

**TRADE MARKS ACT 1938(AS AMENDED)
TRADE MARKS ACT 1994**

**IN THE MATTER OF Application No 1586536
by Tennessee Fried Chicken Limited (Europe)
Limited for the registration of a trade mark in
Class 29**

**AND IN THE MATTER OF Opposition thereto
by Hycare Foods Ltd under No 47643**

Background

1. On the 1 October 1994, Tennessee Fried Chicken (European) Limited applied for the registration of the trade mark TENNESSEE FRIED CHICKEN in Class 29.
2. The application was subsequently advertised before acceptance under the proviso to Section 18(1) of the Trade Marks Act 1938 in respect of the following specification of goods.

“Chicken products; cooked or prepared vegetables; vegetarian burgers; salads; soups; all included in Class 29 and all sold in Greater London and Birmingham.

3. The advertisement for opposition purposes indicated that the Registrar proposed to register the mark in Part B of the (two part) register maintained under the Trade Marks Act 1938.
4. On 16 October 1997, Hycare Foods Ltd formally opposed the application. I summarise the grounds of opposition as follows:-

a) Section 12(1) - The mark applied for is identical to the opponent's trade mark (No 1342494); the mark applied for is in respect of goods or a description of goods which are associated with the services of the registration and therefore registration of the applicant's mark would be contrary to the provisions of Section 12(1) of the Trade Marks Act 1938 (as amended).

b) Section 11 - In view of the opponent's prior use of the mark TENNESSEE FRIED CHICKEN, use by the applicant of the mark applied for would be disentitled to protection in a Court of Justice as it is likely to deceive or cause confusion; therefore its registration is contrary to the provisions of Section 11 of the Trade Marks Act 1938 (as amended)

c) Section 17(1) - The opponent contends that its plans to use the mark TENNESSEE FRIED CHICKEN were known to the applicant; accordingly the adoption and use of the mark applied for by the applicant is not bona fide and the applicant cannot claim to be the proprietor of the mark. Accordingly registration of the mark would be contrary to Section 17(1) of the Trade Marks Act 1938 (as amended).

d) Sections 9 & 10 - The opponent contends that by virtue of the geographical signification fo the word TENNESSEE and the non-distinctiveness of the words

FRIED CHICKEN, the mark applied for would be contrary to Sections 9 and 10 of the Trade Mark Act 1938 (as amended) and should be refused.

e) Section 11 - The opponent further contends that because the mark applied for includes the words FRIED CHICKEN, use of this mark on goods other than those containing fried chicken would be likely to deceive or cause confusion and would be contrary to the provisions of Section 11 of the Trade Marks Act 1938 (as amended).

f) Section 17(2) - Finally, the opponent requests that the application be refused in the exercise of the Registrar's discretion.

5. In response, the applicant filed a counterstatement denying each of the grounds of opposition.

6. Both sides seek an award of costs in their favour.

7. The matter came to be heard on 7 February 2001 when the applicant was represented by Ms Jennifer Maddox of the Trade Mark Protection Society. The opponent was represented by Mr Alan Bernard of F J Cleveland & Co.

8. By the time this matter came to be decided the Trade Mark Act 1938 had been repealed in accordance with Section 106(2) and Schedule 5 of the Trade Marks Act 1994. Nevertheless, these proceedings having begun under the provisions of the Trade Marks Act 1938, they must continue to be dealt with under that Act in accordance with the transitional provisions set out at Schedule 3 of the 1994 Act. Accordingly, and unless otherwise indicated, all references in the remainder of this decision are references to the provisions of the old law.

Opponent's Evidence

9. The opponent filed two statutory declarations by Mustafa Ahmed Mahmoud and one by David Harvey Lloyd Edwards.

10. Mr Mahmoud is a Director of Hycare Fast Foods Limited ("Hycare"), a position that he has held since February 1986. Prior to that date, he had been employed by Hycare Fast Foods Limited as General Manager since July 1983.

11. In his first declaration, dated 20 July 1998, Mr Mahmoud declares that Hycare has been operating fast food shops since 1976. Between 1976 and 1988, the company held franchises from the well-known company Kentucky Fried Chicken and ran five outlets in South Wales, Gloucestershire and Wiltshire under the name Kentucky Fried Chicken. At the end of 1987, the opponent decided to become independent of Kentucky Fried Chicken and run its own outlets. They commissioned a designer in Switzerland to design a logo incorporating the words Tennessee Fried Chicken. At the beginning of 1988, Hycare sought to terminate its franchise agreements and operate the shops independently under the new name of Tennessee Fried Chicken.

12. As a former employee, Mr Mahmoud handled the negotiations with Kentucky Fried Chicken (Great Britain) limited. He says that he was completely open with Kentucky Fried Chicken and advised them of his plans during the spring of 1988, telling them that Hycare

planned to open under its new style from mid-September of that year. In order to obtain Kentucky Fried Chicken's agreement to terminate the franchise agreements, it was a condition that they would have to give their prior approval to Hycare's proposed trading name and style of operation. Therefore, says Mr Mahmoud, full details of Hycare's proposed trading name, logo, colours, packaging and uniforms were submitted to Kentucky Fried Chicken for their approval prior to the termination of the franchise agreements. Mr Mahmoud states that all the important details of Hycare's proposed operation were known to the relevant persons in the Kentucky Fried Chicken offices.

13. On 23 April 1988, Hycare applied to register its trade mark (No 1342494) TENNESSEE FRIED CHICKEN in Class 42 for "Preparation and sale of food specifically fried chicken both for restaurant and take away purposes in Class 42." However, the mark was subsequently registered for a more listed specification of "Restaurant services; all included in Class 42".

14. Mr Mahmoud then goes on to say that Hycare received a letter dated 21 July 1988 from a firm of solicitors acting for the applicant. The letter claimed that their client had been trading as a fast food shop since 20 July 1988, ie the day before the letter was written. A copy of the solicitors' letter is exhibited to Mr Mahmoud's declaration at MMM5.

15. Mr Mahmoud says that he was very suspicious of the alleged used claimed by Tennessee Fried Chicken (European) Ltd. He says:

"We noticed that the solicitors' letter was referenced "Mattadeen" and we knew a Mr Mattadeen to have been a business associate of a person in the office of Kentucky Fried Chicken to which we sent our advance details."

16. Sales figures for the years since Hycare changed its trading name to Tennessee Fried Chicken are given as:

Six months to 31.3.1996	£510,401
Year to 31.3.1990	£972,156
Year to 31.3.1991	£963,389
Year to 31,3,1992	£872,445
Year to 31.3.1993	£826,498
Year to 31.3.1994	£795,416
Year to 31.3.1995	£808,616
Year to 31.3.1996	£839,361

It seems likely that the reference to 1996 in the first row is a mistake, and that the period should in fact be the six months to 31.3.1989. This would suggest that the opponent first traded under the mark no earlier than October 1988. No specific date of first use is provided.

17. Mr Mahmoud adds that advertisements have been placed in the local press, including most of the main local papers in each of the areas where they have an outlet. He says that his company has also placed advertisement on local buses, and he exhibits (MM9) a photograph of a bus advert for the Gloucester shop and restaurant. Advertisements have also been placed on buses in Newport, South Wales. Exhibit MM8 provides support for the claim to have advertised in local newspapers before the relevant date in these proceedings (the application

date). It is not clear when the other types of promotion mentioned occurred.

18. Hycare opened a new outlet in 1996 in Merthyr Tydfil and plans to open others in due course. Mr Mahmoud confirms that it has always been Hycare's intention to expand its business further by franchising; a practice which he describes as a normal development for a business of this kind. But he says that he has already encountered a number of instances of confusion between his company's outlets and those of the applicant.

19. The only particularisation of an instance of confusion is a letter dated 9 July 1996 sent to the opponent by a Mr Gareth Jones. Mr Jones complains about the quality of a take-away meal he purchased from the opponent's shop in Swansea. Mr Jones mention that he has also used the opponent's shop in South Harrow. However, the opponent does not have a shop in South Harrow. This appears to be one of the applicant's shops.

20. The opponent also filed a statutory declaration by Mr David Harvey Lloyd Edwards, a technical assistant formerly employed by F J Cleveland & Co. The purpose of Mr Edwards' evidence appears to be to show that a) the applicant's stores provide tables and chairs for customers to eat-in, b) that take-away foods stores are commonly regarded as restaurants, c) that Tennessee USA has a significant number of poultry farms and poultry retailers.

21. Exhibit DE16 consists of a list provided by the Office of Agricultural Affairs, American Embassy in August 1996, of 17 export licences granted to US companies for the export of poultry products (both fresh and cooked) to the UK. It appears that entry onto this list means that the licence holder has satisfied UK import requirements. Some companies hold several licences. As far as I can tell from the addresses in the list, none are based in Tennessee.

22. Exhibit DE18 to Mr Edwards' declaration consists of a further list provided to him in August 1996, by the London Business School. The list comprises companies associated with chicken, or chicken products, and which have a place of business in Tennessee. The list includes four poultry retailers, two poultry farms and three poultry "hatcheries".

Applicant's Evidence

23. The applicant filed a statutory declaration dated 26 July 1999 by Lincoln Mattadeen, who is a Director of Tennessee Fried Chicken (Europe) Limited. The main points which emerge from Mr Mattadeen's evidence are:-

- a) Mr Mattadeen previously held a franchise from KENTUCKY FRIED CHICKEN;
- b) Towards the end of 1987, Mr Mattadeen and a business partner decided to set up their own take-away business;
- c) They wanted to use the name of an American Southern State because of the association of that area with a style of fried chicken; Tennessee was chosen because "it seemed the most suitable one";
- d) The applicant opened its first take-away shop under the name TENNESSEE FRIED CHICKEN in London in July 1988;

- e) Three more such shops were opened in central London by October 1988;
- f) By the date of the application the applicant had twenty seven such shops in the Greater London area, a further two in Birmingham, one in St Leonard-on-Sea, and one in Letchworth.

24. In support of these claims Mr Mattadeen provides:-

- a) Turnover figures under the trade mark for the years 1988/89 to 1992/3 (the latter is just under £3m);
- b) Figures for promotion of the trade mark for the years 1988/89 to 1991/92 ranging from £2.5k per annum to £12k per annum;
- c) Claims of local advertising including local radio advertisements in 1991 on Radio Kiss FM (London), Buzz FM (Birmingham) in 1992/3, and Choice FM (London) in 1994;
- d) A copy of an invoice to support the claim to have advertised on Radio Kiss FM in 1991;
- e) Specimen packaging, menus and a salt sachet each bearing the mark TENNESSEE FRIED CHICKEN and a rooster device, said to date from pre-1994.

25. In response to Mr Mahmoud's evidence , Mr Mattadeen states:-

“We also devised a cockerel logo to be used on the shop fascias which can be seen on the packaging included in the Exhibit. In early 1988 we ordered the packaging in anticipation of our July 1988 start-up date. At that time my company was not aware of the use of the name TENNESSEE FRIED CHICKEN by any other company, nor of any intention by any other company to use the name TENNESSEE FRIED CHICKEN. I have read Mr Mahmoud's Statutory Declaration dated 20 July, 1998 and would like to state quite categorically that no business associated in the office of Kentucky Fried Chicken told me or Ms Ramdas (his business associate) about the plan of Hycare Fast Foods Limited to use the name TENNESSEE FRIED CHICKEN. I deny that anyone in my company knew of the opponent's intention to use TENNESSEE FRIED CHICKEN prior to its adoption of the mark. My company only discovered that another company was planning to use TENNESSEE FRIED CHICKEN through the company who was preparing its packaging, after my company had decided on the name.

We took advice from Read & Rogers Solicitors and instructed them to write to Hycare Fast Foods Limited asking them not to use the name. The letter they sent is exhibited to Mr Mahmoud's Declaration. Hycare Fast Foods Limited refused to cease using the name and advised us that they had a pending application to register TENNESSEE FRIED CHICKEN. It was at that time that we sought advice from Trade Mark Protection Society.

Trade Mark Protection Society conducted a search of the Trade Marks Register for the trade mark TENNESSEE in August 1988 which disclosed the existence of pending application No 1342494 TENNESSEE FRIED CHICKEN in Class 42 filed by Hycare Fast Foods Limited for the preparation and sale of foods specifically fried chicken both for restaurant and take-away purposes. A copy of the application form and registration certificate are exhibited to Mr Mahmoud's Declaration. It proceeded to registration for restaurant services. When my company chose the name TENNESSEE FRIED CHICKEN it was unaware of this application.

Trade Mark Protection Society advised at that time that a mark consisting of a significant geographical name whether for goods or services would only qualify for registration once it had been used on a significant scale and had become distinctive through use, if at all. My company ascertained that Hycare operated in the South West of England and South Wales. Given that the opponent had no use of TENNESSEE FRIED CHICKEN at all, or more particularly in the area in which my company wanted to trade ie. Greater London, and that their application was not likely to succeed, my company saw no reason to abandon use of TENNESSEE FRIED CHICKEN, particularly when we were already committed to it."

26. In response to Mr Mahmoud's claim of confusion between the marks of the parties, Mr Mattadeen states:-

"I can state, on behalf of my company, that we are not aware of any instances of confusion with the opponent's business and I would respectfully suggest that there are likely to be more visitors from South West England and South Wales visiting TENNESSEE FRIED CHICKEN shops in the Greater London area than vice versa."

27. Mr Mattadeen concludes:-

"In the Greater London area (hereinafter referred to as "the territory"), my company is one of a handful of companies in the "fried chicken" take-away sector of the market. KFC is the clear market leader, but my company is probably the third in rank in terms of size of business in the territory. My company has established a reputation in the name TENNESSEE FRIED CHICKEN in the territory and has acquired valuable and protectable goodwill in the name. If another trader were to use the name TENNESSEE FRIED CHICKEN in relation to a take-away foods business in the area in which my company already trades it would lead to confusion with my company's established business. My company will continue to trade under the name TENNESSEE FRIED CHICKEN because no other trader, including the Opponent, has the right to prevent it doing so. The Opponent's rights are limited to pre-1994 infringement rights and local user rights. Bearing in mind that TENNESSEE FRIED CHICKEN could only be registered prima facie for restaurant services and not take-away foods in 1988 it would be inequitable that, after over 10 years co-existent use, the Opponent's registration should now prevent the registration of my company's mark which has earned its common law rights.

Registration of my company's mark will not prejudice the Opponent in any way as it is stopped at common law from selling take-away foods (and indeed restaurant services) under the TENNESSEE FRIED CHICKEN name in the area where my company

enjoys goodwill and reputation in any event.”

Previous Opposition

28. The parties previously locked horns in Opposition No 43071 where the applicant here was seeking to register a composite mark consisting of the words TENNESSEE FRIED CHICKEN and a rooster device. As in these proceedings, there was evidence of concurrent use. The Registrar’s Hearing Officer, Mr S Probert, decided against the applicant on the Section 12(1) ground of opposition based upon the opponent’s earlier registration No 1342494. He further decided against exercising the Registrar’s discretion under Section 12(2) of the Act in the applicant’s favour because he was not satisfied that the applicant’s concurrent use was honest. The applicant did not appeal against that decision.

29. The mark before me is different to the mark in the previous opposition. Perhaps because of this the opponent has not raised the matter of issue estoppel. I therefore take the view that it is open to me to reach my own conclusions on this opposition based upon the evidence before me, which in the applicant’s case, goes further than the evidence in the previous proceedings.

Decision

30. I will first consider the ground of opposition under Section 10 of the Act, which is as follows:-

10.-(1) In order for a trade mark to be registrable in Part B of the register it must be capable, in relation to the goods in respect of which it is registered or proposed to be registered, of distinguishing goods with which the proprietor of the trade mark is or may be connected in the course of trade from goods in the case of which no such connection subsists, either generally or, where the trade mark is registered or proposed to be registered subject to the limitations, in relation to use within the extent of the registration.

(2) In determining whether a trade mark is capable of distinguishing as aforesaid the tribunal may have regard to the extent to which -

- (a) the trade mark is inherently capable of distinguishing as aforesaid; and
- (b) by reason of the use of the trade mark or of any other circumstances, the trade mark is in fact capable of distinguishing as aforesaid.

31. The Registrar’s practice on the registration of geographical names as trade marks under the 1938 Act is set out in the twelfth edition of Kerly’s at 8-33. The relevant passage is as follows:-

“The Registry practice on this point is relatively simple. If a word sought to be registered in Part A is recognised as a place name, objection will be taken under Section 9(1) unless the use of that name is obviously fanciful. The mark may still be registrable on evidence of distinctiveness, see below the discussion of Section 9(1)(e) - or, it would seem, on evidence that in relation to the goods concerned its use is clearly fanciful. Or, if the geographical reference is unlikely to cause any confusion, the mark may be accepted in Part B. Thus the important question under this head is less often “Is this mark a geographical name?” than “How strong must the evidence of

distinctiveness be, to render this mark registrable?" However, since York, the practice has tightened somewhat - most geographical names are, as trade mark, refused.

Service marks, where the services are local in character and the geographical reference is to some remote place, are a different matter, see post, 8-52."

32. The York case referred to in the passage is set out in 1984 RPC 231. The House of Lords considered the registrability of geographical place names in Part B of the Register. Lord Wilberforce, who gave the leading speech, described as "an authoritative pronouncement", the earlier judgement of the Fletcher Moulton L.J in the cases of Perfection and California Syrup of Figs (1909) RPC 837, 854. Referring to the judgement in those cases, Lord Wilberforce said:

"In an extended passage, the whole of which repays study, and which has been accepted as a classic statement of the law, he described the policy of the Act as substituting for an absolute exclusion, from the use as trade marks, of geographical names, a judicial examination on the merits of each individual case. This was followed in W & G de Cros Ltd (1913) 30 RPC 660, concerned with the use of initials in which Lord Parker said that the right to registration should:

"Largely depend upon whether other traders are likely, in the ordinary course of their business and without any improper notice, to desire to use the same mark, or some mark nearly resembling it, upon or in connection with their own goods."

33. It can be seen from the above that there was no absolute exclusion from registration of geographical names under the 1938 Act. The Court of Appeal's decision to register 'California Syrup of Figs' (for syrup of figs) is confirmation of this. Each case requires a judicial examination of its merits. Having said that it is the case that the courts showed a natural disinclination to register as trade marks place names which could reasonably be expected to be used by other traders to identify the geographical origin of the goods listed in the application. So, in Yorkshire Copper Works Ltd's Application (1953) RPC 150, Lord Simmonds said:-

"Just as a manufacturer is not entitled to a monopoly of a laudatory or descriptive epithet, so he is not to claim for his own a territory, whether country, county or town, which may be in the future, if it is not now, the seat of manufacture of goods similar to his own."

"There will probably be border-line cases, but there is, in my opinion, no doubt on which side of the border lies Yorkshire, a county not only of broad acres but of great manufacturing cities. If the Liverpool Cables case was rightly decided, as I think it clearly was, *a fortiori* the Registrar was right in refusing registration to 'Yorkshire'. And if it were a border-line case, which it is not, I think that a court, to which an appeal is brought from the Registrar, though, no doubt, it must exercise its own discretion in the matter, should be slow to differ from the experienced official whose constant duty it is to protect the interests of the public not only of today but of tomorrow and the day after."

34. The applicant, I think, accepts that its mark is not inherently capable of distinguishing chicken products to the extent that it is registrable as an unused mark, at least for the full published specification of goods. Its position is that by reason of its use of the mark it was in fact capable of distinguishing at the date of the application, and the mark is not so lacking in inherent distinctive character as to be incapable of distinguishing in law such that it should be refused registration on the discretionary basis outlined in York.

35. I first consider the extent to which by reason of the use of the trade mark, it was *in fact* capable of distinguishing the applicant's goods at the relevant date. The applicant's evidence is that it first traded under the name TENNESSEE FRIED CHICKEN in July 1988 in respect of a take-away shop selling fried chicken dishes. By the date of the application, the applicant had twenty seven take-away food shops in the Greater London area, and a further two in Birmingham, all operating under the same name.

36. It is clear from the wording of Section 10 of the Act that, where the registration is subject to a limitation, the capacity to distinguish must exist "in relation to use within the extent of the registration." In this case that means in the areas of Greater London and Birmingham.

37. The first question to be answered is whether the use shown is use of the mark in relation to the goods listed in the application. At the date of the application, the Registrar's practice was that whilst restaurant services fell into Class 42, the sale of take-away food was a trade in goods which was properly protected in the appropriate goods class.

38. To the extent that the name of the take-away business also serves to guarantee the origin of the food provided, it functions as a trade mark for the goods. In this connection, I note that Section 68(1) of the Act defines a trade mark as:

"..... a mark used or proposed to be used in relation to goods for the purpose of indicating, or so as to indicate, a connection in the course of trade between the goods and some person having the right either as proprietor or as registered user to use the mark"

39. The applicant's user appears to me to fall within this definition of trade mark use. Consequently, I find that the user is relevant to the objection under Section 10 of the Act.

40. Mr Bernard criticised the applicant's evidence on the basis that:

a) It does not clearly relate to the words TENNESSEE FRIED CHICKEN but the words in combination with a rooster device; British Sugar Plc v James Robertson & Sons Limited 1996 RPC 281;

b) Much of the alleged evidence is in respect of use after the application date and other evidence is vague as to dates;

c) The use claimed is insufficient to establish the required distinctiveness;

d) The evidence of use is not corroborated by any independent evidence of distinctiveness from the trade, etc.

41. On the first point, it is true that virtually all of the applicant's evidence shows use of a composite mark, including a rooster device. In such circumstances one has to be careful about concluding that non-distinctive words in a mark have acquired a distinctive character in the absence of the device. However, each case turns on its own facts. Much depends upon the extent to which the words in question lack trade mark character. In the case of wholly descriptive words, such as 'Treat' for dessert toppings or 'Shredded Wheat' for breakfast cereals comprised of shredded wheat, use alone, even on a substantial scale, is not enough to establish distinctiveness in fact.

42. Is TENNESSEE FRIED CHICKEN in the same category? It is common ground that 'southern fried chicken' is a generic name for a style of cooked chicken dish. There is no suggestion that there exists a sub-category of southern fried chicken known generically as 'Tennessee Fried Chicken'. Further, although it is possible that cooked chicken products may be imported from the USA (indeed there is some evidence of a few export licences held by US companies for cooked chicken products) it does not seem very likely that TENNESSEE FRIED CHICKEN would be taken by the public as a description of the place where a chicken product was fried prior to export to the UK. It is more plausible that the words could be used as a description of a chicken product from Tennessee, USA, that has been exported to the UK and then cooked (fried) here. However, even this does not seem very likely because traders in take-away food do not usually identify the geographical source of their products unless the place concerned has a relevant reputation. Although Tennessee is 'associated' with the area responsible for creating the style of dish known as 'southern fried chicken', it has no particular reputation as the source of chicken or chicken products. When used as a mark for cooked take away fried chicken it seems likely that 'Tennessee Fried Chicken' will quite quickly come to be accepted as an allusive trade mark for the goods, which is, of course, how both the applicant and the opponent intend it to be taken.

43. I do not, therefore, believe that the presence of the rooster device in use prevents me from concluding that the applicant's word mark had acquired factual distinctiveness by the relevant date. Words normally 'speak louder' than devices in composite marks. I do not believe that the words that form the applicant's mark would appear so descriptive to the public that the mark was unlikely to acquire a trade mark meaning simply through repetitive use.

44. Mr Bernard points out that some of the applicant's use is after the date of application. However, there is evidence of over six years use in the London area prior to the relevant date.

45. The applicant's business under the mark in 1988/89 was quite modest with a turnover of only £460k, but this grew quite quickly to over £2m by 1990/91, and then to £3m by 1991/92. These sums are not huge but are more impressive in the context of a geographically restricted application.

46. The opponent points out that the applicant has done little to promote its brand. There is little evidence of promotion at least prior to the relevant date, although there is evidence, which I accept, of a promotion on a local radio station in London. Further, in the case of a take-away food mark used as the name of take-away shops, the very existence of the shops is a kind of on-going promotion of the mark. The applicant's unchallenged evidence is that it had twenty seven such shops in the Greater London Area by the relevant date.

47. The position as regards Birmingham is less clear. It is not clear when the applicant opened

its two shops in Birmingham. There is a claim that the applicant advertised on a local Birmingham radio station in 1992/3, but no further details are provided and there is nothing to corroborate this claim, such as an invoice for the air time.

48. Despite the lack of supporting evidence from customers or the trade, I am prepared to accept that the mark TENNESSEE FRIED CHICKEN was factually distinctive of the applicant's take-away food in the Greater London area by the relevant date. There is insufficient evidence before me to reach a similar finding of fact in respect of the position in Birmingham. It follows from this that the Section 10 objection must succeed to the extent that the proposed registration covers the Birmingham area.

49. Is there a case for further refusing registration in the Greater London area on the discretionary basis outlined in the York case because it is incapable of distinguishing in law? In my view there is not. Most of the well known cases in this area, such as York, Yorkshire Copper Works and Liverpool Cables (1929) 46 RPC 99, concern application to register the names of large English towns, cities or counties. The determinative factor in assessing the registrability of any place name is the likelihood of the name being required for use in trade in the UK for its primary purpose of identifying the geographical source of the goods. In general the objection is likely to be stronger for British place names than for those abroad, although there may not be much distinction between British place names and those of places in other members states of the European Union, or indeed the name of any place which has a reputation as the *source* of the goods listed in the application.

50. As I have already noted, there is no dish known as 'Tennessee Fried Chicken'. And despite the long trading traditions between the UK and the USA, there is no evidence that the state of Tennessee has any export trade with the UK in respect of poultry or cooked poultry. I therefore believe the likelihood of other traders wanting to describe their goods in the UK as 'Tennessee fried chicken' can be regarded as very low indeed. I do not therefore believe that I should exercise the Registrar's discretion against the applicant on the basis that the mark is incapable of distinguishing in law.

51. If the applicant's specification is restricted to reflect the goods for which the mark was factually distinctive in Greater London at the relevant date - "Cooked take-away fried chicken products"- the section 10 objection will fail. The mark as a whole is not descriptive of "chipped potatoes", "vegetarian burgers", "condiments and sauces for the aforesaid goods" or "soups", so the section 10 objection fails insofar as it is said to apply to any of these goods. The mark could be said to be descriptive of chicken salads in the same way that it is said to describe chicken products, but if the mark is acceptable for take-away fried chicken, it must also be distinctive of salads containing the same.

52. I next consider the opponent's ground of opposition under Section 17(1) of the Act, which is as follows:-

17. -(1) Any person claiming to be the proprietor of a trade mark used or proposed to be used by him who is desirous of registering it must apply in writing to the Registrar in the prescribed manner for registration either in Part A or in Part B of the register.

53. If the applicant's claim to be the proprietor of the mark in respect of the goods listed in the application is challenged in an opposition, it is for the Registrar to determine who the true

proprietor is :Al-Bassam- 1995 RPC 511 at 523 lines 35-49.4. In considering rival claims the Registrar is guided by the principles of common law as they existed at the time that the first act of registration was passed in 1875. On that basis Lord Justice Morritt stated in Al-Bassam (at page 522, lines 40-47) that:

“In my view it is plain that the proprietor is he who satisfies the principles of the common law to which I have referred. Accordingly in the case of a used mark, as in this case, the owner or proprietor is he who first used it in relation to goods for the purpose indicated in the definition of trade mark contained in Section 68 which I have already quoted. Ownership of the mark is a different concept to deceptiveness of the mark, the principles applicable to the two concepts are different and I do not see how one can determine whether there is likely to be confusion without first deciding who is the proprietor.”

54. In this case the evidence indicates that the applicant first used the mark TENNESSEE FRIED CHICKEN in relation to a trade in goods under that mark on 20 July 1988. The opponent has not claimed any earlier use. Insofar as it can be gleaned from the evidence, it appears the opponent’s first use was around October 1988. On that basis it is the applicant who is entitled to claim to be the proprietor of the mark in respect of the goods concerned, there being no earlier use or registration by the opponent in respect of goods.

55. I next turn to the grounds of opposition under Sections 11 and 12(1) of the Act. The Section 12 objection is based upon the opponent’s earlier registration of TENNESSEE FRIED CHICKEN for ‘restaurant services’. The first of the two grounds of opposition under Section 11 of the Act is based upon the opponent’s earlier use of its registered mark. It is common ground that, in this case, the Section 11 objection adds nothing to the Section 12(1) objection. Indeed given the opponent’s *later use* of its mark for restaurant services and/or take-away food, the section 11 objection is bound to fail for the reasons set out in Welsh Lady 1964 RPC 459 at 461.

56. Section 12 of the Act (insofar as it is relevant to this case) is as follows:

12.-(1) Subject to the provisions of subsection (2) of this section, no trade mark shall be registered in respect of any goods or description of goods that is identical with or nearly resembles a mark belonging to a different proprietor and already on the register in respect of:-

- a. the same goods
- b. the same description of goods, or
- c. services or a description of services which are associated with those goods or goods of that description.

(2) In case of honest concurrent use, or of other special circumstances which in the opinion of the Court or the Registrar make it proper so to do, the court or the Registrar may permit the registration by more than one proprietor in respect of:-

- a. the same goods
- b. the same description of goods or
- c. goods and services or descriptions of goods and services which are associated

with each other,
of marks that are identical or nearly resemble each other, subject to such conditions and limitations, if any, as the Court or Registrar, as the case may be, may think it right to impose.

57. The opponent's registration for restaurant services pre-dates the applicant's application and use. It is therefore a valid basis for an objection under Section 12(1). The next matter to be considered is whether the goods listed in the application are 'associated' with 'restaurant services'. Mrs Maddox submitted that they are not. In this she relied upon the well known test for 'goods of the same description' set out in Jellinek's Application (1946) 63 RPC 59. Applying the established criteria of nature, purposes and channels of trade, Mrs Maddox submitted that only the channels of trade were the same. This is an implicit acknowledgement that food, and in particular cooked food, is often provided by the same undertakings that provide restaurant services. One only has to consider the number of restaurants that also provide take-away dishes to see that this is so.

58. The relevant section of the Act is Section 68(2A), which is as follows:

For the purposes of this Act goods and services are associated with each other if it is likely that those goods might be sold or otherwise traded in and those services might be provided by the same business, and so with descriptions of goods and descriptions of services.

59. In my view it is clear that the goods listed in the application are of a kind that are likely to be sold "or otherwise traded in" by those providing restaurant services. The respective goods and services are therefore "associated" within the meaning of the Act. The respective marks are identical. There is therefore a clear *prima facie* case for refusal under section 12(1).

60. The applicant relies upon its use prior to the date of application as support for its claim of "honest concurrent use" under Section 12(2) of the Act. It is clear from the statute that the Registrar has a discretion to allow the registration of identical or nearly resembling marks for identical goods or services or for goods associated with services. The relevant factors to be taken into account are set out in Pirie's Application (1933) 50 RPC 147. These are:-

- i. The extent of use in time and quantity and the area of trade;
- ii. The degree of confusion likely to ensue from the resemblance of the mark, which is, to a large extent, indicative of the measure of public inconvenience;
- iii. The honesty of the concurrent use;
- iv. Whether any instances of confusion have been proved;
- v. The relative inconvenience which would be caused if the mark in suit were registered, subject if necessary to any conditions limitations.

Extent of Use

61. I have already noted that the applicant had been using its mark for six years prior to the

date of the application. The extent and length of use in Birmingham is unclear but there was clearly a significant business of some twenty seven shops in the Greater London area by the date of the application. There is nothing in the applicant's evidence to suggest that a rapid expansion of its business took place just before the relevant date. The size of the business for the two preceding years was similar. For the reasons given earlier, I have reached the conclusion that the applicant's business under the mark was well established in the Greater London area by the relevant date. I am prepared to accept that, within that area and at the relevant date, the words TENNESSEE FRIED CHICKEN denoted the applicant's take-away food.

Degree of likely Confusion

62. I have already found that there is a close relationship between take-away food and restaurant services. If the parties marks were used normally and fairly in the Greater London area there would be a very high likelihood of confusion.

Whether any instances of confusion have been proved

63. There is evidence, which I accept, of one instance of confusion. This arose as a result of a Mr Jones travelling between South Wales and London, using the opponent's service in South Wales and the applicant's take-away shop in South Harrow. There are further claims of confusion, but these are not particularised or supported. I do not regard them as made out.

The honesty of the concurrent use

64. Much of the evidence and submissions at the hearing centred on this issue. The opponent says that the applicant, in the form of Mr Mattadeen, learnt of its plan to open restaurants under the name TENNESSEE FRIED CHICKEN from an unnamed business associate in the KENTUCKY FRIED CHICKEN operation.

65. In the earlier opposition under No 43071, the applicant failed to answer the allegation with the result that the Hearing Officer decided that he could not be satisfied that the applicant's use was honest. In this connection the Hearing Officer noted that the applicant had provided no explanation of how else it found out about the opponent's plans so that, on 21 July 1988, its solicitor was in a position to send a warning letter to the opponent.

66. In these proceedings the applicant has provided an explanation in Mr Mattadeen's evidence(re-produced above). He says that the applicant found out about the opponent's proposed use of TENNESSEE FRIED CHICKEN through the company which was preparing its packaging. He says that this was after he had independently adopted the mark for his own business. There was no request to cross examine Mr Mattadeen on this evidence.

67. In his evidence-in-reply Mr Mahmoud said:

“Mr Mattadeen admits that he knew of our plans before we had started trading under the name. Indeed, we know this because his solicitors wrote to us on 21 July 1988, which was Exhibit MM5 to my previous declaration. He says he found out from packagers. The fact remains however that Mr Mattadeen was alert to the fact that we planned to open under the name well before he used the name himself. If he had

checked he would have discovered our trade mark application made on 14 April 1988. With his solicitors, for some misguided reason, he decided to go ahead despite knowing of us and then write to us the day after he opened, asking us to stop.”

68. Mr Mahmoud does not appear to challenge the truth of Mr Mattadeen’s explanation. What he appears to be saying is that it was inappropriate for Mr Mattadeen to proceed with his plans to open take-away food shops under the TENNESSEE FRIED CHICKEN name having become aware of the opponent’s plan to do the same thing.

69. I do not accept this. If two parties co-incidentally adopt the same trade mark and one of the parties learns of the others plans before either has started trading under the mark, there is nothing dishonest about the party which has adopted its mark honestly, proceeding with its plans to put the mark into use. This is not a case where the opponent had any goodwill under the mark at the time the applicant adopted the same mark, so this could not have been an attempt to divert or otherwise benefit from the opponent’s goodwill.

70. Mr Bernard said that the applicant had gone into this “with his eyes open” and that should be a factor which should adversely affect the prospect of any discretion being exercised in the applicant’s favour under Section 12(2). On the evidence, the applicant only learnt of the opponent’s application for the registration in class 42 of TENNESSEE FRIED CHICKEN in August 1988. By that time it was already trading under the name in London, whereas the opponent had not yet started to do so. The applicant was given professional advice that the opponent’s application for registration of TENNESSEE FRIED CHICKEN as an unused mark would fail. In the event it partly succeeded some years later for ‘restaurant services’. Nevertheless, the applicant was entitled to rely upon the advice he received. Taking all this into account, I accept that the applicant adopted his mark honestly, and that the subsequent use of the mark in London was also honest.

The relative inconvenience that would be caused if the mark was registered, subject to the geographical limitation to Greater London

71. The applicant had an established business in Greater London by the relevant date, with a turnover of around £3m per annum. I have found that the take-away food that is the basis of the applicant’s trade was identified primarily by the words TENNESSEE FRIED CHICKEN. The opponent operated a smaller business (approximately £800k per annum) under the same name in South Wales and the West. If the applicant’s mark is registered for cooked take-away fried chicken products etc it may make it more difficult for the opponent to expand its own business. However, the applicant’s registration will be limited to the Greater London area with the result that, once registered, the applicant’s infringement rights will be “restricted accordingly” by virtue of Section 13 of the Trade Marks Act 1994 and the transitional provisions set out in para 3(2) of Schedule 3 thereto. Consequently, granting registration will not make the applicant any better off than it is now in preventing the opponent expanding its business, except in the Greater London area.

72. It appears to me that the applicant had built up a common law right under the mark TENNESSEE FRIED CHICKEN in the Greater London area by the date of the application. If that is correct it seems likely that, at that date, the opponent would not have been free to open take-away shops in this area because of the law of passing off, notwithstanding its national registration of the mark for ‘restaurant services’. See section 2 of the 1938 Act and the

corresponding provision in section 2 of the 1994 Act. Any inconvenience to the opponent of allowing the registration is therefore only likely to arise if the applicant's common law rights in the London area cease whilst the proposed registration continues.

73. The inconvenience to the applicant in denying a registration is that it will have to rely upon its common law rights to protect the goodwill it has established under the mark for take-away food in the Greater London area.

74. Given that I have found that the applicant is entitled to claim to be the proprietor of the mark in respect of take-away food, I believe that the balance of convenience favours the applicant.

Does the triple identity rule apply?

75. Mr Bernard submitted that "restaurant services and take-away foods are just two sides of the same coin". He reminded me of the so-called 'triple identity' rule. The general rule is that if the marks are identical, the goods or services are identical and the areas over which they are going to be sold are the identical, the Registrar will not accept the second application. The rule does not strictly apply in this case because the application seeks a registration for goods whereas the earlier mark is registered for services. I do not attach too much weight to this point because I believe that Mr Bernard is correct in saying that take-away food and restaurant services are very closely associated. Nevertheless it would not be right to completely overlook the distinction. After all it was this very distinction which resulted in the opponent's mark being accepted and registered as an unused mark.

76. The triple identity rule is not part of the law. It is clear from the wording of Section 12(2) (and Section 7) that the statute provides for the registration of identical marks in the name of different proprietors, even in respect of identical goods/services. The triple identity rule therefore represents no more than the Registrar's natural reluctance to encourage the use of marks that will inevitably confuse the public. It is clear from the Bud case 1988 RPC 547 at 549, that where the two marks are already distinctive of the parties in the market, the general rule may be relaxed.

77. Taking account of all of these points, I have decided to exercise the Registrar's discretion under Section 12(2) in favour of the applicant, provided that the specification is limited to the goods for in respect of which I have found the mark to have been distinctive at the relevant date, and provided the geographical limitation is further restricted to the Greater London area.

78. There is a further ground of opposition under Section 11 of the Act. The opponent says that the mark TENNESSEE FRIED CHICKEN is inherently deceptive or liable to cause confusion if used in respect of goods such as vegetable burgers or soups (other than, presumably, chicken soup) or indeed any goods other than fried chicken. I do not believe that there is any likelihood of confusion arising from use of the mark in respect of chipped potatoes or condiments, which cannot easily be mistaken for fried chicken. This leaves 'vegetarian burgers', 'soups', 'salads' (which includes meat salads) and 'sauces' (which could include meat sauces or sauces for accompanying certain types of meat).

79. The applicant says that there will be no confusion because its goods are sold through its take-away shops and it is clear that the reference to 'fried chicken' is a reference to its primary

product. I accept this submission, however, as Mr Bernard pointed out, the proposed registration is not limited in this way and the sale of non-chicken burgers, soups, salads and sauces under the mark in other circumstances is liable to cause confusion.

80. Accordingly, for the reasons given at greater length in Chinatherm 1980 FSR 21, the application can only proceed for:

“Cooked take-away fried chicken products; chipped potatoes; condiments and sauces therefor; chicken soup and chicken salads.”

81. The application can only proceed with a geographical limitation to the Greater London Area.

82. It follows from what I have said that I do not propose to exercise the Registrar’s general discretion under Section 17(2) of the Act adversely to the applicant.

83. The applicant has one month from the end of the period allowed for appeal to submit a revised specification with a geographical limitation in line with the decision. Failure to do so will result in the refusal of the application.

84. This bring me to the question of costs. The applicant having succeeded is entitled to a contribution towards its costs. I order the opponent to pay the applicant the sum of £835.

Dated this 06 Day of April 2001

**Allan James
for the Registrar
the Comptroller General**