0/860/21

#### **TRADE MARKS ACT 1994**

#### CONSOLIDATED PROCEEDINGS INVOLVING

TRADE MARK APPLICATION NOs. 3436503 & 3436505 BY

#### ANDREW BENNETT

TO REGISTER THE SERIES OF TWO TRADE MARKS:

# ACE CREAMS

AND ace creams IN CLASSES 30 & 43

#### AND

TO REGISTER THE SERIES OF TWO TRADE MARKS:

# ACE CREAMS AND TAPAS

AND ace creams and tapas IN CLASSES 29, 30 & 43

#### AND

TWO OPPOSITIONS THERETO UNDER NOS. 421001 & 421005 BY ACE CAFE LONDON LIMITED

#### **BACKGROUND & PLEADINGS**

- These consolidated proceedings concern two applications by Andrew Bennett ("the applicant"), who applied to register:
  - a. the words and series of two "ACE CREAMS / ace creams" with application number 3436503, as shown on the front page of this decision, in the United Kingdom on 15 October 2019. They were accepted and published in the Trade Marks Journal on 3 January 2020 in respect of the following goods and services:

Class 30: Breads, rolls, pastries; cereal based snacks; preparations made from cereals; bruschetta; bread sticks; pastries and confectionery; sandwiches; prepared meals; pizzas, pies and pasta dishes; tea and beverages ready for consumption; bakery products, products made from flour; speciality breads, French breads, croissants, rolls, scones, pastries, patisseries, cakes, pizza bases, biscuits, bagels, sweets, chocolates; ices and frozen confectionery; ice creams; frozen yoghurt; ice-cream and ice-cream products; dairy ice cream; sweets; sauces; ice cream sauces; flavourings; chocolate; chocolate flavourings; chocolate flavoured coating; puddings; desserts; coffee, tea, cocoa, sugar, artificial coffee; pastry and confectionery, ices; honey, treacles; ice; sorbets; frozen confections; ice cream bars; frozen yogurt bars; pies; pastry; puddings, tarts, pastries and flans, pastry products; cookies; buns; confectioneries; hot chocolate; ice beverages; waffles.

**Class 43:** Services for providing food and drink; provision of food and drink; self-service restaurant, bars, cafes and restaurants and catering services; snack bar, bistro café, cafeteria and coffee shop services; tapas bars; take-away services, and counter service for the sale of take-away and fast

foods, ice cream parlour services; snack bar services; event catering services; mobile catering services; preparation of foodstuffs and beverages for consumption on or off the premises; restaurant and cafés serving ice cream, edible ices, milk beverages, milk shakes, pastry and confectionery, coffeebased beverages, cocoa-based beverages, chocolate-based beverages, tea-based beverages, biscuits, cookies, cakes, chocolate, pancakes, pralines, sherbets, sorbets, waffles, yoghurt, crepes and smoothies; information, advisory and consultancy services relating to all of the aforesaid.

b. the words and series of two "ACE CREAMS AND TAPAS / ace creams and tapas" with application number 3436505, as shown on the front page of this decision, in the United Kingdom on 15 October 2019. They were accepted and published in the Trade Marks Journal on 3 January 2020 in respect of the following goods and services:

**Class 29:** Meat; fish; shellfish; molluscs; crustacea; poultry; game; meat extracts; preserved, dried, cooked and frozen fruits, fungi and vegetables; preserves; jellies; jams; marmalades; cranberry sauce; desserts; eggs; milk and milk products; cheese; edible oils and fats; butter; soups; sandwiches, meals and snacks included in this class; potato crisps; pickles; tofu; vegetables, cooked; vegetables, dried; vegetables, preserved.

**Class 30:** Breads, rolls, pastries; cereal based snacks; preparations made from cereals; bruschetta; bread sticks; pastries and confectionery; sandwiches; prepared meals; pizzas, pies and pasta dishes; tea and beverages ready for consumption; bakery products, products made from flour; speciality breads, French breads, croissants, rolls, scones, pastries, patisseries, cakes, pizza bases, biscuits, bagels, sweets, chocolates; ices and frozen confectionery; ice creams;

frozen yoghurt; ice-cream and ice-cream products; dairy ice cream; sweets; sauces; ice cream sauces; flavourings; chocolate; chocolate flavourings; chocolate flavoured coating; puddings; desserts; coffee, tea, cocoa, sugar, artificial coffee; pastry and confectionery, ices; honey, treacles; ice; sorbets; frozen confections; ice cream bars; frozen yogurt bars; pies; pastry; puddings, tarts, pastries and flans, pastry products; cookies; buns; confectioneries; hot chocolate; ice beverages; waffles.

**Class 43:** Services for providing food and drink; provision of food and drink; self-service restaurant, bars, cafes and restaurants and catering services; snack bar, bistro café, cafeteria and coffee shop services; tapas bars; take-away services, and counter service for the sale of take-away and fast foods, ice cream parlour services; snack bar services; event catering services; mobile catering services; preparation of foodstuffs and beverages for consumption on or off the premises; restaurant and cafés serving ice cream, edible ices, milk beverages, milk shakes, pastry and confectionery, coffee-based beverages, tea-based beverages, biscuits, cookies, cakes, chocolate, pancakes, pralines, sherbets, sorbets, waffles, yoghurt, crepes and smoothies; information, advisory and consultancy services relating to all of the aforesaid.

 Ace Cafe London Limited ("the opponent") opposes the applications on the basis of Section 5(2)(b) of the Trade Marks Act 1994 ("the Act"). The opponent is the proprietor of the following marks:

Trade Mark no.	EU015812332 ('332)
Trade Mark	TON DOT
Goods &	Class 43: Providing food and
Services	beverages; catering services;
Relied Upon	restaurants; cafes; bar services;
	providing temporary
	accommodation.
Relevant Dates	Filing date: 07 September 2016
	Date of entry in register:
	23 December 2016

Trade Mark no.	EU0017776576 ('576)
Trade Mark	ACE CAFE
Goods &	Class 43: Providing food and
Services	beverages; services for providing
Relied Upon	food and drink; catering services;
	restaurants; cafes; coffee shops;
	coffee shop services; tea rooms;
	tea room services; bar services.
Relevant Dates	Filing date: 06 February 2018
	Date of entry in register:
	21 May 2018

- 3. Although the UK has left the EU and the EUTMs relied upon by the opponent now enjoy protection in the UK as comparable trade marks, the EUTMs remain the relevant rights in these proceedings. That is because the opposition was filed before the end of the Transition Period and, under the transitional provisions of the Trade Marks (Amendment etc.) (EU Exit) Regulations 2019, I am obliged to decide the opposition on the basis of the law as it existed before the end of the Transition Period.
- 4. For the purpose of this opposition, the opponent relies on all services in Class 43 for both of the earlier marks.
- 5. In its notice of opposition, the opponent initially also sought to rely on EUTM 05166699. However, with its letter, dated 10 May 2021, the

opponent withdrew its reliance on this earlier mark and confirmed that it wished to proceed with its opposition in reliance on its other two EUTMs '332 and '576. The opponent argues that the competing marks are highly similar, and the respective services in Class 43 are identical and the contested goods in Class 29 and 30 are similar to the opponent's services in Class 43. Therefore, registration of the contested marks should be refused under Section 5(2)(b) of the Act.

- 6. In response, the applicant filed a counterstatement prior to the withdrawal of the opponent's EUTM 05166699, for which the applicant requested that the opponent provide proof of use, denying all the grounds and any likelihood of confusion between the marks. Therefore, the applicant requests that the opposition is rejected, and an award of costs is made in his favour.
- 7. I note that the earlier word mark '576 is subject to an invalidation application at the EU Intellectual Property Office (EUIPO). In this regard, if my decision is to uphold the opposition on the basis of the earlier word mark, my decision will be provisional only, pending the outcome of the EU proceedings.
- 8. Both parties filed evidence in these proceedings. This will be summarised to the extent that I consider necessary. Both parties filed written submissions in lieu of a hearing which will not be summarised but will be referred to as and where appropriate throughout this decision. Neither side requested a hearing. Thus, this decision has been taken following a careful consideration of the papers.
- 9. In these proceedings, the opponent is represented by Dehns and the applicant by Urquhart-Dykes & Lord LLP.
- Although the UK has left the EU, Section 6(3)(a) of the European Union (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period.

The provisions of the Trade Marks Act relied on in these proceedings are derived from an EU Directive. This is why this decision continues to make reference to the trade mark case law of EU courts.

## EVIDENCE

#### **Opponent's Evidence**

11. The opponent filed a witness statement, dated 7 May 2021, of Wayne Philip Huff, the Chairman of the Board of Directors of Ace Cafe London Limited (referring to it as his "Company"), who has held this position since 1 September 2000. Mr Huff explains:

> "3. The purpose of this Witness Statement is to <u>demonstrate that the</u> <u>Earlier Trade Marks have acquired enhanced distinctiveness at the</u> <u>time of the filing of the Applications</u> as a consequence of the use made thereof by my Company.

> 4. My Company offers, amongst other goods and services, cafe, bar and restaurant services/the provision of food and drink under the Earlier Trade Marks.

> 5. Though my Company was incorporated in 1995, the history of the Ace Cafe (known also as "the Ace", per numerous references in the Exhibits set out herein) dates back to its original establishment on the North Circular Road in 1938, where its roadside location meant that it became popular with travellers, truckers, and motorcyclists. The Ace Cafe had to close two years later after becoming badly damaged in an air raid during the Second World War, but re-opened in 1949. The Ace Cafe was then operational for two decades, until it closed in 1969." (Emphasis added)

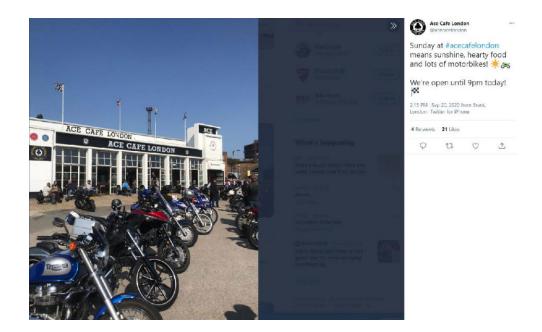
12. <u>Exhibit CAW1</u> consists of prints, dated with a print date of 22 April 2021, showing a timeline of historical events taking place from the establishment of the Ace Cafe in 1938 to 2017. I will not detail these here, but I note that

since 2011 venues have opened in Beijing (China), Lahti (Finland), Lucerne (Switzerland), Barcelona (Spain) and Orlando (USA).

- 13. <u>Exhibit CAW2</u> contains Wikipedia prints, dated with a print date of 22 April 2021, about the terms 'Rocker (subculture)' and 'Biker bar', and extracts from the book "Ace Times: Speed Thrills and Tea Spills, a Cafe and Culture" published as per Mr Huff in 2011. These contain the following:
  - a. The Wikipedia entry defines 'Rocker (subculture)' as "members of a biker subculture that originated in the United Kingdom during the 1950s. It was mainly centred on British cafe racer motorcycles and rock 'n' roll music." I note that in the section 'Rocker reunions', Ace Cafe Reunion is mentioned for its "25<sup>th</sup> anniversary of the closure of the famous transport cafe" which took place in 1994.
  - b. As for the term 'Biker bar', this is defined as "a bar that is frequented by motorcyclists (bikers). Some are owned or managed by people who are friendly toward motorcyclists. Some bars and restaurants advertise that they are "biker friendly" to attract more bikers and motorcycle (bike) enthusiasts." The Ace Cafe is listed in the second place under the section 'Examples of biker bars'.
  - c. The extracts from the "Ace Times: Speed Thrills and Tea Spills, a Cafe and Culture" book authored by Mick Duckworth contain photos (examples shown below) with text describing the current Ace Cafe interior design, operation times, food and beverages, and events, including reunions. It is also stated that the Ace Cafe "became the Mecca for motorcyclists".



- <u>Exhibit CAW3</u> is a copy, dated 22 April 2017 by the witness, of a London Borough of Brent Certificate "in recognition of services to the community" by Councillor Parvez Ahmed, the Mayor of Brent.
- 15. <u>Exhibit CAW4</u> consists of prints, dated 20 September 2019, showing an online news article from *kilburntimes.co.uk* with the title "Iconic roadside café in Stonebridge awarded Red Wheel award by transport Trust". The article describes that the Transport Trust awarded Ace Cafe with the Red Wheel award which as per Mr Huff "recognise[s] and commemorate[s] the most significant sites of historical importance to transport heritage in the United Kingdom." I note that the article underscores that "the biker's café is one of just 115 sites in the UK to receive a plaque which is only given to places that have special value."
- 16. <u>Exhibit CAW5</u> consists of:
  - a. undated prints of the food and drinks menu;
  - b. two prints, dated 20 September 2020 and 5 July 2020, from the opponent's Twitter account, showing the internal and external (reproduced below) of the Ace Cafe London premises;



- c. one undated print from the *london.acecafe.com* website that illustrates its landing page.
- 17. Mr Huff provides sales figures from the food and drink services for a fiveyear period (2016-2020):

Year	Turnover ("Not less than")
2020	£850,000
2019	£1,500,000
2018	£1,500,000
2017	£1,500,000
2016	£1,500,000
	TOTAL: Not less than £6,850,000

18. In addition, Mr Huff provides figures in relation to the expenditure on advertising for the Ace Cafe, using the Earlier Trade Marks, in the UK from the same period:

Year	Expenditure ("Not less than")
2020	£5,000
2019	£18,000
2018	£9,500
2017	£7,500
2016	£15,000
	TOTAL: Not less than £55,000

19. In this regard, Mr Huff adduces promotional evidence with <u>Exhibit CAW6</u>. This consists of extracts from the 'ACE CAFE YEARBOOK' magazine, which was circulated in 2016 as per Mr Huff, showing a welcome note, the contents of the magazine, and three pages from the section 'ACE FOOD' in which photos of dishes are demonstrated together with a passage that describes the food menu and the popularity of its meals serving from 200 to 600 meals a day.



20. <u>Exhibit CAW7</u> comprises a print, dated 6 August 2019, of an online article from the *londonist.com* website titled 'Historic London Breakfasts: The Ace Cafe, Stonebridge'. The article, alongside photos, provides information in relation to the location, historical importance, and breakfast of the Ace Cafe. Mr Huff underscores that the article:

"11. [...] repeatedly refers to the Ace as being a "famous" cafe. The article is written by someone who is not part of biker culture, and notes that the clientele are "drawn from all walks of life". In particular, the Ace Cafe is described as being "a cherished part of London's food culture".

21. Further, Mr Huff indicates in his witness statement that part of the promotional strategy of the opponent "includes involvement at various national motoring events" listing the following:

"Carole Nash MCN London Motorcycle Show 2018 at Excel, Docklands, London, 16th - 18th February (Stand No.CU60)

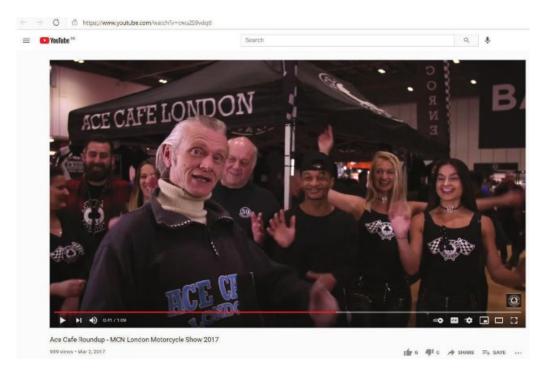
Carole Nash MCN London Motorcycle Show 2019 at Excel, Docklands, London, 15th - 17th February (Stand No. CUY-50)

Carole Nash MCN London Motorcycle Show 2020 at Excel, Docklands, London, 14th - 16th February (Stand No. CU-11)

Silverstone Classic 2018 at Silverstone Circuit, Towcester, Northamptonshire - 20th to 22nd July

Silverstone Classic 2019 at Silverstone Circuit, Towcester, Northamptonshire - 26th to 28th July"

Mr Huff explains that "Silverstone Classic is an annual motorsport festival held over three days which attracts over 109,000 people each year. The London Motorcycle Show is also an annual event, and is attended by over 40,000 people each year." <u>Exhibit CAW8</u> consists of a print, dated 13 January 2019, from the *london.acecafe.com* website showing an online article with the title 'WIN TICKETS TO MCN LONDON MOTORCYCLE SHOW'. Moreover, in the same Exhibit, there is a print, dated 2 March 2017, from a YouTube video (shown below) with the title 'Ace Cafe Roundup – MCN London Motorcycle Show 2017' in which a tent bearing 'Ace Cafe London' is depicted.



- 22. <u>Exhibit CAW9</u> consists of prints, dated 9 May 2019, from the *london.acecafe.com* website showing an online article titled "ACE SUMMER BBQ'S!" where a series of BBQ event dates and themes are provided for 2019.
- 23. Mr Huff explains in his witness statement that Ace Cafe London (the opponent in these proceedings) has been holding an annual reunion event since 1994 that involves a ride from London to Brighton. In this regard, a news article, dated 9 September 2018, from the *brighton.co.uk* website is adduced with <u>Exhibit CAW10</u>. The article describes the Ace Cafe reunion Run as "one of the biggest, perhaps the biggest, motoring events to fill the tarmac along Madeira Drive" claiming that it gathers 40,000 participants/bikers "from all over the country; in fact, all over Europe and maybe even further afield."
- 24. Mr Huff claims that "[t]he significance of the Ace Cafe as a venue and heritage site is also evidenced by the partnerships my Company has enjoyed over the years with third parties. In 2018, my Company partnered with Hudgell Solicitors to host monthly events at the Ace Cafe." <u>Exhibit</u> <u>CAW11</u> consists of:

- a. a print, dated 27 September 2018, of a news article from the *Hudgell* Solicitors website titled "Celebrating 80 years of the Ace Café – a truly iconic motorcycle venue".
- b. a print, dated 23 March 2018, of a news article from the *london.acecafe.com* website titled "HUDGELL SOLICITORS JOINS FORCES WITH ACE CAFE IN MILESTONE YEAR".
- 25. With Exhibit CAW12, Mr Huff provides a print, dated 4 June 2019, of a news article from the *london.acecafe.com* website titled "ACE ON THE BOX!" which indicates that the "Ace Cafe London has a starring role in the Motorbike show on ITV4". In addition to that print, the witness provides two prints, dated 18 April 2007 and 20 February 2017, of screenshots from YouTube videos. The former is titled "Jeremy Clarkson goes cruising Top Gear BBC", and the latter "Fueltopia x Top Gear (BBC) Meet @ Ace Cafe". In both screenshots the Ace Cafe London appears in the background.

## **Applicant's Witness Statement**

26. The applicant filed a witness statement, dated 7 July 2021, of Andrew Bennet, the applicant in these proceedings. Mr Bennet explains that:

"3. <u>The purpose of this Witness Statement is to refute the claim</u> make by the Opponent in the Witness Statement of Wayne Philip Huff <u>and</u> <u>the supporting Exhibits CAW1- CAW12</u>, that the Earlier Trade Marks <u>of the Opponent have acquired enhanced distinctiveness at the time</u> <u>my Applications were filed</u>.

4. It is not disputed that the name <u>The Ace Cafe has been used in the</u> <u>United Kingdom in relation to an establishment located on the North</u> <u>Circular Road in London. However, it is disputed that the use of this</u> <u>name in relation to a single establishment in the UK</u> is sufficient for the Earlier Trade Marks to have acquired enhanced distinctiveness as claimed by the Opponent." (sic) (Emphasis added) 27. As Mr Bennet challenges and negates the opponent's evidence, I will not attempt to summarise his statement and, thus, I will reproduce it as such, as follows:

#### "Exhibits CAW1

This copy document sets out a chronological "time line" or history of a particular establishment Reference in the text to the business as "legendary" when written by or on behalf of the business owner itself is not an indication of any form of reputation but is simply "puffing". Any information regarding any establishments located outside the UK cannot be taken into account when considering any claim to enhanced reputation within the United Kingdom. In addition, the preparation and publication of this "time line" is not use of the Earlier Trade Marks by the Opponent themselves and does not demonstrate enhanced distinctiveness of the Earlier Trade Marks of the Opponent.

#### Exhibit CAW2

The copy pages taken from Wikipedia provides historical and nostalgic information relating to "Rockers (sub-culture)", "biker bars" and a single establishment in London but does not provide evidence of enhanced reputation of the Earlier Trade Marks. The copy pages of the book "Ace Times: Speed, Thrills and Tea Spills, a Café and Culture" by Mr Duckworth again provides historical and nostalgic information with reference to a single establishment. Any claimed historical and/or cultural significance of a single premises cannot be extrapolated to demonstrate claimed enhanced distinctiveness in relation to the Earlier Trade Marks. Furthermore, this Exhibit do not show use of the Earlier Trade Marks by the Opponent themselves.

#### Exhibit CAW3

The photographs illustrating the certificate presented does not serve to demonstrate enhanced distinctiveness claimed in relation to the Earlier marks, neither do they show use of the Earlier Trade Marks by the Opponent themselves.

#### Exhibit CAW4

The photographs provided relating to the Red Wheel presentation does not serve to demonstrate enhanced distinctiveness claimed in relation to the Earlier marks, neither do they show use of the Earlier Trade Marks by the Opponent themselves.

#### Exhibit CAW5

This Exhibit comprises a copy sample menu, an extract from the Opponent's Twitter profile and a copy of the Opponent's "home page. The copy sample menu is undated and clearly shows the dominant trade mark ROCKERS, with ACE CAFE being mentioned only as ACE CAFÉ LONDON as part of the address. The Witness Statement of Mr Huff states the extract from the Opponent's Twitter profile is dated 20 October 2020, which was after the date on which my Applications were filed, this being 15 October 2019. The "home page is undated but refers to events scheduled to take place after the filing date of my Applications. Accordingly, this Exhibit should be not be taken into account and dismissed.

## Exhibit CAW6

The copy pages provided from the "Ace Cafe Yearbook" is a nostalgic review of a single establishment and its connection to the motorcycle community. It does not serve to demonstrate enhanced distinctiveness claimed in relation to the Earlier Trade Marks, neither do they show use of the Earlier Trade Marks by the Opponent themselves.

## Exhibit CAW7

This copy article from the tourist publication, The Londonist. It provides information for visitors to London. It draws upon information freely available from previous sources including the Wikipedia site and uses the Opponent's own description of their establishment as "the world's most famous motor café", again this is puffing. The purpose of a publication such as the Londonist is to promote London, and suggest places to visit. Such a publication cannot be considered as supporting any claim of the Opponent for enhanced distinctiveness in relation to the Earlier Trade Marks, neither does this show use of the Earlier Trade Marks by the Opponent themselves.

#### Exhibit CAW8, CAW9, CAW10, CAW11 and CAW12

All relate to promotional activities undertaken by or on behalf of the Opponent and cannot be considered as supporting any claim of the Opponent for enhanced distinctiveness in relation to the Earlier Trade Marks. Reference to the Opponent's premises in CAW11 as "iconic" and "a famous venue" is again puffing. The evidence filed on behalf of the Opponent does not demonstrate enhanced distinctiveness in relation to the Earlier Trade Marks in relation to the Class 43 services nor in relation to any goods and services. At best the evidence submitted indicates the establishment may have some nostalgic significance to a highly specialised and niche section of the population but this cannot be extrapolated to demonstrate enhanced distinctiveness of the Earlier Trade Marks in relation to the Class 43 services at issue, nor in relation to any goods and services." (sic)

 That concludes my summary of the evidence filed insofar as I consider it necessary.

## DECISION

## Section 5(2)(b)

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

"A trade mark shall not be registered if because-

[...]

(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".

- 30. The principles, considered in this opposition, stem from the decisions of the European 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 BV (Case C-342/97), Marca Mode CV v Adidas AG & Adidas Benelux BV (Case C-425/98), Matratzen Concord GmbH v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (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-334/05 P) and Bimbo SA v OHIM (Case C-519/12 P):
  - 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 & Services**

- 31. Section 60A of the Act provides:
  - "(1) For the purpose of this Act goods and services-

(a) are not to be regarded as being similar to each other on the ground that they appear in the same class under the Nice Classification.

(b) are not to be regarded as being dissimilar from each other on the ground that they appear in different classes under the Nice Classification.

(2) In subsection (1), the "Nice Classification" means the system of classification under the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, which was last amended on 28 September 1975."

32. When making the comparison, all relevant factors relating to the goods/services in the specifications should be taken into account. In *Canon Kabushiki Kaisha*, the Court of Justice of the European Union (CJEU) stated that:

"23. 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 complementary."

- 33. Guidance on this issue was also given by Jacob J (as he then was) in British Sugar Plc v James Robertson & Sons Limited ("Treat") [1996] RPC 281. At [296], he identified the following relevant factors:
  - "(a) The respective uses of the respective goods or services;
  - (b) The respective users of the respective goods or services;
  - (c) The physical nature of the goods or acts of service;

(d) The respective trade channels through which the goods or services reach the market;

(e) 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;

(f) 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."

34. The General Court confirmed in *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T- 133/05, paragraph 29, that, even if goods or services are not worded identically, they can still be considered identical if one term falls within the scope of another, or vice versa:

"In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by trade mark application (Case T-388/00 *Institut fur Lernsysteme v OHIM- Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark".

35. In *Sky v Skykick* [2020] EWHC 990 (Ch), Lord Justice Arnold considered the validity of trade marks registered for, amongst many other things, the general term 'computer software'. In the course of his judgment he set out the following summary of the correct approach to interpreting broad and/or vague terms:

"[...] the applicable principles of interpretation are as follows:

(1) General terms are to be interpreted as covering the goods or services clearly covered by the literal meaning of the terms, and not other goods or services.

(2) In the case of services, the terms used should not be interpreted widely, but confined to the core of the possible meanings attributable to the terms.

(3) An unclear or imprecise term should be narrowly interpreted as extending only to such goods or services as it clearly covers.

(4) A term which cannot be interpreted is to be disregarded."

36. In YouView TV Ltd v Total Ltd, [2012] EWHC 3158 (Ch), paragraph 12, Floyd J (as he then was) gave the following guidance on construing the words used in specifications:

"[...] 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 of 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."

37. In *Avnet Incorporated v Isoact Limited*, [1998] F.S.R. 16, Jacob J. (as he then was) stated that:

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

38. In Kurt Hesse v OHIM, Case C-50/15 P, the CJEU held that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods or services. The General Court clarified the meaning of "complementary" goods or services in Boston Scientific Ltd v OHIM, Case T-325/06, at paragraph 82:

> "[...] 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."

39. The competing goods and services to be compared are shown in the following table:

Opponent's Services	Applicant's Goods & Services
Earlier Mark '576	re Application no 3436503
<b>Class 43:</b> Providing food and beverages; services for providing food and drink; catering services; restaurants; cafes; coffee shops; coffee shop services; tea rooms; tea room services; bar services.	<b>Class 30:</b> Breads, rolls, pastries; cereal based snacks; preparations made from cereals; bruschetta; bread sticks; pastries and confectionery; sandwiches; prepared meals; pizzas, pies and pasta dishes; tea and beverages ready for consumption; bakery products, products made from flour; speciality breads, French breads, croissants, rolls, scones, pastries, patisseries, cakes, pizza bases, biscuits, bagels, sweets, chocolates; ices and frozen confectionery; ice creams; frozen yoghurt; ice-cream and

	ice-cream products; dairy ice cream; sweets; sauces; ice cream sauces; flavourings; chocolate; chocolate flavourings; chocolate flavoured coating; puddings; desserts; coffee, tea, cocoa, sugar, artificial coffee; pastry and confectionery, ices; honey, treacles; ice; sorbets; frozen confections; ice cream bars; frozen yogurt bars; pies; pastry; puddings, tarts, pastries and flans, pastry products; cookies; buns; confectioneries; hot chocolate; ice beverages; waffles.
	<b>Class 43:</b> Services for providing food and drink; provision of food and drink; self-service restaurant, bars, cafes and restaurants and catering services; snack bar, bistro café, cafeteria and coffee shop services; tapas bars; take- away services, and counter service for the sale of take-away and fast foods, ice cream parlour services; snack bar services; event catering services; mobile catering services; preparation of foodstuffs and beverages for consumption on or off the premises; restaurant and cafés serving ice cream, edible ices, milk beverages, milk shakes, pastry and confectionery, coffee-based beverages, cocoa-based beverages, tea-based beverages, biscuits, cookies, cakes, chocolate, pancakes, pralines, sherbets, sorbets, waffles, yoghurt, crepes and smoothies; information, advisory and consultancy services relating to all of
Opponent's Services	the aforesaid. Applicant's Goods & Services
Earlier Mark '332	re Application no 3436505
<b>Class 43:</b> Providing food and beverages; catering services; restaurants; cafes; bar services; providing temporary accommodation.	<b>Class 29:</b> Meat; fish; shellfish; molluscs; crustacea; poultry; game; meat extracts; preserved, dried, cooked and frozen fruits, fungi and vegetables; preserves; jellies; jams; marmalades; cranberry sauce; desserts; eggs; milk and milk products; cheese; edible oils and fats; butter; soups; sandwiches, meals and snacks

included in this class; potato crisps; pickles; Tofu; Vegetables, cooked; Vegetables, dried; Vegetables,
 preserved.
<b>Class 30:</b> Breads, rolls, pastries; cereal based snacks; preparations made from cereals; bruschetta; bread sticks; pastries and confectionery; sandwiches; prepared meals; pizzas, pies and pasta dishes; tea and beverages ready for consumption; bakery products, products made from flour; speciality breads, French breads, croissants, rolls, scones, pastries, patisseries, cakes, pizza bases, biscuits, bagels, sweets, chocolates; ices and frozen confectionery; ice creams; frozen yoghurt; ice-cream and ice-cream products; dairy ice cream; sweets; sauces; ice cream sauces;
flavourings; chocolate; chocolate flavourings; chocolate flavoured coating; puddings; desserts; coffee, tea, cocoa, sugar, artificial coffee; pastry and confectionery, ices; honey, treacles; ice; sorbets; frozen confections; ice cream bars; frozen yogurt bars; pies; pastry; puddings, tarts, pastries and flans, pastry products; cookies; buns; confectioneries; hot chocolate; ice beverages; waffles.
<b>Class 43:</b> Services for providing food and drink; provision of food and drink; self-service restaurant, bars, cafes and restaurants and catering services; snack bar, bistro café, cafeteria and coffee shop services; tapas bars; take- away services, and counter service for the sale of take-away and fast foods, ice cream parlour services; snack bar services; event catering services; mobile catering services; preparation of foodstuffs and beverages for consumption on or off the premises; restaurant and cafés serving ice cream, edible ices, milk beverages, milk shakes, pastry and confectionery, coffee-based beverages, cocoa-based beverages, chocolate-based

beverages, tea-based beverages, biscuits, cookies, cakes, chocolate, pancakes, pralines, sherbets, sorbets, waffles, yoghurt, crepes and
smoothies; information, advisory and consultancy services relating to all of the aforesaid.

- 40. The opponent made lengthy submissions in relation to the identity and/or similarity of the respective goods and services for each of its earlier marks, which I have considered in this decision.
- 41. The applicant denied identity/similarity between the contested goods and the opponent's services. However, in his submissions he admits that:

"Although there is a degree of overlap between the class 43 services of the Opponent's marks and the class 43 services of the Applicant's marks, these are firmly offset by the very clear differences in the marks at issue."

42. For the purpose of considering the issue of similarity of goods and services, it is permissible to consider groups of terms collectively where they are sufficiently comparable to be assessed in essentially the same way for the same reasons.<sup>1</sup>

## Class 43 (covered by both applied for marks)

43. The opponent's specification contains services in relation to "providing food and beverages" and "services for providing food and drink" which are clearly identical to the identically worded contested terms, namely "services for providing food and drink; provision of food and drink", but also broad enough to cover the following contested terms: "self-service restaurant, bars, cafes and restaurants and catering services; snack bar, bistro café, cafeteria and coffee shop services; tapas bars; snack bar

<sup>&</sup>lt;sup>1</sup> Separode Trade Mark BL O-399-10 and BVBA Management, Training en Consultancy v BeneluxMerkenbureau [2007] ETMR 35 at paragraphs 30 to 38.

services; event catering services; mobile catering services; take-away services, and counter service for the sale of take-away and fast foods, ice cream parlour services; preparation of foodstuffs and beverages for consumption on or off the premises; restaurant and cafés serving ice cream, edible ices, milk beverages, milk shakes, pastry and confectionery, coffee-based beverages, cocoa-based beverages, chocolate-based beverages, tea-based beverages, biscuits, cookies, cakes, chocolate, pancakes, pralines, sherbets, sorbets, waffles, yoghurt, crepes and smoothies", which are considered to be identical based on Meric.

# Information, advisory and consultancy services relating to all of the aforesaid

44. The information and advisory services will be likely offered as an adjunct to the applicant's and the opponent's food/drink services to the customers/guests or the general public. For example, this could involve information about the food and drinks menu, opening hours, or availability provided by the opponent's provision of food and drink or restaurant services. Therefore, there is complementarity between the respective services. However, I note that the contested consultancy services may target business users or professionals in the hospitality sector. In this regard, the nature and method of use are different, and there is no element of competition. Taking into account all the factors, I find the respective services to be similar to a medium degree.

#### Classes 29 and 30

45. Before addressing the similarity between the contested goods in Class 29 and 30 and the opponent's services in Class 43, I will make some general remarks. I note that there is an inherent divergence between the competing goods and services. On the one hand, the nature of the contested goods per se differs from the opponent's services, as the former are tangible and the latter are intangible, affecting their method of use. I note that there is some similarity in purpose between the earlier services, involving the

provision of food and drink, and the applied for goods, as both satisfy consumption for sustenance or enjoyment. Beyond that, the end purpose differs as the goods are purely for sustenance/enjoyment, whereas the services offer the consumers the option or convenience to enjoy a meal or drink prepared and served once ordered. They may also share the same users as one could avail oneself of the service, such as going out, or purchase food products from a shop and cook them at home. The trade channels may overlap, particularly when the consumers have the option to either sit in or take away prepared meals/drinks, such as coffee, sandwiches, etc. There may be a degree of competition for some of the goods (compared to the services), as the consumer may on occasion choose between eating/drinking out, or purchasing products for consumption at home, although the degree of competition may vary depending on the exact things at issue. I will now set out my findings below.

# <u>Prepared meals; pizzas, pies and pasta dishes; sandwiches; pies; [...]</u> <u>pastry products; soups; [...], meals and snacks included in this class</u>

46. The contested goods in Classes 29 and 30 include complete meals/snacks, such as sandwiches and pizzas, that require no preparation for their consumption. These can either be bought as ready-made products from a shop or else can be ordered at the opponent's establishments, such as restaurants, cafes, and bars. The goods are different in nature (physical v non-physical) and purpose (other than sustenance/enjoyment of food) from the opponent's services. The average consumer could choose to either purchase the contested ready-made goods and eat them at home or eat them out by going to a restaurant or cafe using the opponent's services. Against this background, there is an overlap in users and trade channels. The competing goods and services are, in my view, similar to a medium degree.

# <u>Tea and beverages ready for consumption; coffee, tea, cocoa, [...] artificial</u> <u>coffee; hot chocolate; ice beverages</u>

47. The contested goods are all hot or cold, including caffeinated beverages. Such goods could be sold, for example, either in granulated form or tea bags or as prepared drinks ready for consumption which can be bought from a shop or ordered in a café, restaurant, or bar. As explained previously, there is a difference in nature and purpose (other than sustenance/enjoyment of food) between the contested goods and the opponent's services, but there is an overlap in users and trade channels. There is competition between the contested goods and the earlier services. I find them to be similar to a medium degree.

#### Meat; fish; shellfish; molluscs; crustacea; poultry; game; meat extracts

48. All the contested goods are foodstuffs of animal origin that have been prepared for consumption, including not just raw products but also products in processed form, such as hamburgers and sausages, and those that have been cooked, smoked or marinated. Such goods could be either bought from a supermarket or ordered in a restaurant. The nature and the end purpose (other than sustenance/enjoyment of food) are different from the opponent's services, but the users and trade channels may overlap. There is a degree of competition since the consumers have the option either to buy such goods from a shop or order them in a restaurant. I find there to be similarity of a medium degree.

<u>Preserved, dried, cooked and frozen fruits, fungi and vegetables;</u> <u>vegetables, cooked; vegetables, dried; vegetables, preserved; pickles;</u> <u>tofu; potato crisps</u>

49. The contested goods contain a variety of fruits or vegetables cooked or preserved or undergone a preservation process or processed, namely tofu, all prepared for consumption. Such goods are usually sold in tins, jars or packets in shops. I identify that most of these goods could be either secondary ingredients in cooking or very likely the key component for vegetarian or vegan meals. Following the analysis provided in the previous paragraph, the users will choose between buying such products from shops or going to a restaurant. The goods and services differ in nature and purpose. The users are the same, and trade channels may overlap. There is some competition, as the consumers could select either to buy such products and eat/cook them at home or a restaurant. There is similarity to a low to medium degree.

# Breads, rolls [...]; bruschetta; bread sticks; bakery products, products made from flour; buns; speciality breads, French breads, [...] pizza bases, [...], bagels

50. The contested goods are all bakery products primarily made from flour which could generally be considered staple products. Although they differ in nature from the opponent's services in Class 43, they share the same users and channels. The applicant's goods could likely be served in establishments where the opponent's services are provided, such as restaurants, bars, and cafes. As noted above, there is some competition on the basis that the consumers could either buy these goods from shops or eat them at the opponent's establishments. I find them to be similar to a low to medium degree.

<u>Cookies; waffles; scones, [...] patisseries, cakes, [...] biscuits, [...] sweets,</u> <u>chocolates; pastries; croissants [...]; pastry; cereal based snacks;</u> <u>preparations made from cereals; chocolate; puddings; confectioneries;</u> <u>confectionery; patisseries, cakes, biscuits, sweets, chocolates; tarts, [...]</u> <u>and flans; lces and frozen confectionery; ice creams; frozen yoghurt; icecream and ice-cream products; dairy ice cream; ice; sorbets; frozen <u>confections; ice cream bars; ices; frozen yogurt bars; desserts</u></u>

51. The contested goods are a variety of products that are considered to be treats of some sort. The nature and purpose (other than sustenance/enjoyment of food) are different from the opponent's services, but there is an overlap in users, and trade channels. There may be some degree of competition, as one can either buy such goods from shops and eat them at home or eat them out at the opponent's establishments. Considering these factors together, I find the respective goods and services to be similar to a low degree.

<u>Edible oils and fats; butter; eggs; milk and milk products; cheese;</u> preserves; jellies; jams; marmalades; cranberry sauce; ice cream sauces; flavourings; honey, treacles; sauces; chocolate flavourings; chocolate flavoured coating; [...] sugar

52. These goods are foodstuffs that form part or components of a meal or used as ingredients to enhance flavour and some of them can be added as toppings. The goods in question do not share nature, purpose, channels of trade with the opponent's earlier services. There is also no complementarity or competition between the respective goods and services. Therefore, I find them to be dissimilar or, if I am wrong in this finding, similar to only a very low degree.

## Average Consumer and the Purchasing Act

53. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purposes of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods and services in question: *Lloyd Schuhfabrik Meyer*, Case C-342/97. In *Hearst Holdings & Anor v A.V.E.L.A. Inc & Ors*, [2014] EWHC 439 (Ch), at paragraph 70, Birss J described the average consumer in these terms:

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

- 54. The goods at issue in Classes 29 and 30 are various food or drink items, some of which are basic cooking ingredients or condiments/sauces, all of which would be purchased and consumed by the general public. These are inexpensive goods purchased through primarily visual means, most often selected from supermarket shelves or on a website for home delivery. Whilst the average consumer will predominantly purchase them following a visual inspection, I do not discount aural recommendations. Given the low cost of the goods, the level of care and attention paid when purchasing them will be no more than average.
- 55. The services in Class 43, including the information and advisory services, will be used by members of the general public. When selecting the service provider, no more than an average degree of consideration will be deployed by the average consumer. The selection process will be predominantly visual, with the average consumer selecting the service following a visual inspection of the shops, such as the signage outside a café, website, or promotional material, though I do not discount the aural considerations.
- 56. In addition, the Class 43 services relating to information, advisory and consultancy services will also target businesses and professionals, who will select the service provider based on reviews, cost, and suitability, while they may also consult the service provider before making the final decision. The selection process will be predominantly visual, without discounting the aural considerations. Given the more specialist nature of the services, I consider that the average consumer in question will pay an average to high degree of attention in choosing the service provider.

## **Comparison of Trade Marks**

57. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a 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 marks must be assessed by reference to the overall impressions created by the 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."

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

Earlier Marks	Contested Marks
<u>Earlier mark '576</u> ACE CAFE	<u>Contested mark '503</u> ACE CREAMS / ace creams
Earlier mark '332	<u>Contested mark '505</u> ACE CREAMS AND TAPAS / ace creams and tapas

#### **Overall Impression**

60. The opponent in its statement of grounds of opposition contends that:

"The most distinctive and dominant element of Applicant's sign is the word 'ACE' because it is positioned at the beginning (and thus most memorable part) of the mark and is the only element that is not descriptive. Similarly, 'ACE' is also the most distinctive element of the Opponent's earlier trade mark since 'CAFE' is descriptive of the registered services."

61. Further, the opponent in its submissions in lieu states:

"We submit that the most distinctive element of all of the trade marks in the present case is the word 'ACE' and, that as a result, it is this element that determines their overall impression. This is because the words 'CREAMS' and 'TAPAS' in the Applicant's signs are descriptive of the types of foodstuff being sold and offered via its restaurant/catering services (namely, ice creams and light bites/snacks) and, as a consequence, are commonly used in trade in the course of providing such services; and because the word 'CAFE' in the earlier trade marks is exclusively descriptive of the Opponent's café services (with the term 'LONDON' in the Opponent's EUTM 015812332 being geographically descriptive).

We note the admission in paragraph 6 of the Applicant's evidence that the verbal element 'CAFE' in the Opponent's earlier trade marks is "completely descriptive". Accepting this, it must be concluded that, at least for the Opponent's EUTM 017776576, the word 'ACE' is the only distinctive element. This admission by the Applicant thus contradicts its claims, also in paragraph 6, that the word 'ACE' is laudatory and descriptive (and so lacking distinctiveness). [...]

On the issue of dominance, we submit that, for the Applicant's signs and the Opponent's EUTM 017776576, none of the elements of these signs is dominant over another since these are word marks in which all of the verbal components are presented in the same font/size.

As for the Opponent's EUTM 015812332, we disagree with the Applicant's claim (at paragraph 6 of its evidence) that the verbal element 'ACE CAFE' is "de minimus" relative to the figurative elements. Instead, we submit that 'ACE' is the dominant element of this earlier trade mark, since it is contained in the centre of the mark, overlaying the Ace of Clubs device. Accordingly, this word is visually striking, and its significance is enhanced because it is a repetition of the wording contained within the border of the roundel ('ACE CAFE LONDON'), and because the meaning of this term is reinforced by the Ace of Clubs device. We would also refer to well-established case law which states that the verbal component of a sign has a stronger impact on the consumer than any figurative elements because the relevant public does not tend to analyse trade marks and will more easily refer to the sign in question by its verbal element rather than by describing its figurative elements (per SeleniumAce [2005] T-312/03)."

62. The applicant denied the opponent's claims in his counterstatement. Further, he puts forward in his submissions the following: "Although the marks do coincide with regard to the word "Ace", there are numerous additional elements in the marks at issue which are not shared and therefore serve to visually distinguish the marks from each other. The word "Ace" is not the dominant and distinctive element of the Opponent's mark ['332] and it would be wrong to compare the marks at issue on this basis. The distinctive and dominant feature of the Opponent's mark is in fact the device of a three-leaf clover, shown superimposed on the central white circle in a contrasting colour. These features are absent in the Applicant's mark. The distinctiveness of the Opponent's mark relies heavily on the composite nature being a combination of a highly visual composite mark in the form of a roundel which consist of a white circle with a circular black border, the device of a three-leaf clover, shown superimposed on the central white circle in a contrasting colour, the de minimus text "ace", also presented in contrasting colours, together with the text "Ace Cafe London".

[...]

The word "Ace" is not the dominant and distinctive element of the Opponent's mark ['576] as it comprises the words ACE and CAFE represented equally, and it would be wrong to ignore the element CAFE.

[...]

The Opponent focuses its arguments on the perceived similarity between the marks at issue based on the commonality of the word ACE, arguing this is the distinctive and dominant element of the mark ACE CAFE. However, the word "ace" is a well-known superlative, and the word "cafe" is descriptive as such of very low distinctness. Accordingly, any differences between the marks at issue, namely the words "cafe", "creams" and "creams and tapas" will play a decisive role in the overall impression the respective marks convey to the average consumer, serving to distinguish the marks one from another. The Opponent has tried to put forward the argument that the earlier mark ACE CAFE is essentially "ACE" and that any other elements in the marks should be ignored when undertaking a comparison. This is of course incorrect, such an analysis would afford the Opponent's mark far wider protection than that they are entitled to, and which was envisioned by the marks were granted registration."

- 63. The contested marks '503 and '505 consist of the words "ACE CREAMS / ace creams" and "ACE CREAMS AND TAPAS / ace creams and tapas", respectively, presented in both upper and lower case and standard font. Registration of a word mark protects the word itself presented in any normal font and irrespective of capitalisation.<sup>2</sup> Notably, I identify that the word elements "CREAMS/creams" might be allusive to the goods and services, and "TAPAS/tapas" may be seen as descriptive referring to the goods and services of the contested marks. However, they will still contribute to the overall impression. Therefore, the overall impression of the marks lies in the words themselves.
- 64. The same approach applies to the earlier mark '576 as laid out in the preceding paragraph. Therefore, the overall impression of the word mark "ACE CAFE", presented in upper case and standard font, rests in the words themselves but the second word element "CAFE" would be perceived as descriptive of the services, thereby increasing the significance of the first word element. I will return to the question of distinctiveness later and the impact, if any, this has on the likelihood of confusion.
- 65. The earlier mark '332 consists of word and figurative elements. At the centre of the mark, there is a device of a three-leaf clover, also known as the Ace of Clubs, with the word ACE superimposed at the bottom of it, smaller in size than the rest of the word elements. The device is encased in a black circular border within which there are the word elements ACE

<sup>&</sup>lt;sup>2</sup> See *Bentley Motors Limited v Bentley 1962 Limited*, BL O/158/17, paragraph 16.

CAFE at the top and the word LONDON at the bottom presented larger in size and in an upper case and standard white font. I find that the device and the word ACE make a roughly equal contribution and have the greatest weight in the overall impression. The words CAFE and LONDON play a less prominent role due to their descriptiveness, whereas, in my view, the circular border device is decorative.

#### Visual Comparison

### Contested marks and earlier mark '576

66. The earlier mark and the series of two contested marks '503 consist of two word elements, namely "ACE CAFE" and "ACE CREAMS/ace creams", respectively. However, the series of two contested marks '505 consist of four words, namely "ACE CREAMS AND TAPAS/ace creams and tapas". I bear in mind that the beginnings of words tend to have more impact than the ends, although this is just a rule of thumb.<sup>3</sup> All the contested marks fully incorporate the first word element of the earlier mark, "ACE". However, the competing marks differ in the rest of the word elements. The case divergence of these word elements will play no material role due to the notional and fair use of the contested word mark in any standard font, case, and colour. Whilst the second word element in the earlier mark is the word "CAFE", the second word element in both contested marks is the word "CREAMS/creams". The opponent, in its submissions, states that "[...] the second word of all of the marks begins with the letter 'C', providing another visual coincidence [...]". Although I concur with the opponent as to the similarity in the letter, I note that the entire word is different. A further visual difference is that the third and fourth word elements of the contested marks '505 are "AND TAPAS/and tapas" with no counterparts in the earlier mark. Considering the overall impressions of the marks and the similarities and differences, I find there is a medium degree of visual similarity between the earlier mark and the contested marks '503, whereas similarity between

<sup>&</sup>lt;sup>3</sup> See El Corte Inglés, SA v OHIM, Cases T-183/02 and T-184/02.

the earlier mark and the contested marks '505 is to a low to medium degree.

## Contested marks and earlier mark '332

67. The word ACE consists the only visual overlap between the respective marks. The rest of the word elements differ between the marks, namely CAFE, LONDON, CREAMS/CREAMS AND TAPAS. The font and colour divergence of the word elements in the contested marks will play no material role due to the notional and fair use of the contested word marks in any standard font, case, and colour. The device and figurative elements present in the earlier mark are absent in the contested mark, introducing a further visual difference. Taking into account the overall impression of the marks and the similarities and differences, I find there is a low degree of visual similarity.

### Aural Comparison

#### Contested marks and earlier mark '576

68. The earlier mark will be pronounced as "AYS KAF-AY" and the contested marks "AYS KREEMZ" and "AYS KREEMZ AND TAP-UHS". The earlier mark consists of three syllables, whilst the contested marks '503 and '505 are two and five syllables long, respectively. All the competing marks share the first syllable "AYS" and differ in the rest of them. In its submissions, the opponent claims that

> "[...] the marks 'ACE CREAMS' and 'ACE CAFE' share a common rhythm and intonation, since both consist of two words of similar length. Further, the second word of all of the signs begins with the letter 'C' ('CREAMS'/'CAFE') which constitutes another phonetic coincidence."

I disagree that the words are of a similar length. The earlier mark's "CAFE/ KAF-AY" is a two-syllable word and the contested mark's "CREAMS/ KREEMZ" is a one syllable word. Even though the words begin with letter 'C', the sound they create differentiates between the respective words. This is not only due to the consonant/vowel sound created by the letters following the letter 'C' but also due to the different sound the words produce. Considering the above factors, there is a low to medium degree of aural similarity between the earlier mark and the contested marks '503; and between the earlier mark and the contested marks '505 there is similarity to a low degree.

# Contested marks and earlier mark '332

69. The earlier mark '332 will be verbalised in the same way as the word mark '576 (AYS KAF-AY), as I do not consider that the average consumer will attempt to verbalise the figurative elements or the word element LONDON. Therefore, I find the same level of aural similarity between the respective marks as delineated in the preceding paragraph.

# Conceptual Comparison

70. With their submissions, both parties have made contentions regarding the conceptual aspects of the respective marks. On the one hand, the applicant has submitted that the word "ACE" will be understood "as a superlative", whilst the rest of the word elements in the applicant's marks "[have] no particular meaning and [are] conceptually distinct from the Opponent's mark ACE CAFE." On the other, the opponent contends that the common word "ACE" will "be understood by consumers as a reference to the playing card" and that " 'CREAMS'/'TAPAS' and 'CAFE' do not have identical semantic content, we submit that they are conceptually linked because these terms both relate to food/the provision of food."

# Contested marks and earlier mark '576

71. In the absence of evidence, it is my view that consumers in the UK will immediately recognise the commonly shared word "ACE" in the competing marks as an ordinary dictionary word, and will primarily ascribe a laudatory

meaning (albeit a slightly old-fashioned one), that of excellence, to the first word element "ACE" acting as a qualifier to the rest of the word components of the marks.

- 72. In this context, the earlier word mark '576 "ACE CAFE" will be conceptualised as an allusive reference to an 'excellent cafe'. Similarly, the consumers will derive the same concept of excellence from the contested marks. Nevertheless, there will be a smaller proportion that will conceptualise the term as relating to "one of the four playing cards with a single mark or spot"<sup>4</sup>. However, I note that this proportion of consumers is unlikely to be significant enough.<sup>5</sup> In any event, regardless of how the average consumer conceptualises the word "ACE", they are likely to form the same concept of that word when it appears in the competing marks.
- 73. As for the remaining word elements in the competing marks, namely "CAFE", "CREAMS", and "CREAMS AND TAPAS", these are all wellknown words, including the foreign word "TAPAS", to the UK average consumer that will be readily understood. In more detail, "CAFE" is a type of a food/drink establishment; "CREAMS" is commonly understood as the product stemming from milk; and "TAPAS" is a type of food originating from Spain. These word elements "CAFE", "CREAMS", and "CREAMS AND TAPAS", comprise the only conceptual difference between the competing marks, which will be either descriptive or allusive of the goods and services. Notwithstanding the difference highlighted, there is still a medium degree of conceptual similarity.

#### Contested marks and earlier mark '332

74. Contrary to the conceptual meaning defined above, the word element "ACE" in the second earlier mark '332 will be conceptualised differently. Because of the three-leaf clover device in the earlier figurative mark, contributing to a roughly equal degree to the overall impression of the mark

<sup>&</sup>lt;sup>4</sup> According to the definition provided by the Cambridge Dictionary Online.

<sup>&</sup>lt;sup>5</sup> See Interflora Inc v Marks and Spencer plc [2013] EWHC 1291 (Ch).

as the word ACE, the average consumer will directly attribute the meaning of an Ace playing card to the word element ACE rather than the laudatory one as described in the preceding paragraph. Therefore, in this case, the rest of the word elements, CAFE and LONDON, of the earlier mark will be perceived as such, detached from the meaning of excellence, which is ascribed to the word elements "CREAMS", and "CREAMS AND TAPAS" of the contested marks. As the common word element "ACE" will be conceptualised differently in the competing marks, affecting the conceptual basis of the rest of the word elements in the marks, I find them to be conceptually dissimilar.

#### **Distinctive Character of the Earlier Trade Mark**

75. In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97, paragraph 22 and 23, the CJEU stated that:

"In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51)."

- 76. Registered trade marks possess varying degrees of inherent distinctive character from the very low, because they are suggestive of, or allude to, a characteristic of the goods or services, to those with high inherent distinctive character, such as invented words which have no allusive qualities.
- 77. As outlined in the previous section, the opponent's word mark '576 "ACE CAFE" consists of ordinary dictionary words which will be familiar to the average consumer. The combination of the words does not strike me as highly distinctive. The second word element, CAFE, will be descriptive of hospitality services for which it is registered. As explained previously in this decision, consumers will mostly perceive the first word element ACE as laudatory, albeit a slightly old-fashioned word, with a significantly smaller proportion attributing the meaning of the playing card to it. Thus, the distinctiveness of the word mark will be of a low degree.
- 78. In terms of the figurative mark '332, there are various elements that comprise it. I note that a different meaning will be ascribed to the word element ACE in this instance. As delineated above in this decision, the average consumer will perceive it as indicative of the playing card due to the three-leaf clover device. To that extent, there is no corelation between the word ACE and the registered services. Moreover, the words CAFE and LONDON are descriptive of the services and their location. I bear in mind that only the common elements between the respective marks should be considered to evaluate the relevant (to the question of confusion) distinctiveness.<sup>6</sup> The device and the overall stylisation of the mark will add to the distinctiveness, but I note that there are no such counterparts in the contested marks, so these elements are unlikely to increase the likelihood

<sup>&</sup>lt;sup>6</sup> See Kurt Geiger v A-List Corporate Limited, BL O-075-13.

of confusion. In relation to the common element, ACE, the mark will be rendered to be inherently distinctive to an average degree.

### Enhanced Distinctiveness

- 79. The level of distinctiveness of a mark may be enhanced through use. Enhanced distinctiveness is a measure of how strongly the mark identifies the services of the opponent. As mentioned, the inherent distinctiveness of the earlier marks will be either low for the word mark or higher than an average degree for the figurative mark.
- 80. The evidence of use filed by the opponent has been summarised above, and I will now consider whether the earlier mark has acquired enhanced distinctive character through use. Before doing so, I will first address some of the points raised during the evidence/submission rounds. The applicant opined in his witness statement that the opponent has failed "to demonstrate that their marks have enhanced distinctive character." In turn, the opponent made lengthy submissions, which I have taken into account, reiterating its position that there is enhanced distinctiveness based on the evidence adduced with the witness statement of Mr Huff. The opponent also asserts that the applicant's witness statement does not comply with the Tribunal Section 4.8.1 of the Trade Marks Manual in that it contains submission as opposed to evidence of fact.<sup>7</sup> Whilst I agree that the applicant's witness statement does not contain evidence of fact, this, in and of itself, is not a good reason for ignoring the submissions made.
- 81. The opponent also claims that the relevant date for considering enhanced distinctiveness is the filing date of the applications and the date of my decision. I disagree. I must be satisfied that there was a likelihood of

<sup>&</sup>lt;sup>7</sup> In particular, Section 4.8.1 states:

<sup>&</sup>quot;Submissions are not evidence

To be relevant, evidence must provide the facts which clearly relate to the issues raised in the case. Submissions per se are not debarred but if a party wishes only to comment on the other side's evidence or make submissions about the truth of it, written submissions are the more appropriate vehicle."

confusion at the point of filing, so this, 15 October 2019, is the relevant date.

82. In relation to the evidence, the opponent's generalised sales in the UK were approximately £6 million in total between 2016 and 2019. Although the opponent admits in its submissions that the hospitality market is a large market, it claims that it operates in a significantly smaller sub-market, holding "a substantial share of the transport/biker cafe market in the UK with turnover of not less than £1.5mil per year". Notably, there is no indication of the market share held by each of the marks neither in the hospitality market nor the claimed sub-market. Whilst the sales figures are not insignificant, this would unlikely represent a particularly substantial market share given, presumably, the extensive size of the hospitality sector. Further, a fairly low amount has been spent on advertising (approximately £50,000 between 2016 and 2019) in promoting the given marks. Despite the opponent's promotional activities, including the promotional magazine, organisation of events or attendance at motoring shows as exhibited in the evidence, no evidence of promotional material indicates any extensive media coverage nor intensive advertising or promotional activities in the UK. Most importantly, it is apparent from the opponent's evidence and submissions that it only has one establishment in the UK. Whilst I accept that the mark may be more well-known in the biker community than it is in the general UK population, I do not consider that the use shown establishes enhanced distinctiveness for the average consumer as a whole, or even for a significant enough subset of average consumers. In conclusion, for the reasons provided above, the opponent's marks do not benefit from enhanced distinctiveness through use, or if I am wrong, it is minimal and has no material effect to that extent.

#### Likelihood of Confusion

83. In assessing the likelihood of confusion, I must adopt the global approach set out in the case law to which I have already referred above in this decision. Such a global assessment is not a mechanical exercise. I must also have regard to the interdependency principle, that a lesser degree of similarity between the goods or services may be offset by a greater degree of similarity between the marks, and vice versa.<sup>8</sup> It is essential to keep in mind the distinctive character of the opponent's trade mark since the more distinctive the trade mark, the greater the likelihood of confusion. I must also keep in mind that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon imperfect recollection.<sup>9</sup>

- 84. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other. Indirect confusion is where the consumer notices the differences between the marks but concludes that the later mark is another brand of the owner of the earlier mark or a related undertaking.
- 85. In *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10, Iain Purvis Q.C., sitting as the Appointed Person, explained 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

<sup>&</sup>lt;sup>8</sup> See Canon Kabushiki Kaisha, paragraph 17.

<sup>&</sup>lt;sup>9</sup> See *Lloyd Schuhfabrik Meyer*, paragraph 27.

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)."

I note that the categories identified above by Mr Purvis Q.C. are not exhaustive.<sup>10</sup>

86. In *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17, Mr James Mellor Q.C., as the Appointed Person, stressed that a finding of indirect confusion should not be made merely because the two marks share a common element. In this connection, he pointed out that it is not sufficient that a mark merely calls to mind another mark. This is mere association not indirect confusion.

<sup>&</sup>lt;sup>10</sup> *Thomson Hotels LLC v TUI Travel Amber E&W LLP* BL- O-440/14 at paragraph 29.

- 87. Earlier in this decision I have concluded that:
  - the goods and services at issue range from being dissimilar to identical;
  - the average consumer of the parties' goods is a member of the general public, who will select the goods by predominantly visual means, but without dismissing the aural means. The attention will normally be no more than average. These findings apply to the services in Class 43 also, except for the set of services which I identified above in this decision, where the average consumer will be businesses and/or professionals who will pay an average to high degree of attention in choosing the service provider;
  - the series of two contested marks '503 and the earlier mark '576 are visually similar to a medium degree; aurally similar to a low to medium degree and conceptually similar to a high degree;
  - the series of two contested marks '505 and the earlier mark '576 are visually similar to a low to medium degree; aurally similar to a low degree and conceptually similar to a high degree;
  - the earlier mark '332 and both of the contested marks are visually and aurally similar to a low degree and conceptually dissimilar;
  - the earlier word mark '576 is distinctive to a low degree whereas the earlier figurative mark '332 is distinctive to an average degree as to the common element. The use is not sufficient to establish enhanced distinctiveness of the mark.
- 88. The likelihood of confusion does not arise in relation to the application's goods which are dissimilar to the earlier mark's services. **The opposition** cannot succeed against dissimilar goods and, therefore, is dismissed insofar as it concerns the following goods:

**Class 29:** Edible oils and fats; butter; eggs; milk and milk products; cheese; preserves; jellies; jams; marmalades; cranberry sauce.

**Class 30:** Ice cream sauces; flavourings; honey, treacles; sauces; chocolate flavourings; chocolate flavoured coating; [...] sugar.

#### Earlier Mark '576

- 89. I will consider first if there is a likelihood of confusion in relation to the respective services before I move on to the contested goods.
- 90. Concerning the services for which there is identity/similarity and taking into account the above factors together with the principle of imperfect recollection, I find that there is direct confusion. Although I have found earlier in this decision that the inherent distinctiveness of the earlier mark is of a low degree, this does not prevent a likelihood of confusion.<sup>11</sup> Given the identity/similarity of the services and the high degree of conceptual similarity, the average consumer will most likely recall the identical and first word element "ACE", conveying the meaning of excellence, in the marks, perceiving the rest of the word components as descriptive and/or allusive. It is my view that the differences do not outweigh the similarities between the marks. Thus, the average consumer is likely to mistake the applicant's and the opponent's marks for one another.
- 91. If I am wrong on direct confusion, the average consumer, having identified that the marks are different, will assume that the respective marks originate from the same or economically linked undertakings. The similarities between the marks stemming from the identical word "ACE" are sufficient to result in indirect confusion. The first word element "ACE" will be regarded as a house mark and based on the same concept, rendering the rest of the word elements ("CAFE", "CREAMS" and "CREAMS AND TAPAS") as descriptors or allusive indicators. Notably, the applicant's services, bearing the marks "ACE CREAMS" and "ACE CREAMS AND TAPAS", will be viewed as a brand extension or variation of the "ACE CAFE" mark, or vice versa, particularly bearing in mind the allusiveness of

<sup>&</sup>lt;sup>11</sup> See L'Oréal SA v OHIM, Case C-235/05 P.

the points of difference. Consequently, I find there to be a likelihood of indirect confusion between the marks regarding the services at issue, which I found to be identical and similar to a medium degree.

- 92. In reaching the above finding, I bear in mind that the earlier mark, including the common word element "ACE", is distinctive to only a low degree. Notwithstanding this factor, which may point away from confusion, I am satisfied that the level of similarity between the marks and the closeness of the services, including the consultancy services, will result in confusion for the reasons advanced above.
- 93. Turning now to the contested goods in Classes 29 and 30. I found the goods to range from a low to medium degree of similarity, excluding those I have already found dissimilar. Considering the interdependence principle of the various factors. I find that there is no likelihood of confusion for such goods. Given the findings I delineated previously in this decision in relation to the respective marks and goods/services together with the low degree of inherent distinctiveness that the earlier mark possesses, it is my view that the consumers will put the similarity between the marks down to a mere coincidence. I struggle to see how the average consumer, when, for instance, engages with the given goods bearing the common word "ACE" in the course of trade, will erroneously come to the conclusion that they are provided or belong to the same or economically linked undertakings as the services. For the avoidance of doubt, this finding applies across the goods in Classes 29 and 30, irrespective of their degree of similarity, including those goods outlined in paragraph 88 of this decision in the case where they are deemed to be similar to a very low degree.

#### Earlier mark '332

94. Notwithstanding imperfect recollection and the higher than average degree of distinctiveness, the factors persuade me that there is no likelihood of direct confusion. I find that when the marks are considered as a whole, the average consumer would recall the presence/absence of the device in the earlier mark, which I have found to have the greatest weight together with the word ACE, and the conceptual difference, enabling them to distinguish between the marks. Therefore, the average consumer will not mistake the applicant's mark for the opponent's.

95. In terms of indirect confusion, I do not consider that the average consumer will assume that the identical/similar goods and services are offered by the same or economically linked undertaking. When encountering the common word element "ACE" in the competing marks, the average consumer will conceptualise (and recall) it differently between the marks, leading them away from confusion. This is because the three-leaf clover device, which plays a significant role in the earlier mark, will create a profound meaning of the playing card transposed to the word element ACE, thereby becoming the means for the average consumer to distinguish between the competing marks. As a result, there will be no laudatory meaning of excellence conveyed by the common word ACE. To that end, the word ACE will not qualify the rest of the word elements, i.e. CAFE and LONDON, in the earlier mark as in the case of the contested marks, where the words CREAMS/CREAMS AND TAPAS will be imputed with the meaning of excellence as explained above. Notwithstanding the average degree of inherent distinctiveness of the common element of the earlier figurative mark, it is my view that the average consumer will consider that the common word element "ACE" will be a mere coincidence without being indicative of a brand extension or sub-brand of either of the marks involved. Finally, I note that this finding applies to all goods and services, including those services I have found to be identical. I accept that this is an evenly balanced decision, and it might be possible for the earlier mark to be brought to mind, but for the reasons given I am not persuaded that there is a likelihood of confusion.

# OUTCOME

96. The oppositions under Section 5(2)(b) only succeed under the earlier word mark '576, which is currently subject to EUIPO invalidation proceedings. Given the nature of these consolidated proceedings, this, therefore, is a provisional decision, which will be made final once the proceedings at the EUIPO are concluded. The appeal period will run from the date of that supplementary decision.

### COSTS

97. As this decision is yet to be made final, there will be no award of costs made at this time. Costs will be awarded along with the issuance of the final decision.

Dated this 24<sup>th</sup> day of November 2021

Dr Stylianos Alexandridis For the Registrar, The Comptroller General