihood of confusion

A preliminary point

26. One preliminary point needs to be made, in the light of my findings under s6A above.
27. The Hearing Officer engaged in the usual and important exercise of going through the goods and services applied for and the goods and services for which the opponent's mark was registered, identifying in each case the level of similarity between them. She categorised the degree of similarity in each case as '*high*', '*good*', '*moderate*' or '*reasonable*' (I have put these in what I perceive to be the order of similarity intended by the Hearing Officer, although it is not entirely clear from her Decision whether '*moderate*' was intended to indicate a greater degree of similarity than '*reasonable*').
28. Having '*ranked*' the similarities in this way, she then rightly reminded herself at ¶65 of the '*principle of interdependency, whereby a lesser degree of similarity between the goods and services may be offset by a greater degree of similarity between the trade marks and vice versa*'.
29. However, when it came to her conclusion on likelihood of confusion, she failed to identify the particular specification(s) of goods or services for which the opponent's marks were registered in respect of which she considered that confusion was likely, (ie whether the

confusion would occur with the opponent's goods or services which were only 'reasonably similar' as well as those which were, say, 'highly similar' to the applicant's goods or services).

30. This makes it difficult to deal with an appeal, particularly when there is a preliminary question of use under s6A which relates to some but not all of the goods and services in issue, because it is impossible to know whether that question made any difference to the Hearing Officer's ultimate finding.

31. The point is relevant here in relation to HAPPY QUICHE. The Hearing Officer decided that there was a 'moderate' degree of similarity between some of the goods of the opponent's registration (cooked chicken, foods prepared from pieces of fish and foods prepared from poultry) and the goods of the application (quiche, flans, tarts). However, there was only a 'reasonable' degree of similarity between the services of the opponent's registration (the preparation of carry-out foods) and the goods of the application.

32. When it came to likelihood of confusion, the Hearing Officer said this:

'I have concluded that, even in relation to HAPPY QUICHE where the similarity of goods and services is at a lower level than for HAPPY SANDWICHES, the combination of the levels of consumer attention, the significant levels of distinctive character...and the degree of similarity between the marks will lead to an assumption by the average consumer of logical brand extension. There is a likelihood of indirect confusion.'

33. She does not say whether she considered that the brand extension assumption would exist in respect of both the goods and the services for which HAPPY MEAL was registered, or only the goods. Now that I have upheld the s6A appeal in relation to the goods of the opponent's mark, this therefore leaves the Decision in a state of limbo because it

is unclear whether the Hearing Officer would have come to the same conclusion if she had only been considering the services (where the degree of similarity was less). The only course open to me therefore is to come to my own conclusion on the likelihood of confusion in the case of HAPPY QUICHE independently from that of the Hearing Officer.

34. The same problem does not arise with HAPPY SANDWICHES, since the highest level of similarity held by the Hearing Officer ('a high degree') was with the services of the opponent's mark (preparation of take-out food). Logically therefore the Hearing Officer's conclusion on likelihood of confusion was independent of her finding under s6A in relation to goods (which I have reversed). I therefore can only interfere with the Hearing Officer's decision in the case of HAPPY SANDWICHES on the basis of the well-known principles set out by the Court of Appeal in Reef Trade Mark [2003] RPC 5.
35. It will be apparent from what I have said that I consider that in future it would be useful if Hearing Officers always made clear the scope of the goods and services (including those of the opponent's mark) in respect of which they consider that confusion is likely.

The grounds of appeal

36. As the matter was ultimately argued before me, two grounds of appeal were pursued in relation to the findings of likelihood of confusion:
 - (a) That the Hearing Officer had entirely ignored material evidence, namely that of Mr Horton on behalf of the applicant dealing with the prominence of the brand HAPPY EGG;
 - (b) That the decision of the Hearing Officer was in any event one that no reasonable tribunal could have reached on the evidence.

37. I shall deal with point (a) first. If the appellant is right on that point, then it is not necessary to consider (b), since it will fall to me to come to my own independent view on the evidence anyway.

Failure to take account of material evidence

38. The applicant filed evidence from 3 witnesses:
- (a) Mr Steve Horton, the applicant's marketing director. His evidence concerned the applicant's HAPPY EGG brand, which was launched in 2009 and has been extremely successful. He set out the sales figures and the marketing expenditure for the brand, and exhibited a number of documents showing how the HAPPY EGG mark had been put before the public. In the relevant period it became the leading egg brand in the country and enjoyed retail sales of around £67M per annum.
 - (b) Ms Nicola Amsel, a 'commercial investigator' specializing in brand names. She had made investigations as to the use of the word HAPPY as part of brands for food products and exhibited the results. She explained that she had been asked to exclude any references to HAPPY MEALS or HAPPY EGG.
 - (c) Mr Alan Bernard, the partner in FJ Cleveland representing the applicant in the proceedings. He had performed a search of the UK Trade Mark Register for the word HAPPY in classes 29 and 30 and exhibited the results.
39. The Hearing Officer refers to the applicant's evidence at ¶¶15-16 of her Decision, commencing with the words *'The applicant's evidence comes from Nicola Amsel and Alan Bernard'*. She proceeds to summarise the evidence of Ms Amsel and Mr Bernard. She does not refer to the evidence of Mr Horton at all.

40. Obviously, as Mr Stobbs for the opponent pointed out, it is not necessary for a Hearing Officer (or any fact-finding tribunal) to set out in his or her decision every piece of evidence which was given or even every piece of evidence on which he or she has relied. However, it is a well-established ground of appeal (amounting to an error of principle) that a first instance tribunal has failed to take any account of evidence which was material to a point it had to decide and which supported the appellant's case. If such evidence was not taken into account (because it was forgotten about, or wrongly considered to be irrelevant) the Hearing Officer's conclusion on the point can generally be considered to be vitiated because one cannot know whether he or she would have reached the same conclusion with the evidence in mind.
41. In the present case, it is necessary to determine as a preliminary point whether Mr Horton's evidence was taken into account. It seems to me fairly clear that it was not for the following reasons:
- (a) There were only five witness statements in total in these proceedings, and the Hearing Officer carefully summarised the contents of the other four in ¶¶9 to 16 of her Decision. Mr Horton's evidence is not mentioned at all. It may be noted that the established (and very sensible) practice for Hearing Officers in the Trade Marks Registry is to set out and summarise at an early stage in their Decision all the evidence which was before them. The absence of any reference to the evidence of a particular witness is therefore more significant in this tribunal than it might be in others.
- (b) One of the key issues in the case was the degree of distinctiveness of the HAPPY MEAL mark in the marketplace for foodstuffs, and in particular whether the public were accustomed to seeing other

HAPPY brands co-existing with HAPPY MEAL. In considering this point at ¶64 of her Decision, the Hearing Officer looked at the evidence of both Ms Amsel and Mr Bernard in some detail. So far as Ms Amsel's evidence is concerned, the various marks she had identified in the marketplace (HAPPY BREAD, HAPPY COW etc.) were all listed but the evidence was dismissed (or at least considered non-persuasive) because of the *'lack of information about the scale of these businesses, the nature of the use, whether they are all trading, and the localities of trade (if they are trading)'*. If the Hearing Officer had taken account of Mr Horton's evidence on the HAPPY EGG brand, which contained plenty of information about the scale of the business, the nature of the use, the fact that it was trading and the localities of trade, she could hardly have failed to mention it at this point.

42. Mr Stobbs points out that the HAPPY EGG brand is mentioned once in the Decision, where the Hearing Officer is summarising the evidence of Ms Amsel and notes the fact that the HAPPY EGG mark was excluded because it was a brand owned by the applicant. However, this is essentially simply a restatement of what Ms Amsel says in her witness statement. It does not indicate that the Hearing Officer has Mr Horton's evidence in mind.
43. It is hard to understand why Mr Horton's evidence was not referred to in the Decision. This was not a case of numerous (or even particularly lengthy) witness statements. Moreover, Mr Horton's evidence was relied on by the applicant in argument against the suggestion that the adjective HAPPY was distinctive of the opponent. By failing to refer to his evidence, the Hearing Officer was therefore by implication also failing to consider some of the arguments which were being advanced before her. I can only conclude that the evidence and the argument based on it simply slipped her mind.

44. Of course none of this would matter if the evidence of Mr Horton was immaterial. In that case, although the failure to refer to the evidence would be unfortunate, it would not vitiate the Decision.
45. In my view the evidence of Mr Horton was material to the opposition. This is a case involving the comparison of marks for food or food services comprising two elements. The similarity between them is that they both combine the word HAPPY with a word related to food. A critical factor in the Hearing Officer's decision was her evaluation of the distinctive significance of the word HAPPY in that context in the mind of the average consumer. The existence of another prominent brand which combines HAPPY with a foodstuff (HAPPY EGG), and evidence of the success and widespread exposure of that brand, is clearly relevant to that evaluation.
46. I therefore consider that the Hearing Officer erred in principle in failing to take account of the evidence of Mr Horton in coming to her decision. It therefore falls to me to consider the question of likelihood of confusion afresh, based on all the evidence, in relation to both HAPPY SANDWICHES and HAPPY QUICHE.

My conclusion on likelihood of confusion

47. McDonald's did not contend on this appeal that there was any likelihood of direct confusion between the marks. Their case was limited to supporting the Hearing Officer's conclusion that the average consumer would be likely to believe that HAPPY SANDWICHES and HAPPY QUICHE applied to sandwiches and quiches represented brand extensions of HAPPY MEAL. For a number of reasons I do not consider that this is at all likely:
- (a) The only common element between the marks is the word HAPPY. This is a very common word, which the public would not be

surprised to see being used by unrelated enterprises in the field of food or catering as part of a trade mark.

(b) The conclusion in (a) above is supported by the evidence filed on behalf of the applicant of actual use of the adjective HAPPY in the trade names of a number of enterprises connected with food and catering. These included HAPPY SHOPPER (a brand applied to some 300 different items sold in independent grocers), HAPPY EATER (the name of a large chain of roadside restaurants, defunct by the relevant date, but no doubt still fondly remembered by many), THE HAPPY PLAICE (mobile fish and chip vans touring village locations), HAPPY COW (butter), HAPPY HOT DOG SAUSAGE EMPORIUM (fast food outlets for festival food courts etc.). The strongest evidence of course was that of Mr Horton in relation to HAPPY EGG which sold between £20 and 26M of eggs per annum in 2010 and 2011 (wholesale prices) and is the leading egg brand in the United Kingdom. It seems to me that the totality of this evidence demonstrates that the average consumer is likely to have come across other brands using the word HAPPY as an adjective in relation to food or catering.

(c) There is no particularly striking link between the words SANDWICHES or QUICHE and the word MEAL which might cause the public to think that a 'brand extension' was being indicated. One could understand such an argument if the earlier mark was (say) HAPPY BREAKFAST and the later mark HAPPY LUNCH, but the mere fact that a meal might sometimes include a sandwich or a quiche seems to me a very weak link. Conceptually, a MEAL is quite distinct from an individual item of food such as a SANDWICH or a QUICHE.

(d) The 'brand extension' in question would not only involve a change of mark, but also a change in the nature of the goods/services to which the mark was being applied.

48. I should also deal with two points which clearly influenced the decision of the Hearing Officer, but which I do not consider to increase the likelihood of confusion in this case.

49. First, the Hearing Officer clearly considered that there was a strong conceptual link between HAPPY SANDWICH/HAPPY QUICHE and HAPPY MEAL which went beyond the mere use of HAPPY as an adjective. In ¶66 of her Decision she said this:

'I do not think that the fact that it is the word MEAL, rather than the name of an actual food, will help to put a distance between the conceptual hooks created by the parties' marks; what will be remembered is HAPPY + prepared food descriptor. The particular combination of HAPPY + prepared food descriptor is the conceptual hook for the average consumer....'

50. With respect to the Hearing Officer, I do not understand the basis for the suggestion that '*what will be remembered*' is '*HAPPY + prepared food descriptor*'. The mark HAPPY MEAL consists of two short and simple words. The relevant test for likelihood of confusion is based on the reasonably well-informed, observant and circumspect consumer. Such a consumer does not include someone who has forgotten one of the two words comprising the earlier mark, and simply remembered that it was some kind of '*prepared food descriptor*'.

51. It also seems to me that the Hearing Officer was engaged in an over-analytical and over-elaborate process here. It is not helpful to take the concept of the earlier mark and then to see whether it can be generalised out to arrive at a form of words expressing a wider

concept which also includes the mark applied for. This kind of word-play is not something one would expect an average consumer to engage in. The ‘conceptual hook’ of HAPPY MEAL is the idea of a happy meal, not the idea of HAPPY plus ‘prepared food descriptor’.

52. Second, the Hearing Officer was influenced in her reasoning by what she considered to be the ‘*enhanced level of distinctive character*’ possessed by HAPPY MEAL. Her finding in ¶63 was as follows:

‘The opponent’s sales figures indicate that HAPPY MEAL is extremely well known for providing children’s fast food. The opponent has a strong reputation in, and is therefore entitled to claim an enhanced level of distinctive character for HAPPY MEAL.’

The starting point for the proposition linking reputation, distinctive character, and likelihood of confusion is of course the decision of the ECJ in Sabel v Puma [1998] RPC 199 at ¶24: *‘the more distinctive the earlier mark, the greater will be the likelihood of confusion’*, the distinctiveness of the earlier mark being either inherent in the mark itself or *‘because of the reputation it enjoys with the public’*.

53. The blanket proposition that the likelihood of confusion is increased in the case of a mark with an ‘enhanced’ reputation has been the subject of academic and judicial criticism. In Arsenal v Reed [2003] RPC 9, A33 footnote 23 AG Colomer went so far as to make the entirely contradictory statement:

‘The stronger the distinctive character of a sign, the less will be the likelihood of confusion.’

In the UK Courts, Pumfrey J (as he then was) on at least three occasions expressed disquiet at the proposition. In Daimlerchrysler v Javid Alavi [2001] RPC 22 at 80 he said this:

[having cited the Sabel proposition] *This is a very surprising proposition (and perhaps only a presumption of fact, since this cannot be a legal issue), since normally it is easier to distinguish a well-known mark from others close to it.*

In Reed Executive v Reed Business Information Limited [2004] RPC 40, having cited Pumfrey J's statement quoted above (which he had repeated in Reed at first instance), Jacob LJ stated:

'Finally, although I agree with the judge's questioning of the Court's proposition that 'there is a greater likelihood of confusion with very distinctive marks' there is some truth with the opposite proposition [namely that descriptive marks are less likely to cause confusion]'

54. I do not propose to enter this debate, and proceed on the assumption that the Sabel proposition is binding and correct. However, it is necessary to put the proposition into context. The overall question for the tribunal is to decide whether there is a likelihood of confusion. This involves a 'global assessment' of a number of relevant factors, which are interrelated. If the earlier mark has a reputation such as to increase its distinctive character, this may increase the likelihood of confusion, but the tribunal must consider to what extent that is so on the facts of the case. A finding of reputation is not a simple 'turbo-boost' to an opponent's case. The tribunal must consider what is the actual nature of the reputation, and then ask whether it is of a kind which will tend to increase the likelihood of confusion.
55. On the facts of the present case, the reputation is that of a sub-brand indicating a menu available from McDonalds. Anyone who knows of the brand will know that it is only available within McDonalds restaurants and take-aways. They will only have seen it in combination with McDonalds branding. The specific reputation of this

brand will therefore not in my view increase the chance of confusion being caused by the use of HAPPY SANDWICHES or HAPPY QUICHE in a normal and fair manner (ie not associated with any McDonald's branding, nor indeed having any relation with McDonald's at all).

Conclusion

56. I therefore conclude that the decision of the Hearing Officer was wrong and that the two marks HAPPY SANDWICHES and HAPPY QUICHE should proceed to grant.
57. I shall award £1600 to the applicant in respect of the opposition plus £800 in respect of the appeal.