O-444-16

TRADE MARKS ACT 1994

IN THE MATTER OF TRADE MARK REGISTRATION NO. 3099878 IN THE NAME OF THE SANDWICH FACTORY HOLDINGS LIMITED IN RESPECT OF THE TRADE MARK:

URBAN STREET

AND

AN APPLICATION FOR A DECLARATION OF INVALIDITY THERETO UNDER NO 500933 BY ADELIE HOLDCO UK LIMITED

Background and pleadings

1. The trade mark **URBAN STREET** is registered under no. 3099878. It stands registered in the name of The Sandwich Factory Holdings Limited ("the proprietor"). It was applied for on 18 March 2015 and was entered in the register on 10 July 2015. It is registered for a range of goods in classes 29 and 30 (details of which can be found in paragraph 14 below).

2. On 28 July 2015, IHC Holdco UK Limited ("the applicant") filed an application to have this trade mark declared invalid under the provisions of sections 47(2)(a) and section 5(2)(b) of the Trade Marks Act 1994 ("the Act"). I note in passing that since the application was filed the applicant has changed its name to Adelie Holdco UK Limited; nothing turns on this change of name and I need say no more about it in this decision. The relevant provisions read as follows:

"47(2) The registration of a trade mark may be declared invalid on the ground-

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

(b)...

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

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

(a) the registration procedure for the earlier trade mark was completed within the period of five years ending with the date of the application for the declaration, (b) the registration procedure for the earlier trade mark was not completed before that date, or

(c) the use conditions are met.

(2B) The use conditions are met if-

(a) within the period of five years ending with the date of the application for the declaration the earlier trade mark has been put to genuine use in the United Kingdom by the proprietor or with his consent in relation to the goods or services for which it is registered, or

(b) it has not been so used, but there are proper reasons for non-use.

(2C) For these purposes-

(a) use of a trade mark includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered,

(b) use in the United Kingdom includes affixing the trade mark to goods or to the packaging of goods in the United Kingdom solely for export purposes.

(2D) In relation to a Community trade mark, any reference in subsection (2B) or (2C) to the United Kingdom shall be construed as a reference to the European Community.

2E) Where an earlier trade mark satisfies the use conditions in respect of some only of the goods or services for which it is registered, it shall be treated for the purposes of this section as if it were registered only in respect of those goods or services.

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(6) Where the registration of a trade mark is declared invalid to any extent, the registration shall to that extent be deemed never to have been made.

Provided that this shall not affect transactions past and closed."

And:

"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."

An earlier trade mark is defined in section 6 of the Act, the relevant parts of which state:

"6.-(1) In this Act an "earlier trade mark" means -

(a) a registered trade mark, international trade mark (UK) or Community trade mark or international trade mark (EC) which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks,

(2) References in this Act to an earlier trade mark include a trade mark in respect of which an application for registration has been made and which, if registered, would be an earlier trade mark by virtue of subsection (1)(a) or (b), subject to its being so registered."

3. The applicant directs its application against all of the goods in the proprietor's registration. It relies upon all the goods and services (shown in paragraph 14 below), in the following United Kingdom trade mark registrations:

No. 2552933 for the trade mark URBAN EAT and No. 2552929 (for the trade mark shown below) both of which were applied for on 14 July 2010 and both of which were entered in the register on 3 December 2010:



The applicant states:

"The first and most distinctive element of the mark - "URBAN" is identical to the first and most distinctive word in the earlier registrations...and is a word which clearly forms an independent distinctive element of all of the marks. The goods covered by [the later registration] are clearly either identical or highly similar to the goods and services covered by the earlier registrations. All of the goods are food and drink products, many are prepared meals or snack foods or ingredients thereof."

4. The trade marks shown above qualify as earlier trade marks under the above provisions. As the applicant's earlier trade marks had not been registered for more than five years when the application for invalidation was filed, they are not subject to proof of use, as per section 47(2)(2A) of the Act. As a consequence, the applicant is entitled to rely upon all of the goods and services it claims.

5. The proprietor filed a counterstatement in which the basis of the application is denied. It states:

"6...Whilst there may be a common element, it is disputed that "URBAN" is the dominant and most distinctive element of the registered mark. The [proprietor] submits that both words of its mark combine equally to create the overall and lasting impression in the mind of the consumer. Both elements are equally relevant in creating the mark as a whole and it is "URBAN STREET" that will register and be recalled by the user. The conceptual value portrayed by the mark is clear and strong and as such the consumer is unlikely to attempt to break down or analyse the mark any further.

The relevant consumer will be familiar with the word "urban" in relation to consumer goods and would not expect all marks comprising this element to emanate from the same source. The visual, phonetic and conceptual differences between the respective marks mean that they will be readily distinguished without any likelihood of confusion. The visual differences are enhanced further in relation to [registration no. 2552929] as is the impact and relevance of the word "eat."

6. Both parties filed evidence; the applicant also filed written submissions during the course of the evidence rounds. Although neither party asked to be heard, the proprietor filed written submissions in lieu of attendance at a hearing. I will keep all of these written submissions in mind and refer to them, as necessary, below.

Evidence

7. The proprietor's evidence consists of a witness statement from Amy Wood, a partqualified trade mark attorney at Marks & Clerk LLP, the proprietor's professional representatives. Ms Wood states:

"2. Enclosed at Exhibit 1 are printouts from various websites showing use of the word "URBAN" in relation to food and drink. These are a representative sample of the many examples I found whilst conducting simple internet searches. The sample shows that use of URBAN in relation to food, drink and food services in the UK market place is common. As such the average consumer is accustomed to seeing the word "URBAN" in relation to food and drink and is unlikely to assume a common origin or association on the basis only that the word URBAN appears in a mark." 8. The applicant's evidence consists of a witness statement from John Want, the Head of Marketing at Adelie Food Group ("AFG") (which includes the applicant), a position he has held since May 2013. Mr Want confirms the information in his statement comes from his own knowledge and/or from company records. Mr Want explains that he is:

"2...responsible for advertising and marketing expenditure for [AFG] amounting to approximately £1.7m per annum of which approximately £1.0m is spent on the URBAN eat brand of food products."

9. He goes on to state that URBAN eat was launched in August 2010 "as a food-togo solution for a range of retailers and food service operators and since that time has developed into the Number 1 sandwich brand in the UK." In 2015, URBAN eat products achieved an estimated retail sales of £130m.

10. Mr Want states that URBAN eat products are available in an estimated 7500 outlets across the UK including WH Smiths, McColl's, Costcutter, Budgens and Spar, as on-board catering on British Airways and Ryanair and in contract caterers and public sector retail outlets. Brand awareness for the year ending May 2016 prepared for the applicant by Relish Research, indicates that 22% of under 25s and 13% of employed adults are aware of URBAN eat (exhibit JW1 refers). Exhibit JW1 also contains (i) a page entitled "URBAN eat Facebook Likes 4th May 2016" which includes the following entry "55k likes +49 this week" and (ii) a page entitled "URBAN eat Twitter Followers 4th May 2016" which indicates the applicant had 4,624 followers. Mr Want further states:

"6. Our ongoing market analysis does not indicate that URBAN is a term commonly associated with food in general or other people's food products. I believe that our customers and consumers are likely to associate any "food to go" products branded under a name including the word URBAN with URBAN eat products. I believe, and our customers have confirmed to us, that the sale of food products in the marketplace under the name URBAN STREET would cause significant confusion amongst our customers and the wider marketplace." 11. Exhibit 2 consist of a witness statement from Nicola Mellor, the Category Manager for TUCO Ltd ("TL"), a position she has held since October 2013. Ms Mellor confirms that the information in her statement comes from her own knowledge and/or company records. Ms Mellor explains that she is responsible for group procurement of over £12m per annum "food to go" products for TL framework, adding that TL procure and sell more than £8m per annum of URBAN eat branded "food to go" products. Ms Mellor states:

"4. We have listed URBAN eat products to our retail managers and customers for over five years and during that time, a large number of our retail managers and customers have become loyal to the URBAN eat brand for providing high quality products, food innovations which are new to the market, and promotional & advertising campaigns which enable us to broaden further the reach of the URBAN eat brand to more customers.

5. URBAN eat is now integral to our "Food to Go" offer and we benefit from the high consumer awareness of this brand.

6. I believe that our customers would associate any "food to go" products branded under a name comprising or incorporating the word URBAN with URBAN eat products and were another brand to enter the "Food to Go" market using the words Urban Street in their branding identity, it would cause significant confusion in my estate and the wider marketplace."

12. I will return to the parties' evidence later in this decision when I assess the distinctive character of the earlier trade marks and consider the likelihood of confusion.

DECISION

Section 5(2)(b) - case law

13. The following principles are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P.

The principles:

(a) The likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements; (e) nevertheless, the overall impression conveyed to the public by a composite trade mark may be dominated by one or more of its components;

(f) however, it is also possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either per se or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

(k) if the association between the marks creates a risk that the public will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

Comparison of goods and services

14. The competing goods and services are as follows:

Applicant's goods and services	Proprietor's goods
Class 29 - Snack foods; prepared meals	Class 29 - Meats; fish; seafood; chicken;
containing meat, fish, poultry, game or	poultry; meat products; game; dairy
vegetables; fillings for sandwiches;	products and dairy substitutes; eggs and

dessert puddings; granulated vegetable stock for the production of drinking soups; cold meats; cooked meat products; food products made from meat, fish, poultry, game or vegetables; prepared salads; fruit; fruit salads; fruit based snack food; dried fruit and dried fruit products; crisps; vegetables; dips and crudités (foodstuffs); cheese, butter, pickles, relishes; prepared food consisting of vegetables, fruit or cheese; soups; yoghurts; fruit purees.

Class 30 - Snack foods; sandwiches and rolls; filled sandwiches; open sandwiches; fillings and spreads for sandwiches; wraps; pasties, baguettes, pizzas, ciabattas, bagels, prepared meals and constituents therefore; cereal based snack foods; crackers, biscuits, cakes, muffins; desserts; sushi; pastries, pies, confectionery, chocolate and chocolate products; sweets (nonmedicated); dessert puddings; coffee, tea, cocoa; preparations for making beverages [soft drinks]; bread; bread products; sauces, spices, ketchup, salad cream, mayonnaise, dips and dressings.

Class 32 - Soft drinks; fruit juices; smoothies being fruit based drinks; mineral waters and non alcoholic beverages.

egg products; edible oils and fats; processed fruits, fungi and vegetables including nuts and pulses; jellies; jams; compotes; fruit and vegetable spreads; soups and stocks; prepared salads; prepared vegetables; beverages consisting principally of dairy products and dairy substitutes; processed meats; cheese; processed potatoes; crisps; fish and seafood spreads; food paste made from meat; food products made from fish; beans; lentils; legumes; prepared seeds; fruits, preserved, dried and cooked; stews; stocks; casseroles; snacks made predominantly from diary and/or fruit; savory snacks consisting principally of the aforesaid goods; prepared dishes consisting wholly or substantially of the aforesaid goods; ready cooked meals consisting wholly or substantially of the aforesaid goods; pre-packed lunches consisting primarily of meat, poultry, fish, and/or vegetables; preparations for making soups.

Class 30 - Coffees, teas and cocoa and substitutes thereof; processed grains, starches and goods made thereof; baking preparations and yeast; bread; pastry; cakes; tarts and biscuits (cookies); sweets (candies); candy bars and chewing gum; cereal bars and energy bars; confectionary; chocolate; **Class 39** - Home delivery restaurant services.

Class 43 - Restaurant services; catering services; cafeteria services; take-out restaurant services; bar services and cocktail bar services.

pasties; ready to eat puddings; prepared desserts; sugars; natural sweeteners; honey; artificial sweeteners; sweet glazes and filings; syrups and treacles; ice; ice cream; frozen yoghurts; sorbets; salt; seasonings; herbs; spices; food flavourings; condiments; savoury sauces; savoury chutneys; savoury pastes; bread products; breakfast cereals; porridge; cakes; candies; canned sauces; canned pasta foods; cereal based snack foods; doughs, batters and mixes thereof; dried and fresh pastas, noodles and dumplings; sandwiches; filled sandwiches; hamburgers; hot dogs being cooked sausages and bread rolls; pastry; pastry products; pies; pie crusts; pizza; popadoms; samosas; sausage rolls; filled baguettes, filled bread rolls, filled buns, filled pasta; filled rolls; wrap (sandwich); savoury pastry products; savoury pastries; open sandwiches; lasagna; macaroni cheese; tacos; nachos; tortillas; quiche; spring rolls; won tons; prepared meals in the form of pizza; prepared pasta meals; prepared rice meals; ready to eat savoury snack food made from grains; snack bars containing a mixture of grains, nuts and dried fruit; pre-packed lunches consisting primarily of rice, pasta, noodles grains and also including meat, poultry, fish, and/or vegetables; snack food consisting principally of

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In the judgment of the Court of Justice of the European Union ("CJEU") in *Canon*, Case C-39/97, the Court stated at paragraph 23 of its judgment that:

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

The relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, for assessing similarity were:

- a) The respective users of the respective goods or services;
- b) The physical nature of the goods or acts of services;
- c) The respective trade channels through which the goods or services reach the market;
- d) In the case of self serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- e) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

In Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another, [2000] F.S.R. 267 (HC), Neuberger J. (as he then was) stated that:

"I should add that I see no reason to give the word "cosmetics" and "toilet preparations"... anything other than their natural meaning, subject, of course, to the normal and necessary principle that the words must be construed by reference to their context."

In YouView TV Ltd v Total Ltd, [2012] EWHC 3158 (Ch), Floyd J. (as he then was) stated that:

"... Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 *The Chartered Institute of Patent Attorneys (Trademarks) (IP TRANSLATOR)* [2012] ETMR 42 at [47]-[49]. Nevertheless the principle should not be taken too far. Treat was decided the way it was because the ordinary and natural, or core, meaning of 'dessert sauce' did not include jam, or because the ordinary and natural description of jam was not 'a dessert sauce'. Each involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question."

In Gérard Meric v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) case T-133/05, the General Court ("GC") stated:

"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 the trade mark application (Case T-388/00 Institut für Lernsysteme v OHIM – Educational Services (ELS) [2002] ECR II-4301, paragraph 53) or when the goods designated by the trade mark application are included in a more general category designated by the earlier mark (Case T-104/01 Oberhauser v OHIM – Petit Liberto (Fifties) [2002] ECR II-4359, paragraphs 32 and 33; Case T-110/01 Vedial v OHIM – France Distribution (HUBERT) [2002] ECR II-5275, paragraphs 43 and 44; and Case T- 10/03

Koubi v OHIM – Flabesa (CONFORFLEX) [2004] ECR II-719, paragraphs 41 and 42)."

In Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM), Case T-325/06, the GC stated that "complementary" means:

"...there is a close connection between them, in the sense that one is indispensable or important for the use of the other in such a way that customers may think that the responsibility for those goods lies with the same undertaking".

In *Sanco SA v OHIM*, Case T-249/11, the GC indicated that goods and services may be regarded as 'complementary' and therefore similar to a degree in circumstances where the nature and purpose of the respective goods and services are very different, i.e. *chicken* against *transport services for chickens*. The purpose of examining whether there is a complementary relationship between goods/services is to assess whether the relevant public are liable to believe that responsibility for the goods/services lies with the same undertaking or with economically connected undertakings. As Mr Daniel Alexander Q.C. noted as the Appointed Person in *Sandra Amelia Mary Elliot v LRC Holdings Limited* BL-0-255-13*:*

"It may well be the case that wine glasses are almost always used with wine – and are, on any normal view, complementary in that sense - but it does not follow that wine and glassware are similar goods for trade mark purposes."

Whilst on the other hand:

".....it is neither necessary nor sufficient for a finding of similarity that the goods in question must be used together or that they are sold together."

15. In its written submissions dated 18 January 2016, the applicant provided a detailed analysis of which goods in classes 29 and 30 of its earlier trade marks it

considered to be identical or highly similar to the goods in the corresponding classes of the proprietor's trade mark. In its written submissions of 25 July 2016, filed in lieu of a hearing, the proprietor states:

"We acknowledge that there are identical and similar goods covered under class 29 of [the proprietor's trade mark] and the applicant's marks. Nevertheless, there are also differences such as "beverages consisting principally of dairy products and dairy substitutes", "stews" and "stocks".

In respect of class 30, again, whilst we acknowledge that there are some identical and similar terms covered under the [competing specifications] (for example coffee, tea, confectionery), we submit that there are also key differences. For example, goods such as "lasagna; macaroni cheese; tacos; nachos; tortillas; quiche; spring rolls; won tons" are all arguably different in terms of their nature from the goods covered under the applicant's marks, and they would not be seen as being in competition with one another."

The proprietor goes on to note that the goods and services in the applicant's specifications in classes 32, 39 and 43:

"...are not mentioned in the applicant's submissions and assume that this is due to the evident dissimilarity between these goods and services, when compared to the goods covered by the [proprietor's trade mark]."

16. It is clear from the above chronology that the proprietor has reviewed the applicant's detailed analysis of the competing specifications in classes 29 and 30, and having done so, accepts that "some identical and similar goods/terms" are involved. Although the proprietor uses the phrase "such as" in relation to named goods in class 29 and "for example" in relation to named goods in class 30 which it considers are "arguably different", a cursory review of the competing specifications in classes 29 and 30 reveals that many of the goods at issue are either expressed in identical terms or are included within broad terms in the competing specifications and, as a consequence, are identical on the *Meric* principle. Although the proprietor has specifically identified goods in its specifications which it considers may not be

similar to those of the applicant, given the manner in which it has worded it submissions, it would not, in my view, be safe for me to proceed on the basis that it accepts that the remainder of its goods are, at the very least, similar to a low degree to those of the applicant. In those circumstances, it remains necessary for me to conduct a full analysis. In doing so, where goods fall within broader categories, I have attempted to identify what, in my view, are the most obvious categories. It is, however, equally likely (as the applicant's submissions indicate), that some goods may also fall within one or more other categories. For the sake of convenience, the goods the proprietor has specifically identified as being different, are shown in bold.

17. I shall first consider the competing goods in class 29.

Class 29 - identically worded goods

• "Soups", "prepared salads", "cheese", "crisps" and "food products made from fish".

Class 29 – identical goods included with broad terms

- "Meats", "chicken", "poultry" and "game" in the proprietor's specification includes "cold meats" in the earlier trade mark's specification;
- "Meat products", "processed meats", "food paste made from meat", "vegetable spreads" and "fish and seafood spreads" in the proprietor's specification is included within "food products made from meat, fish, vegetables" in the earlier trade mark's specification;
- "Dairy products and dairy substitutes" in the proprietor's specification includes "cheese" and "butter" in the earlier trade mark's specification;
- "Dessert puddings" in the earlier trade mark's specification includes "compotes" and jellies" in the proprietor's specification;

- "Edible oils and fats" in the proprietor's specification includes "butter" in the earlier trade mark's specification;
- "Fruit" in the earlier trade mark's specification includes "processed fruits", "fruits, preserved, dried and cooked" in the proprietor's specification;
- "Vegetables" in the earlier trade mark's specification includes "fungi and vegetables...", "prepared vegetables", "processed potatoes" in the proprietor's specification;
- "Prepared food consisting of...fruit..." in the earlier trade mark's specification includes "jams" and "fruit spreads" in the proprietor's specification;
- "Beverages consisting principally of dairy products and dairy substitutes" in the proprietor's specification includes "yoghurts" (which would include drinking yoghurts) in the earlier trade mark's specification;
- "Snacks foods" in the earlier trade mark's specification includes "eggs and egg products", "nuts and pulses", "beans", "lentils", "legumes", "prepared seeds", "snacks made predominantly from diary and/or fruit" and "savory snacks consisting principally of the aforesaid goods" in the proprietor's specification;
- "Prepared dishes consisting wholly or substantially of the aforesaid goods", "ready cooked meals consisting wholly or substantially of the aforesaid goods", "pre-packed lunches consisting primarily of meat, poultry, fish, and/or vegetables" in the proprietor's specification includes "prepared meals containing meat, fish, poultry, game or vegetables" in the earlier trade mark's specification and the latter includes "stews" and "casseroles" in the proprietor's specification;
- "Preparations for making soups" and "stocks" in the proprietor's specification includes "granulated vegetable stock for the production of drinking soups" in the earlier trade mark's specification.

18. As for the goods which remain in the proprietor's specification i.e. "fish" and "seafood", these are, in my view, similar to a medium degree to (at least) "cold meats" in the earlier trade mark's specification in that they both are the flesh of an animal eaten as food. There is also a degree of competition between them as one may be substituted for the other as part of a meal.

19. In relation to the goods in class 30, my findings are as follows.

Class 30 - identically worded goods

"Coffees", "teas" and "cocoa", "bread", "cakes", "biscuits (cookies"), "sweets (candies)", "confectionery", "chocolate", "pasties", "spices", "bread products", "sandwiches", "filled sandwiches", "pies", "pizza", "open sandwiches".

Class 30 – identical goods included with broad terms

- "Preparations for making beverages (soft drinks)" in the earlier trade mark's specification includes "substitutes thereof" (for coffees, teas and cocoa) in the proprietor's specification;
- "Processed grains and goods made thereof" in the proprietor's specification includes "cereal based snack foods" in the earlier trade mark's specification;
- "Processed starches and goods made thereof" in the proprietor's specification includes (at least) "dessert puddings" in the earlier trade mark's specification;
- "Pastry" in the proprietor's specification has a number of meanings, including "an individual cake or pastry pie" (collinsdictionary.com refers). Considered on that basis it is an alternative way of describing "cakes" and "pies" which appears in the earlier trade mark's specification and, as a consequence, is identical;
- "Snack foods" in the earlier trade mark's specification includes, "savoury chutneys", "cereal based snack foods", "ready to eat savoury snack food

made from grains", "snack bars containing a mixture of grains, nuts and dried fruit", "snack food consisting principally of grains, cereals, potatoes, and bread", "noodles", "dumplings", "hamburgers", "hot dogs being cooked sausages and bread rolls", "popadoms", "samosas", "sausage rolls", **tacos**", "**nachos**", "**tortillas**", "**spring rolls**" and "**won tons**" in the proprietor's specification;

- "Prepared meals and constituents therefore" in the earlier trade mark's specification includes "batters and mixes thereof", "prepared meals in the form of pizza", "prepared pasta meals", "prepared rice meals", "pre-packed lunches consisting primarily of rice, pasta, noodles, grains and also including meat, poultry, fish and/or vegetables", "canned pasta foods", "filled pasta", "lasagna", "macaroni cheese" and "quiche" in the proprietor's specification;
- "Desserts" and "dessert puddings" in the earlier trade mark's specification includes "tarts", "prepared desserts", "ready to eat puddings", "ice cream", "frozen yoghurts" and "sorbets" in the proprietor's specification;
- "Confectionery" in the earlier trade mark's specification includes "candy bars",
 "chewing gum" and "candies" in the proprietor's specification;
- "Cereal based snack foods" in the earlier trade mark's specification includes
 "cereal bars" and "energy bars" in the proprietor's specification;
- "Sauces" in the earlier trade mark's specification includes "honey", "syrups and treacles", "savoury sauces" and "canned sauces" in the proprietor's specification;
- "Pies" in the earlier trade mark's specification includes "pie crusts" in the proprietor's specification;

- "Pastry products", "savoury pastry products" and "savoury pastries" in the proprietor's specification includes "pasties" and "pies" in the earlier trade mark's specification;
- "Seasonings", "food flavourings", "condiments", in the proprietor's specification includes, inter alia, "spices", "dips" and "dressings" in the earlier trade mark's specification;
- "Chocolate products" in the earlier trade mark's specification includes "sweet filings" in the proprietor's specification;
- "Rolls" and "baguettes" in the earlier trade mark's specification includes "filled baguettes", "filled bread rolls", "filled buns" and "filled rolls" in the proprietor's specification;
- "Wraps" in the earlier trade mark's specification includes "wrap (sandwich)" in the proprietor's specification;
- "Fillings and spreads for sandwiches" in the earlier trade mark's specification includes "savoury pastes" in the proprietor's specification;
- "Dressings" in the earlier trade mark's specification includes "sweet glazes" in the proprietor's specification;
- "Prepared meals and constituents therefore" in the earlier trade mark's specification includes "dried and fresh pasta" in the proprietor's specification.

20. As for the goods which remain, "Baking preparations" in the proprietor's specification includes baking preparations for making bread; "yeast" and "doughs", which appear in the proprietor's specification may also be used for making bread. Although such goods are not usually located near to "bread" in, for example, a supermarket, the goods are in competition; the choice is whether to buy a ready-made loaf or to buy, for example, a bread mix (or for that matter, flour and yeast) and to make one's own, either in an oven or a bread machine; a bread mix can be used to create bread dough which can then be shaped and baked as a loaf. In my view,

there is at least a medium degree of similarity between "bread" in the specification of the earlier trade mark and the goods mentioned above in the proprietor's specification.

21. "Salt" and "herbs" in the proprietor's specification are commonly used as flavourings for food, as are, "spices" in the applicant's specification. Given the similarity in the nature, intended purpose and method of use of the goods I have identified, combined with the fact that they are, in my experience, likely to be sold in the same area of a supermarket, there is at least a medium degree of similarity between them.

22. Given the similarities in their nature, intended purpose (for example, to be eaten at breakfast time), channels of trade (i.e. they will be found in the same area of a supermarket) and the competitive relationship between them (i.e. one may be chosen as an alternative to the other), there is, in my view, at least a medium degree of similarity between "Breakfast cereals" and "porridge" in the proprietor's specification and (at least) "cereal based snack foods" and goods made from processed grains" in the earlier trade mark's specification.

23. "The term "ice" also appears in the proprietor's specification. Ice is readily understood as frozen water and is most likely to be sold in the form of ice cubes. Considered in that context, "ice" as a product is not, in my view, similar to any of the goods in the applicant's specifications.

24. That leaves "sugars", "natural sweeteners" and "artificial sweeteners" in the proprietor's specification to consider. In its submissions, the applicant states:

"Sugars; natural sweeteners... artificial sweeteners... are similar to "dried fruit and dried fruit products" in class 29, as well as "spices" in class 30 covered by the earlier [trade mark]. All of these products are used in baking and cooking and are often found in the same sales aisles in supermarkets and are aimed at the same end users." 25. Whilst I do not agree with the applicant's analysis, I have already found that a broad term in the earlier trade mark's specification includes, for example, "honey". "Natural sweeteners" (which includes "sugars") also includes, for example, "honey" and such goods are, as a consequence, identical on the *Meric* principle. Given the obvious overlap in users, intended purpose, method of use, trade channels and the likely competitive relationship between "natural sweeteners"/"sugars" (which includes "honey") and "artificial sweeteners", the goods at issue are, in my view, similar to a high degree.

The average consumer and the nature of the purchasing process

26. As the case law above indicates, it is necessary for me to determine who the average consumer is for the goods at issue; I must then determine the manner in which these goods are likely to be selected by the average consumer in the course of trade. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

"60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words "average" denotes that the person is typical. The term "average" does not denote some form of numerical mean, mode or median."

27. The average consumer is a member of the general public who is likely to purchase the goods at issue on a fairly regular basis. As such goods will, typically, be self-selected from the shelves of a retail outlet such as a supermarket or from the pages of a website, visual considerations will dominate the selection process. Although I do not discount aural considerations, they will, in my view, be a much less significant feature of the process. Given the low cost of the goods and the likely

frequency of purchase, I would expect the average consumer to pay a lower than normal degree of attention during the selection process.

Comparison of trade marks

28. 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."

29. It would be wrong, therefore, artificially to dissect the trade marks, although, it is necessary to take into account the distinctive and dominant components of the trade marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions they convey. The competing trade marks are as follows:

Applicant's trade marks	Proprietor's trade mark
URBAN EAT	URBAN STREET
URBANeat	

30. The proprietor's trade mark consists of the words "URBAN" and "STREET" presented in plain block capital letters. Whilst both words and their individual meanings will be very well-known to the average consumer, in my view, they "hang together" to form a "unit" with a readily identifiable meaning (a point to which I will return below). This is the overall impression the trade mark conveys and it is in the combination that the distinctiveness lies.

31. The applicant relies on two trade marks. The first consists of the words "URBAN" and "EAT" also presented in plain block capital letters. The second trade mark consists of the same words albeit with the word "URBAN" presented in capital letters in brown in a haphazard handwritten style and with the letters "e", "a" and "t" (presented in white in different lower case fonts in varying degrees of thickness against brown backgrounds of varying shapes and sizes); although the letters "e", "a" and "t" are physically separated from one another, I have no doubt that the average consumer will construe them as the word "eat".

32. It is the applicant's "URBAN EAT" trade mark which, in my view, offers it the best prospect of success in these proceedings. If the applicant does not succeed in relation to this trade mark, it will be in no better position in relation to its other (stylised) trade mark. It is on the basis of the applicant's word only trade mark that I will conduct the comparison. In its submissions, the applicant states:

"The most distinctive element of the URBAN EAT registrations is the element "URBAN". The word "EAT" is much less distinctive in relation to food and drink related goods and services. Although the word URBAN may be used regularly to refer to fashion goods and services or music, it is highly unusual and distinctive in relation to food and drinks goods and services..."

33. When considered in isolation in relation to the goods at issue (i.e. foodstuffs), the word "EAT" is descriptive/non-distinctive and has no distinctive character. Unlike the words in the proprietor's trade mark, the words "URBAN" and "EAT" do not, in my view, "hang together" to form a "unit". While the overall impression the trade mark

conveys and its distinctiveness will, as a consequence, be weighted in favour of the word "URBAN", it also stems from the unusual combination the words "URBAN" and "EAT" create. In its submissions, the proprietor states:

"Accordingly, URBAN would be seen as having low distinctive character."

34. It reaches this conclusion by reference to Ms Wood's evidence and, attaches to its submissions, the results of a search of the UK and EUIPO registers for, inter alia, trade marks in classes 29 and 30 which contain the word URBAN as an element (of which there are said to be 115). I will return to the distinctiveness or otherwise of this word when I assess the distinctive character of the applicant's trade mark and consider the likelihood of confusion.

35. Both trade marks consist of two words, the first word "URBAN" is identical; the second words consist of three letters "EAT" and six letters "STREET" respectively; both words end with a hard letter "T" preceded by a letter "E" (albeit in differing positions). Both trade marks will be pronounced as three syllable combinations i.e. UR-BAN STREET/UR-BAN EAT. Balancing the similarities and differences, I consider the competing trade marks to be visually and aurally similar to a medium degree. Insofar as conceptual similarity is concerned, in its submissions, the applicant states:

"The meaning of the word URBAN is "in relating to, or a characteristic of a town or city". The mark URBAN STREET is conceptually identical or, at the very least, highly similar to URBAN as it will be considered to mean a street in a town or city..."

In its submissions, the proprietor states:

"Conceptually, there is a clear difference between the meanings of the respective marks. URBAN STREET has a definite meaning, suggestive of a geographical location – a city street. To the relevant consumer, the mark therefore describes a clear and recognisable concept. This recognisable concept means that the term forms a complete phrase with the distinctive

character of the mark residing in the combination of the two words with no one word having more relative weight than the other [a point with which I agree, paragraph 30 refers]. On the other hand, URBAN EAT has no such meaning implying only an association with eating/food. Consequently, from a conceptual perspective, the marks are **dissimilar**."

36. The parties agree (as do I) that the concept conveyed by the proprietor's trade mark is of a city street. I also agree with the proprietor that when considered as a totality the words "URBAN EAT" are unlikely to convey any concrete conceptual message to the average consumer. Having already concluded that the overall impression it conveys and its distinctiveness will be weighted in favour of the word "URBAN", there is, in my view, at least a medium degree of conceptual similarity between the competing trade marks.

Distinctive character of the applicant's earlier trade mark

37. I must now assess the distinctive character of the applicant's trade mark. The distinctive character of a trade mark can be appraised only, first, by reference to the goods for which it is registered and, secondly, by reference to the way it is perceived by the relevant public – *Rewe Zentral AG v OHIM (LITE)* [2002] ETMR 91. In determining the distinctive character of a trade mark and, accordingly, in assessing whether it is highly distinctive, it is necessary to make an overall assessment of the greater or lesser capacity of the trade mark to identify the goods for which it has been registered as coming from a particular undertaking and thus to distinguish those goods from those of other undertakings - *Windsurfing Chiemsee v Huber and Attenberger* Joined Cases C-108/97 and C-109/97 [1999] ETMR 585.

38. The date at which the distinctive character of the applicant's earlier trade mark is to be assessed, is the date of filing of the proprietor's trade mark i.e. 18 March 2015. In its submissions, the proprietor states:

"We submit that the witness statement and evidence of [Mr Want], whether intended or not, does not establish a reputation nor does it show that the mark URBAN EAT has a highly distinctive character..." 39. Mr Want's evidence indicates that by the time the proprietor's trade mark was filed, the applicant had been using its "Urban eat" brand for a little under five years as a "food to go solution". He states that since that time it has "developed into the Number 1 sandwich brand in the UK" with retail sales in 2015 amounting to some £130m. He provides details of the approximate amount that is spent annually promoting "Urban eat" food products (i.e. £1m per annum), an indication of the type and number of outlets in which the applicant's goods are sold, brand awareness figures for the year ending May 2016 (i.e. after the relevant date) and extracts from the applicant's Facebook and Twitter pages as of 4 May 2016 (also after the relevant date).

40. In her witness statement, Ms Mellor of TL, explains that her company "...procure and sell more that £8 million per annum of URBAN eat branded "food to go" products" adding that "We have listed URBAN eat products to our retail managers and customers for over five years" which, given the date of her statement in May 2016, points to a first use date by TL of 2011.

41. The proprietor does not dispute that the applicant has conducted a trade under its earlier trade marks, only that the evidence which has been provided "does not establish a reputation nor does it show that the mark URBAN EAT has a highly distinctive character." In reaching a conclusion on this point, I note that the evidence provided by Mr Want and Ms Mellor does not identify with any precision the actual goods upon which the applicant's trade mark has been used, nor does Mr Want provide turnover figures (or even estimates) for the period 2010 to 2014. As to Ms Mellor, she does not explain who TL are or the nature of its business. Although she states that TL sell more than £8m of Urban eat branded goods per annum, she does not, for example, explain when sales at this level began or what sales volumes were prior to this. In addition, the size of the market for the goods at issue has not been provided (which in relation to the food to go market I assume to be of some considerable size), nor has the applicant's position in that market (although I note that in relation to the sandwich market Mr Want states the applicant is the UK's number one brand). Although Mr Want provides a single sales figure for 2015 i.e. £130m, given the relevant date is 18 March 2015, only a small part of this figure is likely to be relevant.

42. If one were to proceed on the basis most favourable to the applicant i.e. (i) it had been using its URBAN eat trade mark since 2010 in relation to "food to go" products (but, in view of Mr Want's comments to the effect that the applicant is the "Number 1 sandwich brand in the UK", such use was primarily in relation to sandwiches), (ii) since that time it had spent £1m a year promoting it, (iii) from 2011 (when it appears TL's relationship with the applicant began) sales to TL alone were in the order of £8m per year and (iv) that in the years 2010 to 2014 sales increased to the point where by 2015 the applicant was able to achieve a sales figure of £130m, it is possible that in relation to (most likely) sandwiches the applicant's trade mark may have acquired an enhanced distinctive character. However, as that conclusion is far from certain, I intend to proceed on the basis that by 18 March 2015 the applicant's trade mark had not acquired an enhanced distinctive character. I will return to this point when I consider the likelihood of confusion. Having reached the above conclusions, I must now go on and assess the inherent characteristics of the applicant's trade mark.

43. As I mentioned above, in its written submissions, the proprietor refers to searches it has conducted of the UK and EUIPO trade mark registers for, inter alia, trade marks in classes 29 and 30 that contain the word URBAN. Having done so, it concludes:

"It is therefore clear from the number of EU and UK registered trade marks containing the element URBAN that it is a common term used by brand owners and the market in this area is particularly crowded in relation to this term. As a result of the degree of exposure of this mark in relation to food and drinks, consumers would not associate the mark "URBAN" with a single entity."

44. Although only page one of the twelve page search results have been provided, this submission does not assist the proprietor for the reasons explained in *Zero Industry Srl v OHIM*, Case T-400/06, where the GC stated that:

"73. As regards the results of the research submitted by the applicant, according to which 93 Community trade marks are made up of or include the word 'zero', it should be pointed out that the Opposition Division found, in that regard, that '... there are no indications as to how many of such trade marks are effectively used in the market'. The applicant did not dispute that finding before the Board of Appeal but none the less reverted to the issue of that evidence in its application lodged at the Court. It must be found that the mere fact that a number of trade marks relating to the goods at issue contain the word 'zero' is not enough to establish that the distinctive character of that element has been weakened because of its frequent use in the field concerned (see, by analogy, Case T-135/04 GfK v OHIM – BUS(Online Bus) [2005] ECR II-4865, paragraph 68, and Case T-29/04 Castellblanch v OHIM – Champagne Roederer (CRISTAL CASTELLBLANCH) [2005] ECR II-5309, paragraph 71). "

45. In its submissions, the proprietor also refers to the evidence attached to Ms Wood's statement (obtained, I note, from searches of the Internet conducted on either 31 March or 1 April 2016 i.e. after the material date) and it points to what it considers to be use of the word URBAN in either a descriptive or proprietary sense. In relation to the former, I note the following references:

- An event "Urban Food Fortnight 2014" (www.sustainweb.org pages 2 and 3);
- A publication "Urban Cuisine: Healthy Southern Cuisine with a Distinctive Urban Flair" – (amazon.co.uk - December 2013 - pages 4 and 5);
- "STATION BAR'S URBAN CUISINE..." (www.urbancuisine.info undated pages 6-8);
- A blog "The Future of the Urban Food Market" (www.nesta.org.uk/blog 23
 December 2015 pages 9 18);

- A presentation "Sustainable Urban Food Production" (www.kindling.org.uk 2009 page 19);
- A presentation of Canadian origin "How to make urban food production economically sustainable" (www.urbanfoodrevolution.com – 29 November 2013 – page 20);
- "Urban food Awards 2015..." (www.standard.co.uk 23 July 2015 pages 21-24);
- "Six of the capital's best food and drink producers have scooped up an Urban Food Award" (www.standard.co.uk – 28 September 2015 – pages 25 and 26);
- A project "Supurbfood Towards sustainable modes of urban and peri-urban food provisioning" (www.superbfood.eu/ date uncertain pages 27 and 28);
- "Monthly Urban Food Market Sneinton Market" (www.experiencenottighmashire.com – undated – page 29);
- "Urban Food Fest" (twitter.com/urbanfoodfest May 2013 pages 32-34);
- A business initiative "Urban Food Routes" (www.plunkett.co.uk undated page 35).

46. In relation to the latter i.e. proprietary use, I note the following:

- A restaurant "urban plates" (www.urbanplates.com undated and appears to be an American undertaking – pages 30 and 31);
- A takeaway "Urban Feast" (www.urbanfeasttbirmingham.co.uk undated page 36);
- Catering services "THE URBAN KITCHEN" (www.theurbankitchen.co.uk undated - pages 37 and 38);

- A restaurant "THE URBAN GRILL" (www.urbangrilldumfries.co.uk undated – page 39);
- A drinks retailer "Urban Drinks UK" (www.urban-drinks.co.uk/ undated page 40);
- A coffee shop "Urban Coffee Company" (www.urbancoffee.co.uk undated – page 41).

47. A number of the extracts provided by the proprietor are either (i) undated, (ii) from after the relevant date or (iii) appear to relate to jurisdictions other than the UK. Regardless of those failings, if one bears in mind the ordinary dictionary meaning of the word URBAN, which, for the avoidance of doubt, I note collinsdictionary.com defines as: "of, relating to, or constituting a city or town", it is not surprising that it has been used, as the proprietor's evidence shows, in relation to urban food production, presentations/papers by organisations/individuals discussing this issue, initiatives which support and awards which reward those involved in this activity and markets selling such goods or taking place in an urban environment.

48. The position is much less clear in relation to proprietary use, as all of the extracts provided are both undated and relate to undertakings involved in providing services rather than conducting a trade in goods. In this regard, the comments in *Nude Brands Ltd v Stella McCartney Ltd,* [2009] EWHC 2154 Ch, are relevant where Floyd J (as he then was) stated that:

"29. Whilst the use by other traders of the brand name NUDE in relation to perfume may give those traders relative rights to invalidate the mark, it does not give those rights to any defendant. I am not at this stage persuaded that this evidence has a bearing on any absolute ground of invalidity. It certainly does not go as far as establishing ground 7(1)(d) - customary indication in trade. Ground 7(1)(b) is concerned with the inherent character of the mark, not with what other traders have done with it. The traders in question are plainly using the mark as a brand name: so I do not see how this use can help to establish that the mark consists exclusively of signs or indications which

may serve to indicate the kind or quality or other characteristics of the goods, and thus support an attack under 7(1)(c)."

49. In summary, the evidence provided by the proprietor does not support its submission relating to the proprietary use of the word URBAN. In relation to its submission that the word URBAN would be seen as "having low distinctive character", the evidence shows that the word URBAN is commonly used in the manner I have described above. However, no evidence has been provided showing use of the word URBAN in relation to the goods at issue as an indicator of origin. While this appears to accord with part of Mr Want's comment i.e. "Our ongoing market analysis does not indicate that URBAN is a term commonly associated with food in general <u>or other people's food products</u>" (my emphasis), it is clear that it is a word commonly used in relation to food in general. Bearing that in mind, and having already concluded that when considered alone the word EAT has no distinctive character in relation to the goods at issue, when considered as a whole, the applicant's trade mark is, in my view, possessed of a fairly low degree of inherent distinctive character.

The proprietor's goods which are not similar to those of the applicant

50. Before I consider the likelihood of confusion, I remind myself that I have concluded that "ice" in the proprietor's specification in class 30 is not similar to any of the applicant's goods. In *eSure Insurance v Direct Line Insurance,* [2008] ETMR 77 CA, Lady Justice Arden stated that:

"49...... I do not find any threshold condition in the jurisprudence of the Court of Justice cited to us. Moreover I consider that no useful purpose is served by holding that there is some minimum threshold level of similarity that has to be shown. If there is no similarity at all, there is no likelihood of confusion to be considered. If there is some similarity, then the likelihood of confusion has to be considered but it is unnecessary to interpose a need to find a minimum level of similarity." When goods are not similar, there can be no likelihood of confusion and the application, insofar as it relates to "ice" in class 30, fails accordingly.

Likelihood of confusion

51. In determining whether there is a likelihood of confusion, 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 vice versa. As I mentioned above, it is also necessary for me to factor in the distinctive character of the applicant's trade mark as the more distinctive this trade mark is the greater the likelihood of confusion. I must also keep in mind the average consumer for the goods, the nature of the purchasing process and that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he has retained in his mind. Earlier in this decision I concluded that:

- the remaining goods in the proprietor's specifications are either literally identical, identical on the *Meric* principle, or similar to at least a medium degree to the applicant's goods;
- the average consumer is a member of the general public who will select the goods at issue by predominantly visual means paying a lower than normal degree of attention when doing so;
- the proprietor's trade mark forms a unit; that is the overall impression it will convey and where its distinctiveness lies;
- the word "EAT" in the applicant's trade mark is, when considered in isolation, descriptive/non-distinctive. While the overall impression and distinctiveness of the applicant's trade mark will be weighted in favour of the word "URBAN", it also stems from the unusual combination the words "URBAN" and "EAT" create;

- the competing trade marks are visually and aurally similar to a medium degree and conceptually similar to at least a medium degree;
- on the basis of the evidence provided by the applicant, I am unable to conclude that its earlier trade mark benefits from an enhanced distinctive character (but see paragraph 57 below);
- when considered from an inherent perspective, the applicant's earlier trade mark is possessed of a fairly low degree of distinctive character.

52. In *Kurt Geiger v A-List Corporate Limited*, BL O-075-13, Mr Iain Purvis Q.C. as the Appointed Person pointed out that the level of 'distinctive character' is only likely to increase the likelihood of confusion to the extent that it resides in the element(s) of the marks that are identical or similar. He said:

"38. The Hearing Officer cited *Sabel v Puma* at paragraph 50 of her decision for the proposition that 'the more distinctive it is, either by inherent nature or by use, the greater the likelihood of confusion'. This is indeed what was said in *Sabel*. However, it is a far from complete statement which can lead to error if applied simplistically.

39. It is always important to bear in mind what it is about the earlier mark which gives it distinctive character. In particular, if distinctiveness is provided by an aspect of the mark which has no counterpart in the mark alleged to be confusingly similar, then the distinctiveness will not increase the likelihood of confusion at all. If anything it will reduce it.'

40. In other words, simply considering the level of distinctive character possessed by the earlier mark is not enough. It is important to ask 'in what does the distinctive character of the earlier mark lie?' Only after that has been done can a proper assessment of the likelihood of confusion be carried out".

53. As I mentioned earlier, in its submissions the proprietor stated that URBAN would be seen as having "low distinctive character". While the evidence provided by

it does not, in my view, establish that the word URBAN is used relation to the goods at issue as an indicator of origin, given its ordinary meaning and the manner in which the evidence indicates it has been used in relation to food in general, that, in my view, is a reasonable conclusion. That is not, however, an end to the matter. In *L'Oréal SA v OHIM*, Case C-235/05 P, the CJEU found that:

"45. The applicant's approach would have the effect of disregarding the notion of the similarity of the marks in favour of one based on the distinctive character of the earlier mark, which would then be given undue importance. The result would be that where the earlier mark is only of weak distinctive character a likelihood of confusion would exist only where there was a complete reproduction of that mark by the mark applied for, whatever the degree of similarity between the marks in question. If that were the case, it would be possible to register a complex mark, one of the elements of which was identical with or similar to those of an earlier mark with a weak distinctive character, even where the other elements of that complex mark were still less distinctive than the common element and notwithstanding a likelihood that consumers would believe that the slight difference between the signs reflected a variation in the nature of the products or stemmed from marketing considerations and not that that difference denoted goods from different traders."

54. In reaching a conclusion, I remind myself that I concluded that while the combination "URBAN EAT" is unusual, the word "URBAN" has the greater relative weight in the overall impression the applicant's trade mark conveys and makes the more significant contribution to its distinctive character. I have also reminded myself that the goods are either identical (either literally or on the *Meric* principle) or similar to at least a medium degree and that the goods involved will be selected with a lower than normal degree of attention (thus making the average consumer more prone to the effects of imperfect recollection). Having done so, I am satisfied that the degree of visual, aural and conceptual similarity I have identified earlier will combine to lead to a likelihood of confusion. Given the nature of the purchasing process, I do not, despite the differences between them, rule out the likelihood that the trade marks will be directly confused i.e. mistaken for one another. If, however, I am wrong and the differences between the competing trade marks are considered sufficient to avoid

direct confusion, I must also consider whether there is a likelihood of indirect confusion. In *L.A. Sugar Limited v By Back Beat Inc*, Case BL-O/375/10, Mr Iain Purvis Q.C. as the Appointed Person noted that:

"16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: "The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark.

17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

(a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right ("26 RED TESCO" would no doubt be such a case).

(b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as "LITE", "EXPRESS", "WORLDWIDE", "MINI" etc.).

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension ("FAT FACE" to "BRAT FACE" for example)." 55. The above are, of course, only examples. In my view, a notional average consumer is likely to assume, given in particular the degree of visual and conceptual similarity between the competing trade marks and the lower than normal degree of care taken during the selection process, that goods sold under the "URBAN STREET" trade mark are, for example, an alternative range of goods provided by either the applicant or by an undertaking economically linked to the applicant; as a consequence, there is also, in my view, a likelihood of indirect confusion.

56. In reaching the above conclusions, I have not relied upon the evidence of Ms Mellor. As I mentioned earlier, not only has Ms Mellor not explained the nature of TL's business, but, as the proprietor points out in its submissions:

"Similarly the only supporting evidence is provided by a significant customer/distributor of the applicant, Nicola Mellor of TUCO Ltd, and is not in any sense unbiased or independent. We submit neither should it be interpreted as predicting the view of the relevant average consumer."

The applicant's case based on acquired distinctiveness

57. I have reached the above conclusions on the basis of the inherent characteristics of the applicant's trade mark. In paragraph 42, however, I entertained the possibility that by the material date the applicant's trade mark may have acquired an enhanced distinctive character for "sandwiches". If that is correct, it is likely to further increase the likelihood of confusion in relation not only to "sandwiches" but also in relation to other goods, for example, "filled sandwiches", "filled baguettes", "filled bread rolls", "filled buns", "filled rolls", "wrap (sandwich)", "open sandwiches", as well as to more general terms such as "ready to eat savoury snack food made from grains" and "snack food consisting principally of grains, cereal, potatoes, and bread."

Overall conclusion

58. The application has been successful and, with the exception of "ice in class 30, the registration will, under the provisions of section 47(6) of the Act, be deemed never to have been made.

Costs

59. As the applicant has been successful, it is entitled to a contribution towards the costs it has incurred; an award I do not intend to reduce to reflect the extremely limited nature of the proprietor's success. Awards of costs are governed by TPN 4 of 2007. Using the TPN mentioned as a guide, I award costs to the applicant on the following basis:

60. I order The Sandwich Factory Holdings Limited to pay to Adelie Holdco UK Limited the sum of **£1200**. This sum is to be paid within fourteen days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 22nd day of September 2016

C J BOWEN For the Registrar The Comptroller-General