

IN THE HIGH COURT OF JUSTICE
BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES
INTELLECTUAL PROPERTY LIST (ChD)
ON APPEAL FROM THE REGISTRAR OF TRADE MARKS OF THE UNITED
KINGDOM INTELLECTUAL PROPERTY OFFICE

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Wednesday, 15 November 2023

BEFORE:

MRS JUSTICE JOANNA SMITH

BETWEEN:

NBA PROPERTIES INC

Appellant

- and -

PIZZA TEXA BULLS INC

Respondent

MR J MUIR WOOD appeared on behalf of the Appellant

JUDGMENT

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(Official Shorthand Writers to the Court)

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1. **MRS JUSTICE JOANNA SMITH:** This is an appeal from the decision of James Hopkins for the Registrar, dated 7 July 2023, in which the Hearing Officer refused an application by NBA Properties Inc ("**the Appellant**") to invalidate the trade mark registration 3554542 for Pizza Texas Bulls Inc ("**the Contested Mark**").
2. The Appellant was represented at the hearing by Mr Muir Wood, for whose assistance, in the form of his written and oral submissions, I am most grateful. No skeleton argument was received from the Respondent in advance of the appeal, and the Respondent was unrepresented at the hearing.
3. I was informed by Mr Muir Wood at the outset of the hearing that it is thought that the Respondent may be insolvent, but that nevertheless the appeal is important to the Appellant because the Respondent, or its successor(s) in title, may still own the Contested Mark and may in future seek to make use of it.

Background:

4. The Contested Mark is in the form of a red bull's head on a black background with the words "Pizza Texas" appearing above the bull's head, and the word "BULLS" appearing below.



5. The Contested Mark was filed on 11 November 2020, was added to the register on 2 April 2021 and is registered for the following classes of goods and services:

Class 30: pizzas and pizza products, namely pizza crusts, pizza pies, pizza mixes, pizza flour, pizza dough, pizza sauces, prepared pizza meals, preparation for making pizza bases and pasta for incorporating into pizza; sauces and spicy sauces;

Class 39: pizza delivery services; delivery of food and drinks by restaurants; and

Class 43: restaurant services; restaurant services featuring in-restaurant dining and carryout services; catering services; cafes; services of preparation of takeaway.

6. The application to invalidate the Contested Mark was brought under sections 5(2)(b), 5(3), 5(4)(a) and 5(4)(b) of the Trade Marks Act 1994 ("**the Act**"), along with Article 6*bis* of the Paris Convention. The Article 6*bis* application is the only one which is pursued in this appeal, but the law in respect of sections 5(2)(b) and 5(3) of the Act remains relevant for reasons I shall come to in a moment.
7. Under Article 6*bis* of the Paris Convention, the Appellant asserted that the following two device marks, each showing a red bull's head, one also containing the words "Chicago Bulls"



were well-known in the UK through their use in the US, Canada and Europe for "*basketball games, competitions and exhibitions*", along with "*the sale of food and beverages*", and:

"... branded merchandise including toys, clothing, footwear, headgear; advertising, marketing and promotional services for sport teams and sporting events; organising and conducting sporting activities and events; educational services; providing of training; entertainment services; sporting and cultural activities; information services relating to sports events".

8. These two device marks were specifically referred to in section E and at Annex B and Annex C to the Appellant's Form TM26(I) ("**the Device Marks**").

The Hearing Officer's Decision:

9. In his decision, the Hearing Officer dealt first with the claims of invalidity pursuant to sections 5(2)(b) and 5(3) of the Act, identifying for these purposes that the Appellant relied for its 5(2)(b) claim upon four UK-registered trade marks, and for its 5(3) claim upon those four trade marks, together with two additional UK-registered trade marks. He continued throughout his decision to refer to these six trade marks as "the earlier trade marks", or "the earlier marks". At paragraph 7 of his decision, he said this about the Appellant's Article 6*bis* case:

"The applicant also claims that the earlier marks relied upon under sections 5(2)(b) and 5(3) are well-known marks within the meaning of Article 6bis of the Paris Convention."

10. As we shall see in a moment, in referring in this context to the earlier marks, the Hearing Officer fell into error because the Appellant's case on Article 6bis depended upon the Device Marks identified above and set forth in section E and Annexes B and C to Form TM 26(I) and not upon any of the UK-registered trade marks that he had already defined as the earlier marks. The Hearing Officer dealt with the Article 6bis point at paragraphs 90 to 93 of his decision, and I shall return to those paragraphs in more detail in a moment. Suffice to say that he dismissed the Appellant's reliance on Article 6bis.

Approach to the Appeal:

11. The role of the appeal court on an appeal of this sort is well-known and was recently summarised in *Axogen Corporation v Aviv Scientific Ltd* [2022] EWHC 95 (Ch) [2022] ECC 19 at [24]. This appeal is said to fall directly within paragraph 24(iii) of that decision; namely that the decision of the Hearing Officer is wrong because he has made an error of law by:

"... asking the wrong question, failing to take account of relevant matters or taking into account irrelevant matters."

12. Specifically, it is said that the Hearing Officer applied the wrong test to the facts on the Article 6bis argument.

The Law:

13. Mr Muir Wood set out the law applicable to the appeal at paragraphs 11, 12 and 13 of his skeleton argument in the following terms.

"11. Sections 5(2)(b) and 5(3) of the Act state as follows:

Relative grounds for refusal of registration.

...

(2) 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.

(3) A trade mark which—

(a) is identical with or similar to an earlier trade mark,...

shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.

(3A) Subsection (3) applies irrespective of whether the goods and services for which the trade mark is to be registered are identical with, similar to or not similar to those for which the earlier trade mark is protected.

12. Section 6(1)(c) of the Act states as follows:

Meaning of “earlier trade mark”.

(1) In this Act an “earlier trade mark” means—

...

(c) a trade mark which, at the date of application for registration of the trade mark in question or (where appropriate) of the priority claimed in respect of the application, was entitled to protection under the Paris Convention or the WTO agreement as a well known trade mark.

13. Section 56 of the Act states as follows:

Protection of well-known trade marks: Article 6bis.

(1) References in this Act to a trade mark which is entitled to protection under the Paris Convention or the WTO agreement as a well known trade mark are to a mark which is well-known in the United Kingdom as being the mark of a person who—

(a) is a national of the United Kingdom or a Convention country, or

(b) is domiciled in, or has a real and effective industrial or commercial establishment in, the United Kingdom or a Convention country,

whether or not that person carries on business, or has any goodwill, in the United Kingdom.

References to the proprietor of such a mark shall be construed accordingly.

- (2) The proprietor of a trade mark which is entitled to protection under the Paris Convention or the WTO agreement as a well known trade mark is entitled to restrain by injunction the use in the United Kingdom of a trade mark which, or the essential part of which, is identical or similar to the well known trade mark—
 - (a) in relation to identical or similar goods or services, where the use is likely to cause confusion, or
 - (b) where the well known trade mark has a reputation in the United Kingdom and the use of the other trade mark—
 - (i) is without due cause, and
 - (ii) takes unfair advantage of, or is detrimental to, the distinctive character or the repute of the well known trade mark.

This right is subject to section 48 (effect of acquiescence by proprietor of earlier trade mark).

- (2A) Subsection (2)(b) applies irrespective of whether the goods or services in relation to which the other trade mark is used are identical with, similar to or not similar to those for which the well known trade mark is entitled to protection.
- (3) Nothing in subsection (2) affects the continuation of any *bona fide* use of a trade mark begun before the commencement of this section”.

14. The Article 6*bis* point as explained by Mr Muir Wood in his oral submissions can be summarised by reference to these provisions as follows.
15. The two Device Marks are entitled to protection under the Paris Convention as marks which are well-known in the United Kingdom, notwithstanding that the business of the Appellant, which is a national of a Convention country, is carried out wholly or in part outside the United Kingdom (see section 56(1)(a) of the Act). Section 6(1)(c) of the Act provides that an “earlier trade mark” for the purposes of sections 5(2)(b) and 5(3) of the Act also includes such a mark.
16. Because a well-known mark for the purposes of section 56(1)(a) is capable of being used by a proprietor who carries on business outside the UK (or has goodwill outside

the UK), the relevant inquiry for the purposes of sections 5(2)(b) and 5(3) of the Act will include a consideration of whether the Device Marks have been used outside the United Kingdom (in this case in the United States, Canada and Europe), and whether a portion of the relevant public in the United Kingdom know of them (i.e. the Device Marks are well-known in the United Kingdom because of their reputation and use elsewhere), and, if they do know of them, the nature of the goods and services in respect of which they know of them.

17. It is accepted by the Appellant that the Hearing Officer correctly set out the law in connection with sections 5(2)(b) and 5(3) of the Act in the decision and that he correctly identified the test to be applied in dealing with the earlier marks. There is no appeal from his decision in relation to those earlier marks.
18. However, the essential complaint lying at the heart of the appeal is that, because the Hearing Officer did not appreciate that the Article 6*bis* point concerned the two Device Marks, he also did not appreciate that he needed to run the tests applicable to sections 5(2)(b) and 5(3) twice; once for the UK-registered trade marks and the uses for which they were registered (as he did in the earlier part of his decision), and then again (this time having regard to the inquiry to which I have referred in paragraph 16 above) for the Device Marks and the broader set of goods and services which the Appellant says they were used for.
19. To be fair to the Hearing Officer, he had a great deal of material before him and he heard no oral submissions, but instead dealt with the matters on the papers.

The Grounds of Appeal

Ground 1

20. Ground 1 of the appeal is that the Hearing Officer failed to consider the correct marks in reaching his decision at paragraphs 90 to 93 and that he thereby fell into error. For reasons I have already explained, I have no doubt that the Hearing Officer thought he needed to consider the earlier marks when addressing the Article 6*bis* point. This is clear from paragraph 7 of the decision to which I have already referred, and also from

paragraphs 90 to 92 in which the hearing officer refers to the reliance by the Appellant on "the earlier marks". To my mind, it is also implicit from the fact that in paragraph 92 of the decision, the Hearing Officer does not identify the need to carry out any analysis beyond that which he has already undertaken in the earlier sections of his decision.

21. In the circumstances, this Ground of Appeal is made out.

Ground 2

22. Ground 2 of the appeal is that the Hearing Officer failed to consider the goods and services relied upon in connection with the two Device Marks. This was the inevitable corollary of the error made in referring to the wrong marks. That error meant that the Hearing Officer made no reference in paragraphs 90 to 93 of his decision to the list of goods and services for which the Appellant says the two Device Marks are known, as set out in section E of the TM26(I) form, and as identified already in this judgment.
23. The consequence of this omission is that the decision in paragraph 92 to the effect that (1) there was no likelihood of confusion because the Hearing Officer had already found the parties' goods and services to be dissimilar; and (2) if the earlier marks were well-known, that could only extend to services for which the Hearing Officer had already found those marks to have a reputation under section 5(3), was erroneous. It failed to refer to the correct marks (the Device Marks) and thus failed to identify the wider scope of goods and services on which the Appellant relied in connection with those marks.
24. Accordingly, this Ground of Appeal is also made out.

Ground 3

25. Ground 3 of the appeal is that the Hearing Officer relied upon his findings of reputation in the United Kingdom, rather than identifying the goods and services for which the Device Marks were well-known in the US. Again, I consider this to be an inevitable corollary of the original error. Owing to the fact that he thought he needed to have

regard to the earlier marks, the Hearing Officer focused solely on UK use. Had he recognised that he was in fact concerned with the Device Marks, it would have been necessary for the Hearing Officer to consider whether these allegedly well-known signs had been used in the United States and Canada and Europe, and whether, in light of that use, a portion of the relevant UK public knew of them and, if so, for what goods and/or services.

26. For the sake of completeness, I observe that, although not raised as a separate Ground of Appeal, the reference by the Hearing Officer in paragraph 92 of the decision to sections 56(2)(a) and 56(2)(b) of the Act also appears to be an error. This is not a case in which it is suggested that the Respondent should be restrained by injunction; rather it is a case in which the Appellant is seeking a separate and distinct consideration pursuant to the provisions of sections 5(2)(b) and 5(3) of the Act, based this time on the Device Marks, whose use on the Appellant's case is wider than the use made of the earlier marks, a feature which potentially strengthens the case in respect of invalidation.
27. The Hearing Officer's decision that the case under Article *6bis* could be no better than the case he had already dismissed in respect of the earlier marks was accordingly wrong. This Ground of Appeal is also made out.

Ground 4

28. Ground 4 of the appeal alleges that the Hearing Officer failed to consider whether the section 5(2)(b) ground of the Article *6bis* case should succeed in light of the goods and services for which he should have found the Device Marks were well-known. The Appellant alleges that had the Hearing Officer undertaken this analysis, he would have found that there was a likelihood of confusion arising from the similarity of goods and services for which the Device Marks are well-known and those for which the Contested Mark is registered.
29. In the first instance, I am invited to remit the case to a different hearing officer to determine the section 5(2)(b) test again, this time by reference to the correct Device Marks. Alternatively, I am invited to determine the matter afresh myself, having

regard to the evidence. Having given careful consideration to Mr Muir Wood's submissions, I decline to remit this aspect of the decision. In my judgment, I can determine the case on Ground 4 on the available evidence.

30. Furthermore, given Mr Muir Wood's frank acknowledgment that the evidence in respect of this Ground is "thin", it would not be in the interests of justice or consistent with the other requirements of the overriding objective to remit Ground 4 for further consideration to a new hearing officer.
31. The applicable principles under section 5(2)(b) were set out in detail by the Hearing Officer at paragraph 27 of his decision, which is not challenged. They are also applicable to my determination. The Hearing Officer's error was to apply these principles to the UK-registered earlier trade marks which are registered for a narrow set of uses, as I have already explained. The Hearing Officer should have applied the test to the Device Marks, whose uses are alleged to be much wider.
32. Taking that approach, and bearing in mind, as Mr Muir Wood accepts, that the degree of similarity between the respective goods and services offered under the competing marks is critical to the analysis, I begin with the question of similarity.
33. I have already mentioned that the Contested Mark is registered with respect to pizza, pizza products and pizza-related services.
34. By contrast, the Device Marks are said to be well-known in the UK for the "sale of food and beverages", as well as branded merchandise, advertising, marketing and promotional services for sports teams, and sporting events, the organising and conducting of sporting activities and events, educational services, the providing of training, entertainment services, sporting and cultural activities, and information services relating to sports events in the US, Canada and Europe.
35. Of this list, the only likely area of similar use of the competing marks is the "sale of food and beverages". The Appellant has pointed me to a very limited set of evidence to support the proposition that the Device Marks have been used for selling food and beverages, even in the United States. That evidence is: (1) a couple of photos

evidencing the use of the Device Marks in the packaging and advertising of food sold at the Chicago Bulls own basketball arena; (2) a couple of promotional tie-ins with Coca Cola and Papa Johns, the most recent of which appears to be from 1992; (3) the promotion of charitable initiatives involving food that are local to Chicago; and (4) the use of the Device Marks on a reuseable sports drink bottle, alongside the logo of the energy drink Gatorade.

36. These appear to be isolated examples spread over almost 40 years. They are not evidence of a sustained use by the Chicago Bulls of the Device Marks for the promotion of food and beverage sales anywhere other than in their own stadium.
37. Accordingly, in my judgment, the use of the Device Marks in connection with the sale of food and beverages would not give rise to a likelihood of confusion here in the UK on the part of the public. On the available evidence, the similarity of the goods and services used in connection with the competing marks is extremely limited. There is no evidence whatever that the use of the Device Marks in the US for the sale of food and beverages is well-known in the UK. Indeed, on the evidence, such use appears extremely limited in any event, even in the United States.
38. As Mr Muir Wood anticipated in his helpful and candid submissions, this finding weighs so heavily in my overall consideration of the likelihood of confusion that it makes it unnecessary to make findings on the distinctiveness of the Device Marks and the similarity of the competing marks. I note, however, that both were considered by the Hearing Officer in some detail in his judgment with respect to his determination on the section 5(3) applications. None of his findings on those issues were subject to appeal.
39. In all the circumstances and for the reasons I have given, I dismiss Ground 4 of the appeal.

Ground 5

40. Ground 5 of the appeal alleges that the Hearing Officer failed, for the same reasons, to consider whether the section 5(3) ground in respect of the Article 6*bis* case should

succeed. Having given this ground careful consideration, in my judgment it must be remitted for hearing by a different hearing officer. Unlike the analysis under section 5(2)(b) in Ground 4, section 5(3) does not require a focus on food and drink or on the degree of similarity between the goods and services for which the Contested Mark is registered and the goods and services for which the Device Marks are used.

41. Instead, and in summary only, it necessitates an analysis of the full scope of goods and services connected with the Device Marks with a view to determining whether the use and reputation of the Device Marks elsewhere (i.e. in the US, Canada and Europe) has led to the Device Marks being well-known in the UK for those goods and services, and whether the average consumer would make a link between them and the Contested Mark and, if so, whether there is potential for unfair advantage in the use of the Contested Mark.
42. There is a considerable amount of evidence in the affidavit of Mr Anil George as to the various goods and services connected with the Device Marks, none of which was considered in the correct context by the Hearing Officer in his decision. A new decision on this question will require a careful analysis of the factors set out by the Hearing Officer at paragraph 41 of his decision, having regard to that evidence.
43. It would appear that the Appellant will also wish to make submissions to the effect that it is common practice (and is well known by the average consumer) for sports teams to enter into licensing and sponsorship arrangements with other companies. That can represent an unlimited array of market sectors and industries, including food and drink (see the decision of the EUIPO in opposition number B3146352, *NBA Properties Inc v Pizza Texas Bulls Inc* at page 21).
44. I do not consider that these are issues which I can properly determine on this appeal, not least in circumstances where they were not addressed in the written skeleton argument provided by the Appellant. Although they have been addressed by Mr Muir Wood in his oral submissions, it is nevertheless the Appellant's case that it wishes to have the opportunity to have this issue determined at first instance by a hearing officer. Given the Respondent's absence from the hearing of this appeal, the Appellant contends that it would also be appropriate to give the Respondent, or its

successor(s) in title, the opportunity to address this issue before a new hearing officer, if it sees fit.

45. I was informed at the hearing that although the Respondent has not indicated a desire to be actively involved in this appeal, the Appellant has been involved in negotiations with the Respondent, which might suggest the possibility that the Respondent will wish to become involved in the future.
46. In all the circumstances, I am going to remit the issue raised only by Ground 5 of the appeal to be dealt with by a new hearing officer.

47. **Epiq Europe Ltd** hereby certify that the above is an accurate and complete record of the proceedings or part thereof.

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