

O-332-07

TRADE MARKS ACT 1994

**IN THE MATTER OF TRADE MARK APPLICATION NO. 2333805
IN THE NAME OF MR IFTIKHAR AHMED KAHN AND MR AMJAD ALI KHAN
TO REGISTER THE TRADE MARK KEBABISH ORIGINAL EXPRESS AS A
SERIES OF ELEVEN MARKS IN CLASS 43**

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 93072 IN THE NAME OF
MR KHAWAJA MOHAMMED SHAFIQUE**

Trade Marks Act 1994

**IN THE MATTER OF trade mark application No. 2333805
in the name of Mr Iftikhar Ahmed Kahn and Mr Amjad Ali Khan
to register the trade mark KEBABISH ORIGINAL EXPRESS
as a series of eleven marks in class 43**

And

**IN THE MATTER OF opposition thereto
under No. 93072 in the name of
Mr Khawaja Mohammed Shafique**

BACKGROUND

1. On 3 June 2003, Mr Iftikhar Ahmed Kahn and Mr Amjad Ali Khan made an application to register the trade mark KEBABISH ORIGINAL EXPRESS in Class 43 as a series of eleven marks in relation to the following specification of services:

Restaurant services; takeaway services.

2. The mark has been applied for in the following forms:

KEBABISH ORIGINAL EXPRESS
KEBABISH original express
KEBABISH Original Express
kebabish ORIGINAL EXPRESS
kebabish original express
kebabish Original Express
Kebabish ORIGINAL EXPRESS
Kebabish original express
Kebabish Original Express
KEBABISH Original express
KEBABISH Original EXPRESS

3. On 24 December 2004, Mr Khawaja Mohammed Shafique filed notice of opposition to the application, the ground of opposition in summary being as follows:

Under Section 5(4)(a) by virtue of the law of passing off.

4. The applicant filed a counterstatement in which they deny that the filing of the application is an act of passing off.

5. Both sides filed evidence in these proceedings, which, insofar as it may be relevant I have summarised below. Neither side took up the offer of an oral hearing, instead electing to file written submissions in lieu of a hearing. After a careful study of the evidence and submissions, I now go on to give my decision.

Opponents' evidence

6. This consists of six Witness Statements. The first is dated 11 July 2005, and comes from Khawaja Mohammed Shafique, the opponent in these proceedings.

7. Mr Shafique says that in 1983 he opened a restaurant under the name KABABISH in Moseley, South Birmingham. In 1987 he opened a second restaurant under the same name in Sutton Coldfield, West Midlands. A third restaurant of the same name was opened in Hall Green, Birmingham in 1990 although this closed in 1997. He says that since 1983 he has authorised the use of the KEBABISH name to members of his family, and to Kababish Restaurants Limited (from 12 April 1983 to 15 July 1999) and Kababish Restaurants Limited (from 15 October 2004 to date.)

8. Mr Shafique says that since 1983, the main activity under the KABABISH mark has been the provision of restaurant and take-away services. He says that he has promoted his business in a number of ways over the last 20 years, Exhibit KMS01 being a selection of material showing use of the mark. The Exhibit includes details of company number 1714102 that was incorporated on 12 April 1983 under the name KABABISH RESTAURANTS LIMITED, and dissolved on 15 July 1999. Mr Shafique is shown as the Secretary and also a Director, with the nature of the business being stated as being "restaurants". The Exhibit also includes:

A letter confirming a donation to Barnardos following an event on 10 and 11 December 1993,

Restaurateur guidelines and brochure for the Gourmet Dinner Club dated 1993 and 1995, both mentioning KABABISH (Sutton Coldfield), with details of a dining scheme that expires in 1 May 1993,

KABABISH Balti Newsletter and Prize Draw Entry Form, dated Winter 1994, showing KABABISH restaurants in Moseley, Sutton Coldfield and Hall Green,

Invoice/receipt for advertisements placed in the Mail from Midland Independent Newspapers plc, dated 16 May 1997, which mentions it was placed by UK KABABISH, but no details of the advertisement have been provided,

details of company number 05261395 incorporated under the name KABABISH RESTAURANTS LIMITED on 15 October 2004, the nature of the business is not stated.

9. Mr Shafique goes on to refer to Exhibit KMS02, which consists of a printout of the website, kababish.co.uk, which illustrates the restaurant and take-away services provided. The extract refers to the opening of the KABABISH restaurant in Moseley in 1983, and the further restaurants as previously mentioned. It also mentions that the restaurants operate a

take-away service. The exhibit includes sample menus that show them to provide a Tandoori and Balti cuisine, along with alcoholic and non-alcoholic beverages. Exhibit KMS03 consists of further examples of menus that relate to the restaurant and take-away services provided under the KABABISH name. These include some for special events such as Christmas, New Year, Valentines Day, but cannot be dated to a particular year. One is for a Millennium celebration which, self-evidently dates from 1999/2000.

10. Mr Shafique says that the restaurants cater for events such as weddings and private parties, Exhibit KMS04 being a letter dated 27 November 1995 confirming a meal booking for a Christmas party, a letter dated 22 October 1996 addressed to KABABISH RESTAURANT from New Oscott Infant & Nursery School confirming an order for the supply of meals, a leaflet advertising a New Oscott Schools Parents Association "Balti Quiz Night" on 14 November 1996, that states the food is to be supplied by the KABABISH Restaurant, Bolmere. The Exhibit also includes a letter dated 29 January 1997 from New Oscott Schools Parents Association to KABABISH restaurant confirming the order for Balti meals for a quiz night, and an Indemnity Waiver Form dated 25 and 30 August 2004, from the Hilton, Coventry confirming provision of catering by KABABISH Catering Services Company for the "Ahmed Wedding".

11. Mr Shafique goes on to set out the turnover figures, inclusive of VAT, for services provided under the KABABISH mark in the UK since 1997. these are as follows:

Kababish Restaurant, Sutton Coldfield.		Kababish Balti Restaurant, Moseley	
Year	£	Year	£
8 Jul 1997 to 31 Aug 1997	157828	3 Mar 1997 to 31 Jul 1998	158999
to 31 Aug 1998	145186		
to 30 Nov 1999	182997	to 13 Sep 1999	158560
1 Dec 1999 to 28 Feb 2001	167933	to 31 Jan 2001	213091
to 28 Feb 2002	129316	to 31 Jan 2002	184467
to 28 Feb 2003	219301	to 31 Jan 2003	209627
to 28 Feb 2004	270539	to 31 Jan 2004	215476
to 28 Feb 2005	316648	to 31 Jan 2005	204665

12. He gives the advertising figures, inclusive of VAT, for services provided under the Mark in the UK since 1997. These are as follows:

Kababish Restaurant, Sutton Coldfield.		Kababish Balti Restaurant, Moseley	
Year	£	Year	£
8 Jul 1997 to 31 Aug 1997	2236	3 Mar 1997 to 31 Jul 1998	872
to 31 Aug 1998	2146		
to 30 Nov 1999	2475	To 13 Sep 1999	2159

1 Dec 1999 to 28 Feb 2001	2233	To 31 Jan 2001	3281
to 28 Feb 2002	973	To 31 Jan 2002	1946
to 28 Feb 2003	2047	To 31 Jan 2003	2253
to 28 Feb 2004	4999	To 31 Jan 2004	1374
to 28 Feb 2005	5559	To 31 Jan 2005	1789

13. Mr Shafique goes on to refer to Exhibit KMS05, which consists of material relating to advertising undertaken for services provided under the KABABISH mark, namely:

copy advert, "Valentines Weekend Special" from the Sutton Coldfield Observer, dated 7 February 1996,

newspaper cutting dated September 1997,

copy advert for "Mothers Day Champagne Special" from the Sutton Coldfield Observer, dated 20 March 1998,

"Eating Out Birmingham Guide" dated 2002/2003 containing an advert for KABABISH restaurant,

a booklet for Sutton Coldfield Ladies Hockey Club containing advert for the restaurant, dated 2003/2004,

"The Balti Triangle Birmingham the Essential Guide" containing a listing for `KABABISH restaurant,

a leaflet, "The Heart of Balti", listing restaurants including KABABISH.

14. Mr Shafique says that the restaurants also sponsor local sports teams and charities. He refers to Exhibit KMS06, which consists of material relating to sponsorship undertaken, namely:

letter dated 17 June 1994, discussing donation for the Ebrook Centre. There is no mention of KABABISH,

letter dated 14 June 1995, addressed to KABABISH, requesting support for the Sparkhill Youth Association,

letter dated 21 December 1995, confirming donation to the Clifton Road Youth Centre. There is no mention of KABABISH,

letter dated 29 June 1995, confirming sponsorship of the Erdington Little League. There is no mention of KABABISH,

letter dated April 1996 addressed to KABABISH Restaurant, requesting continued sponsorship of the Erdington Little League,

letter dated 6 November 1996, sent to KABABISH Restaurant by Norlink, confirming support for Boldmere Infants School,

Leonard Cheshire "Greenacres Cheshire Home" Autumn Fair booklet containing an advert (page 10) for KABABISH restaurant. The fair took place on 29 October 1998,

letter from Leonard Cheshire Services, dated June 2000, sent to KABABISH Restaurant confirming the completion of a sponsored cycle ride, and thanking Mr Sidique for his support,

letter from Bishop Walsh Catholic School dated 25 March 2002, sent to KABABISH Restaurants confirming a donation,

Internet printout detailing KABABISH restaurants support for the Moseley Mini and Junior Rugby Football Club. The article is dated 12 September 2003,

letters from Saltey School dated 25 February and 16 July 2004, requesting Mr Sidique of KABABISH to support an application for Specialist School Status, and confirming the successful application,

letter dated 22 June 2004 from Sutton Coldfield Cricket Club confirming placement of advertisement and sponsorship of team. There is no mention of KABABISH,

letter dated and certificate from The Children's Hospital, Birmingham confirming donation. There is no date,

Photograph taken by Solihull News of junior football team wearing KABABISH Restaurant sponsored football shirts. There is no date,

article from the November/December 2004 edition of Walmley Echo containing a feature "Falcons spread their wings". The team is shown as having been sponsored by KABABISH Restaurant,

articles headed "The Spice Boys" and "Footballers to show off their ball-ti skills" referring to sponsorship of New Oscott Junior School football team. The article is undated but mentions Sydd Sidiq as owner of the KABABISH Restaurant, Jockey Road,

article from the Vesey Observer, "Well Served by Sponsor", which Mr Shafique says dates from 26 August 1998. The article is not dated, but an attached sheet contains details of a holiday to take place in October 1998.

15. Mr Shafique goes on to refer to Exhibit KMS07, which consists of a copy of an Agreement dated 22 October 1995, by which KABABISH Restaurants Ltd were to supply trade from a kiosk at the "Made in Pakistan" exhibition held at the National Exhibition Centre.

16. Mr Shafique says that the KABABISH restaurants are promoted both locally and nationally. He says that promotions have included offers in The Sun, The Daily Telegraph, The Mirror, and the Sutton Coldfield Observer, as well as in association with Clorets mints and the Curry Club, Bud Light and The Motor ShowLive. In support he refers to Exhibit KMS08, which consists of material relating to promotions, namely:

letters dated 30 September 1994 and 1 February 1995, congratulating winners of the KABABISH Monthly Prize Draw,

letters dated 14 June and 12 September 1996, confirming KABABISH Restaurants participation in The Sun "2 for 1" Indian Meal Promotion,

letters dated 14 November and 23 December 1996, confirming prize winner details of the "Just the Two of Us" competition run by radio station, Choice 102.2 FM, the prize being a meal for two at KABABISH,

letter dated 7 February 1997, awarding a prize for the KABABISH Valentine Competition in the Sutton Coldfield Observer,

letter dated July and August 1997, addressed to Mr Sidiq of KABABISH Balti, detailing and confirming participation in the Clorets/Curry Club mints and chewing gum promotion,

letter explaining how the Student Promotion run by The Daily Telegraph works in January 1998. There is no mention of KABABISH,

letters dated 16 September and 14 October 1998, from The Mirror confirming KABABISH Restaurant's participation in the "2 for 1" Indian Meal Promotion,

copy promotional pack and confirmatory letter for The Daily Telegraph "Hot Curry Offer" in the period 18 January-1 April 1999. KABABISH is noted as one of the participating restaurants,

KABABISH restaurant meal voucher valid until 3 December 1999,

copy letters dated 12 and 19 September 2000, detailing and confirming participation in Bud Light Promotion,

copy brochure of "The Corporate Diners Card", 2 for 1 dining. The brochure is undated,

Copy contract with 1225 Marketing for marketing services, dated 12 April 2001, for the supply of marketing services to KABABISH,

Internet printout from www.visitwestmidlands.com detailing 15% discount and voucher printout in association with The Motor Show Live, 27 May - 6 June 2004.

17. Mr Shafique says that the KABABISH restaurants are widely known and have had many celebrity visitors. Exhibit KMS09 consists of articles relating to the visit of Robbie Williams to the restaurant, including the following:

"He's the one, the korma killer" from The Sunday, Sutton Coldfield, dated 15 October 2000, referring to the visit of Robbie Williams, the article mentioning the KABABISH owner, "Sydd",

"Robbie pops back for a spicy time with Geri at restaurant" from the Sutton Coldfield Observer, dated 20 October 2000, again referring to the visit of Robbie Williams, article referring to Sydd Sidiq as the owner of KABABISH,

"Cricket stars score-y after my tandoori" from The Sun, dated 16 September 1992, reporting the visit of English cricket players. The article refers to Mr Shafique as being the owner of KABABISH.

18. Mr Shafique continues, saying that the KABABISH restaurants have also won a number of awards for quality food, Exhibit KMS10 being copies of certificates for the Quality Food Online, dated 24 November 2000 and 18 March 2004, The Taj Good Curry Restaurant Guide, dated 1995-7 and 1998 editions.

19. Mr Shafique goes on to refer to newspaper articles covering special evenings, examples being provided as Exhibit KMS11. These include:

"It's Curry-Aoke" from the Sunday Mercury, dated 29 December 2002, referring to "Sydd" and the KABABISH restaurant.

"Curry-Oke" from The Sun, stated to date from 14 December 1999, which refers to the KABABISH restaurant and its owner Sydd Sadiq.

20. Mr Shafique says that the KABABISH restaurants also receives letters of commendation from customers from around the world as well as locals requesting information, Exhibit KMS12 consisting of examples. The Exhibit includes a letter dated 20 November 1996 from Wilnecote High School A-level students requesting menus, a letter dated 3 November 1994 from Kerry Cassell of Australia, and a letter dated 25 May 1999 from Josette & Derek Wrighton of USA.

21. Mr Shafique goes on to refer to Birmingham's status as the "Capital of the Balti", a dish which was brought to the Midlands in the 1970's. He says that whilst in the area many visitors like to experience a Balti dish.

22. As Exhibit KMS13 Mr Shafique exhibits a Witness Statement from Mrs. "Sue" Taylor

dated 11 July 2005. Mrs. Taylor attests to having visited KABABISH restaurants, stating that she is aware that they have been established for a long time and have a good reputation. She gives her views on the likelihood of confusion should another KABABISH restaurant open. Exhibit KMS14 consists of a "To Whom it may concern" letter dated 17 May 2005 from a B Coleman referring to Directory Enquiries having given the number for KEBABISH when asking for the number for KABABISH.

23. The next Witness Statement is dated 5 July 2005, and comes from Tabriz Hussain, a Business Development Coordinator of the Asian Balti Restaurant Association (ABRA), a position he has held for 7 months. Mr Hussain says that ABRA represents the Asian restaurants in the Birmingham "Balti Triangle", providing support, marketing and development services to its members. Exhibit TH01 consists of a print from the ABRA website, and company details for the Asian Balti Restaurant Association Limited.

24. Mr Hussain says that he has a good knowledge of Asian restaurants in the Midlands, and has known the KABABISH restaurants for 10 years, the businesses being well known and well established in the Midlands. Mr Hussain says that the name KABABISH is exclusively associated with Mr Shafique, such that use of the name by anyone else would cause confusion.

25. The next Witness Statement is also dated 5 July 2005, and comes from Tariq Chaudhry, a Business Development Manager of the Birmingham Asian Business Association (BABA), a position he has held for 8 years. Exhibit TC01 consists of a print from the Association's website. Mr Chaudhry says that BABA represents the Asian business community in Birmingham. He says that he has known the KABABISH restaurants for 18 years, the businesses being well known and having a good reputation in the Midlands and beyond. Mr Chaudhry says that the name KABABISH is exclusively associated with Mr Shafique.

26. Next is a Witness Statement dated 11 July 2005, which comes from Tariq Mahmood, a Director of ZIP Textile (Services) Limited. Mr Mahmood says that he has known of the KABABISH restaurants since 1986, his company having supplied two of the restaurants with table linen since that date. Mr Mahmood says that he associates KABABISH restaurants with Mr K M Shafique.

27. The final Witness Statement is dated 9 September 2005, and comes from Susan Goodchild, a resident of Yardley and a customer of KABABISH in Sutton Coldfield for some nine years. Ms Yardley recounts that on 26 May 2005 she wanted to order a take-away meal from KABABISH and contacted Directory Enquiries to obtain their telephone number. She says that she was given the telephone number for KEBABISH ORIGINAL restaurant who were unable to fulfill her food order. A second attempt to obtain the number for KABABISH was unsuccessful and only found via a search of the Internet. Ms Goodchild says that in her opinion the confusion arose because of the similarity of the names.

Applicants' evidence

28. This consists of two Witness Statements. The first is dated 13 March 2006, and comes from Iftikhar Ahmed Khan, one of the joint applicants and a restaurateur by trade or profession.

29. Mr Khan recounts his long standing interest in cooking food centred on the cuisine of the Asian sub-continent. He says that in late 1985, he and his brother started a small fast food restaurant called "Midnight Takeaway" from premises in Shepherds Bush, West London. He says that the enterprise was a great success and was sold as a going concern after trading for only about six months.

30. Mr Khan states that in addition to establishing the financial viability of running a "themed" restaurant he had also developed many new culinary and associated ideas in terms of restaurant design. He says that he and his brother began looking for premises from which to run a proper restaurant. He says that he realised that he had to find a suitable name for the restaurant which would "reflect the style of cuisine that I had in mind." The word "Kebab", is of Arabic derivation, meaning small pieces of meat and/or vegetables packed closely together on a skewer and then grilled. This formed the central core of dishes Mr Khan intended to sell from the restaurant. Mr Khan says that after considering different alternatives he devised the name KEBABISH.

31. Mr Khan says that early in 1986 he found the right venue for the first KEBABISH restaurant, and took a twelve year lease on premises at 40 Broadway in Southall, West London, Southall being one of four major areas in London which has a large Asian population. The restaurant opened around August - September 1986 under the KEBABISH name. Mr Khan recounts that in 1989 his brother decided to emigrate to the United States, and as a consequence he had to sell his share of the Southall restaurant to release his brother's share of the business. A buyer was found in late 1989 and the business including the goodwill and reputation which had accrued under the mark KEBABISH was sold. Mr Khan goes on to say that as he wished to open further restaurants under the KEBABISH name, the purchaser of the Southall restaurant agreed a form of limited non-exclusive licence that permitted the use of the KEBABISH mark within a two mile radius of the Southall restaurant premises.

32. Mr Khan says that in the summer of 1991 he formed a partnership with Amjad Ali Khan in the business of running restaurants under the mark KEBABISH. Suitable premises at 89 Green Street, Forest Gate, London were located, the partnership taking a 15 year lease. Mr Khan says that the restaurant opened on 16 August 1991 under the KEBABISH name, the launch being accompanied by extensive advertising on Europe's leading Asian radio station Sunrise Radio, that broadcasts from Southall. As a promotional gimmick the restaurant offered food at half price for the first three days after opening which proved both very popular with the public and very successful in marketing terms as an advertising stunt.

33. Mr Khan recounts that late in 1991 he made his first attempt to register KEBABISH as a trade mark, but was unsuccessful. He says that he nonetheless did manage to register KEBABISH in 1992 with the Register of Trade names.

34. Mr Khan recounts that the restaurant proved to be very successful, and by 1994 the business expanded to include premises in Wembley, North London, again on a 15 year lease. In 1995 new premises were located and taken on a 12 year lease at Manor Park, London.

35. Mr Khan says that in 1995 he made a second attempt to register the word mark KEBABISH as a trade mark, but was again unsuccessful. He says that a further restaurant was opened in Plaistow, although does not say when. The opening received considerable coverage in the media including TV coverage. Mr Khan says that with its proximity to the football ground, on any given Saturday afternoon during the football season the restaurant would achieve sales in excess of £10,000.

36. Mr Khan says that in 1997 the decision was taken to trade through corporate vehicles. Two different companies were incorporated with the name of Kebabish Restaurant and Takeaway Limited as a holding company in respect of the assets of the business and Shaygold Holdings Limited as a corporate trading entity trading as Kebabish to begin with and latterly as Kebabish Original.

37. Mr Khan recounts that in the autumn of 1998, Mr Patel, the manager of the Wembley restaurant became aware of premises in Stanmore that had become available. It was agreed that Mr Patel would take a lease of the premises, fund the establishment of a restaurant and that the KEBABISH restaurants would grant him a licence to trade under the KEBABISH name. The restaurant opened on 27 October 1998 accompanied by significant launch publicity.

38. Mr Khan says that in 1999 the business acquired premises in Ilford, and that it was at this time that he became aware of the need to protect the brand so as to defend the goodwill that was being established. The trading name was changed to Kebabish Original with a new logo style being adopted for the premises, menus, uniform for employees and stenciled crockery. In May 2000 the business applied for registration of the trade mark KEBABISH ORIGINAL, the registration being granted on 19 May 2000.

39. In June 2000 the Plaistow restaurant was sold, the new owners being granted a non-exclusive licence to continue to use the goodwill of the trade mark within a limited geographical area. Mr Khan says that with the proceeds of the sale they managed to acquire premises in Romford, East Ham and Ilford, but gives no further details.

40. The second Witness Statement is dated 13 March 2006, and comes from Amjad Ali Khan, a partner with Iftikhir Ahmed Khan and joint applicant.

41. Mr A Khan says that the mark that is the subject of these proceedings is a variation of the KEBABISH ORIGINAL that he and his partner have registered as a trade mark. Mr A Khan refers to Exhibit AK1, which consists of copies of the registration details for this, and another KEBABISH mark. Exhibit AK2 consists of a Certificate of Registration issued by Business Names Registrations plc showing the establishment of a business in 1991 under the name KEBABISH, the registration being effected on 19 February 2002.

42. Mr A Khan refers to Exhibit AK3, which he says is an example of the promotion undertaken when a new restaurant was set up. The Exhibit consists of an extract taken from the 9 November 1991 edition of the Stratford and Newham Express. The first page is the front page of the publication that contains the word KEBABISH in large lettering above an advertisement feature for KEBABISH JUNCTION that refers to the Khan's. The second page of the Exhibit includes a photograph of the frontage of a KEBABISH restaurant, and an article referring to the KEBABISH phenomenon "Over the last decade...", Iftikhir and Amjad Khan being referred to as the owners. The article lists three KEBABISH restaurants located in London.

43. As Exhibit AK4 Mr Khan shows a list of franchised premises and the details of the franchise holders, Mr Khan mentioning that these are spread throughout the UK. He draws particular attention to the premises in the Birmingham area. The list gives names and contact details for persons throughout the UK, but does not say that they are trading as KEBABISH or a franchise of that business, nor does it give details of when their use of KEBABISH commenced.

44. Mr Khan refers to the opponents having made an application to register KABABISH as a trade mark, details of which he shows as Exhibit AK5. He comments on the extent of the opponents' trading activities, stating that this has been limited to three restaurants, one of which is no longer operating. Mr Khan refers to Exhibit AK6, which consists of a map of the districts of Birmingham, going on to draw attention to the close proximity of the opponents' restaurants, asserting that any reputation attaching to them would be geographically limited. Mr Khan concludes his declaration by referring to the winding up of the company KABABISH Restaurants Limited that coincided with the closure of the Hall Green restaurant.

Opponents' evidence in reply

45. This consists of a Witness Statement dated 9 January 2007 from Khawaja Mohammed Shafique. Not unusually for reply evidence this Statement consists of submissions in response to the evidence filed by the applicants. Being submissions rather than evidence of fact it is neither appropriate nor necessary that they be summarised. I will, of course take them fully into account in my determination of this case. Mr Shafique provides one Exhibit, numbered KMS11, which consists of an e-mail sent on 1 December 2006 concerning the possible setting-up of a KABABISH restaurant in an hotel in Brussels.

46. That concludes my summary of the evidence insofar as it is relevant to these proceedings.

DECISION

47. The opposition is made under Section 5(4)(a) of the Act, which reads as follows:

"5.-(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented -

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or

(b)

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an "earlier right" in relation to the trade mark."

48. A helpful summary of the elements of an action for passing off can be found in *Halsbury's Laws of England* (4th Edition) Vol. 48 (1995 reissue) at paragraph 165. The guidance given with reference to the speeches in the House of Lords in *Reckitt & Colman Products Ltd v Borden Inc* [1990] RPC 341 and *Erven Warnink BV v J Townend & Sons (Hull) Ltd* [1979] A.C. 731 is (with footnotes omitted) as follows:

"The necessary elements of the action for passing off have been restated by the House of Lords as being three in number:

(1) that the plaintiff's goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;

(2) that there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by the defendant are goods or services of the plaintiff;

and

(3) that the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant's misrepresentation.

The restatement of the elements of passing off in the form of this classical trinity has been preferred as providing greater assistance in analysis and decision than the formulation of the elements of the action previously expressed by the House. This latest statement, like the House's previous statement, should not, however, be treated as akin to a statutory definition or as if the words used by the House constitute an exhaustive, literal, definition of 'passing off', and in particular should not be used to exclude from the ambit of the tort recognised forms of the action for passing off which were not under consideration on the facts before the House."

49. Further guidance is given in paragraphs 184 to 188 of the same volume with regard to establishing the likelihood of deception or confusion. In paragraph 184 it is noted (with footnotes omitted) that:

"To establish a likelihood of deception or confusion in an action for passing off where there has been no direct misrepresentation generally requires the presence of two factual elements:

(1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and

(2) that members of that class will mistakenly infer from the defendant's use of a name, mark or other feature which is the same or sufficiently similar that the

defendant's goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact.

In arriving at the conclusion of fact as to whether deception or confusion is likely, the court will have regard to:

- (a) the nature and extent of the reputation relied upon;
- (b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;
- (c) the similarity of the mark, name etc used by the defendant to that of the plaintiff;
- (d) the manner in which the defendant makes use of the name, mark etc complained of and collateral factors; and
- (e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.

In assessing whether confusion or deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action."

In *Reckitt & Colman Products Ltd v Borden Inc and others* [1990] RPC 341, (also known as the "Jif Lemon" case) Lord Oliver (page 880) summarised the law this way:

"It has been observed more than once that the questions which arise are, in general, questions of fact... The law of passing off can be summarised in one short general proposition – no man may pass off his goods as those of another. More specifically, it may be expressed in terms of the elements which the plaintiff in such an action has to prove in order to succeed. These are three in number. First, he must establish a goodwill or reputation attached to the goods or services which he supplies in the mind of the purchasing public by association with the identifying 'get-up' (whether it consists simply of a brand name or a trade description, or the individual features of labelling or packaging) under which his particular goods or services are offered to the public, such that the get-up is recognised by the public as distinctive specifically of the plaintiff's goods or services. Second, he must demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by him are the goods or services of the plaintiff. Whether the public is aware of

the plaintiff's identity as the manufacturer or supplier of the goods or services is immaterial, as long as they are identified with a particular source which is in fact the plaintiff. For example, if the public is accustomed to rely on a particular brand name in purchasing goods of a particular description, it matters not at all that there is little or no public awareness of the identity of the proprietor of the brand name. Third, he must demonstrate that he suffers or, in a quia timet action, that he is likely to suffer damage by reason of the erroneous belief engendered by the defendant's misrepresentation that the source of the defendant's goods or services is the same as the source of those offered by the plaintiff".

50. To the above I add the comments of Pumfrey J in *South Cone Incorporated v Jack Bessant, and others*, [2002] RPC 19, in which he said:

“27. There is one major problem in assessing a passing off claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case in which this ground of opposition is raised the Registrar is entitled to be presented with evidence which at least raises a prima facie case that the opponent's reputation extends to the goods comprised in the applicant's specification of goods. The requirements of the objection itself are considerably more stringent than the enquiry under S.11 of the 1938 Act (see *Smith Hayden & Co. Ltd's Application (OVAX)* (1946) 63 RPC 97 as qualified by *BALI Trade Mark* [1969] RPC 472). Thus the evidence will include evidence from the trade as to reputation; evidence as to the manner in which the goods are traded or the services supplied; and so on.

28. Evidence of reputation comes primarily from the trade and the public, and will be supported by evidence of the extent of use. To be useful, the evidence must be directed to the relevant date. Once raised, the applicant must rebut the prima facie case. Obviously, he does not need to show that passing off will not occur, but he must produce sufficient cogent evidence to satisfy the hearing officer that it is not shown on the balance of possibilities that passing off will occur.”

51. The date at which the matter must be judged is not entirely clear from Section 5(4)(a) of the Act. This provision is clearly intended to implement Article 4(4)(b) of Directive 89/104/EEC. It is now well settled that it is appropriate to look to the wording of the Directive in order to settle matters of doubt arising from the wording of equivalent provisions of the Act. The relevant date may therefore be either the date of the application for the mark in suit (although not later), or the date at which the acts first complained of commenced, as per the comments in *Cadbury Schweppes Pty Ltd v The Pub Squash Co Pty Ltd* [1981] RPC 429.

52. As a starting point I would say that there is no dispute regarding the similarity of KEBABISH and KABABISH, and rightly so; they are about as close as you can get without actually being identical. At least in the applicants' case the word KEBABISH is known to be a reference to a style of food or cooking, but is nonetheless a word with a high degree of distinctiveness. The opponents' mark KABABISH may well have the same origins; I do not know and they do not say. The consumer may see the use of the word KABAB in the mark

as being a reference to the nature of the goods being provided, but as a whole the word KABABISH also has a strong distinctive character.

53. There is, of course additional matter in the applicants' mark; the words ORIGINAL EXPRESS. Individually these words are capable of being mere descriptions of an aspect of the service provided under the name. The combination is syntactically awkward but what they are (or may be saying) can be gleaned without too much deliberation. In my view a consumer would see KEBABISH as the badge of the business, and ORIGINAL EXPRESS as a reference to some aspect of the service. Taking into account that both marks are used in the same field of activity, the position as I see it is that if the opponents can establish the requisite goodwill in the KABABISH name, use of KEBABISH ORIGINAL EXPRESS, in the various forms, by the applicants would amount to a misrepresentation. That being the case, damage would inevitably follow, see *Draper v Trist and Trisbestos Brake Linings Ltd* 56 [1939] RPC 429 in which Goddard L.J. stated:

“But in passing-off cases, the true basis of the action is that the passing-off by the defendant of his goods as the goods of the plaintiff injures the right of property in the plaintiff, that right of property being his right to the goodwill of his business. The law assumes, or presumes, that if the goodwill of a man's business has been interfered with by the passing-off of goods, damage results therefrom.”

The goodwill of the parties

54. Both parties claim to have used their marks. In the opposition of *Lee Alexander McQueen to the application of Nicholas Steven Croom* (BL0/120-04), Mr Geoffrey Hobbs QC sitting as the Appointed Person considered the correct approach where rival claims are raised should fall to be resolved on the basis that within the area of conflict:

- (a) the senior user prevails over the junior user;
- (b) the junior user cannot deny the senior user's rights;
- (c) the senior user can challenge the junior user unless and until it is inequitable for him to do so.

55. Mr Hobbs went on to say:

“46. The statutory provisions carried forward into Sections 7, 11 and 12 of the Trade Marks Act 1938 reflected these principles: see *CLUB EUROPE Trade Mark* [2000] RPC 329 at pages 342 to 344. The principles themselves are, in my view, deducible from:

(a) the right to protection conferred upon senior users at common law (see *CHIPIE Trade Mark* [2000] FSR 814 (PC) at pages 818, 819 per Lord Clyde and *AL BASSAM Trade Mark* [1995] RPC 511 (CA) at page 522 per Morritt L.J.);

(b) the common law rule that the legitimacy of the junior user's use of the mark in issue must normally be determined as of the date of its inception

(see *J.C. Penney Co. Inc. v. Penneys Ltd* [1975] FSR 367 (CA) at page 381 per Buckley L.J., *Cadbury Schweppes Pty Ltd v. Pub Squash Co. Pty. Ltd* [1981] RPC 429 (PC) at page 494 per Lord Scarman; *Anheuser-Busch Inc v. Budejovicky Budvar NP* [1984] FSR 413 (CA) at page 462 per Oliver L.J., page 471 per O'Connor L.J. and page 473 per Dillon L.J.); and

(c) the potential for co-existence to be permitted in accordance with equitable principles (see *GE Trade Mark* [1973] RPC 297 (HL) at pages 325 *et seq* per Lord Diplock and *Anheuser-Busch Inc. v. Budejovicky Budvar NP* [2000] I.P. & T. 617 (CA) at pages 629 and 630 per Peter Gibson L.J., pages 632 and 633 per Judge L.J. and page 637 per Ferris J.)”

56. Both parties say that they have used their respective trade marks, so the starting point is to ascertain whether the opponents have the senior goodwill in their name. In *IRC v Muller and Co's Margarine* [1901] AC 217 at 223, Lord Macnaughton explained what is meant by “goodwill” in the following terms:

“What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start.”

57. The act of creating a name does not, of itself, bring the inventor any rights. In the decision in *Harrods Limited v Harrodian School Limited* [1996] RPC 697, Millett LJ at paragraph 791 stated:

“It is well settled that (unless registered as a trade mark) no one has a monopoly in his brand name or get up, however familiar these may be. Passing off is a wrongful invasion of a right of property vested in the plaintiff; but the property which is protected by an action for passing off is not the plaintiff's proprietary right in the name or get up which the defendant has misappropriated but the goodwill and reputation of his business which is likely to be harmed by the defendant's misrepresentation.”

58. So the question is one of commercial reality. Has the opponent used the mark in a way that has generated goodwill, and if so, what is the nature and extent of that goodwill?

59. Mr Shafique says that he first used KABABISH in 1983 as the name of a restaurant in Moseley, South Birmingham. In 1987 he opened another restaurant and take-away food service under the same name in Sutton Coldfield, West Midlands, and a further KABABISH restaurant in Hall Green, Birmingham in 1990. The Hall Green restaurant is stated to have closed in 1997, but the remaining two have continued to trade up to, and beyond the date on which the application was made. Mr Shafique has provided a significant amount of material relating to the use of KABABISH in relation to restaurant and takeaway services, but nothing that actually substantiates the claim to use of the name in trade from 1983.

60. Having received Mr Shafique's evidence the applicants will have been fully aware of the opponents claim to have been using KABABISH since 1983 in relation to restaurant and

takeaway services. At no point do the applicants challenge this claim, be it in their own evidence or by seeking cross-examination of Mr Shafique. In *Extreme Trade Mark* (BL O/161/07), Mr Richard Arnold QC sitting as The Appointed Person, considered whether the strict rules of evidence apply to the Registrar's tribunal. The relevant part of his decision is as follows:

“Unchallenged evidence

33. *Phipson on Evidence* (16th ed) states at paragraph 12-12:

‘In general a party is required to challenge in cross-examination the evidence of any witness of the opposing party if he wishes to submit to the court that the evidence should not be accepted on that point. The rule applies in civil cases as it does in criminal. In general the CPR does not alter that position. This rule [sic] serves the important function of giving the witness the opportunity of explaining any contradiction or alleged problem with his evidence. If a party has decided not to cross-examine on a particular important point, he will be in difficulty in submitting that the evidence should be rejected. However the rule is not an inflexible one...’

34. The authority cited in support of this statement of the law is the decision of the House of Lords in *Browne v Dunn* (1894) 6 R 67. The relevant passages from the speeches are set out in the judgment of Hunt J in *Allied Pastoral Holdings v Federal Commissioner of Taxation* (1983) 44 ALR 607, the material parts of which are quoted in the judgment of the Court of Appeal in *Markem Corp v Zipher Ltd* [205] EWCA Civ 267, [2005] RPC 31 at [59]-[60].

35. In my judgment the learned editors of *Phipson* are correct to say that the rule is not an inflexible one. There are at least two well-established exceptions to it. The first is that, as the speech of Lord Herschell LC in *Browne v Dunn* makes clear, it may not be necessary to cross-examine on a point if the witness has been given full notice of it before making his statement. As I pointed out in *BRUTT Trade Marks* [2007] RPC 19 at [23], this may be significant in registry proceedings where evidence is given sequentially. The second is that a court is not obliged to accept a witness's evidence in the absence of cross-examination if it is obviously incredible: see *National Westminster Bank plc v Daniel* [1993] 1 WLR 1453.

36. Where, however, evidence is given in a witness statement filed on behalf of a party to registry proceedings which is not obviously incredible and the opposing party has neither given the witness advance notice that his evidence is to be challenged nor challenged his evidence in cross-examination nor adduced evidence to contradict the witness's evidence despite having had the opportunity to do so, then I consider that the rule in *Brown v Dunn* applies and it is not open to the opposing party to invite the tribunal to disbelieve the witness's evidence.”

61. As I have already said, the applicants have not challenged Mr Shafique's claim to have used KABABISH for restaurant and takeaway services from 1983. In fact, their evidence implies that they accept the opponents to have a reputation and/or goodwill in KABABISH

from the date claimed. Mr A Khan says that the opponent has “at various times had three different restaurants under the name KABABISH”. He does not comment on the date of first use claimed by Mr Shafique, instead focusing on the fact that one of the these restaurants operated between 1990 and 1997, and that the opponents’ restaurants trade in a “very closely adjoining geographical area”. From this Mr A Khan submits that the extent of the business and reputation attaching to the opponents’ business “is strictly limited geographically”. Mr A Khan continued saying that the only right that has been established is a local right to the use of the name KABABISH.

62. Setting aside my views on the applicants’ evidence, I consider there to be sufficient for me to be able to accept Mr Shafique’s claim to use of KABABISH from 1983 as “not obviously incredible”. A printout of the website, www.kababish.co.uk (Exhibit KMS02) refers to the opening of the KABABISH restaurant in Moseley in 1983, and the further restaurants as mentioned. This is public confirmation of the claims to first use made by Mr Shafique although I accept that it is not evidence that actually establishes the fact. There is evidence that Mr Shafique incorporated two companies registered under the name Kababish Restaurants Limited, the first on 12 April 1983. This company was dissolved on 15 July 1999. The second company was incorporated on 15 October 2004 and is apparently still trading. Exhibit KMS01 includes information obtained from the Companies Register confirming these details. Mr Shafique is listed as the Secretary and also a Director, the nature of the business of the first company being stated as being “restaurants”; there is no description of the business for the second company. Again I accept that the mere fact that a company has been incorporated is not, of itself, proof that it was trading, but the date of incorporation of the first company corresponds to the stated opening of the first KABABISH restaurant. Having accepted that the Moseley restaurant opened in 1983 and is still trading, the gap in the existence of these companies is of no significance.

63. Mr Shafique refers to having authorised the use of the KEBABISH name to members of his family but beyond this does not give any further details on which to assess whether this could have contributed to a reputation or goodwill.

64. The earliest evidence that shows use in trade consists of the “Restaurateur guidelines“, and a brochure for the “Gourmet Dinner Club” which can be found in Exhibit KMS01. These date from 1993 and mention KABABISH (Sutton Coldfield) and details of a dining scheme that expires in 1 May 1993. Other exhibits show continuous use of KABABISH up to and beyond the date on which the application was made.

65. The combined turnover figures provided by Mr Shafique relate to the business in the period March 1997 to the end of February 2005. I do not know how significant the figures are in relation to the industry and services provided; they have not been put into context. The closest I can get is the statement by Mr I Khan that in some weeks the turnover of his West Ham restaurant could achieve sales of £10,000 on a single afternoon. That appears to be an exceptional event created by the gathering of large numbers of football supporters. The opponents’ turnover figures run at around £3-£4,000 per week which may not be as high, but on their face are certainly not insignificant. The annual figures that have been provided in relation to the opponents’ promotional activities cover the same period. They do not appear to be overly significant but are of an amount that indicates a level of promotion likely to have impacted on the public, and would have been bolstered by the unpaid publicity features that

have appeared over the years.

66. I note that the turnover stated for the first period of the Sutton restaurant, a matter of some 7-8 weeks is higher than the annual turnover for full years. I suspect there is a typographical error somewhere.

67. To my mind there can be little doubt that the opponent has been using the trade mark KABABISH in respect of two, and at one time three restaurants located in the Birmingham area. On the evidence and facts before me, and taking on board the applicant's apparent concessions, I am content to take this use as having commenced in 1983, and as a business providing a service from two or three fixed locations in close proximity, to accept that the opponents have a reputation and goodwill extending to Birmingham and the surrounding districts. That said, there is evidence that the opponents reputation and goodwill may extend beyond this. Exhibit KMS07 shows that KABABISH Restaurants Ltd provided food at the "Made in Pakistan" exhibition held at the National Exhibition Centre in October 1995. It would seem reasonable to infer that attendees came from places other than Birmingham, although it is not known how many will have seen or used the KABABISH kiosk. The restaurants have been promoted nationally through offers that appeared in several national daily newspapers, in association with Clorets mints and the Curry Club, Bud Light and The Motor ShowLive promotions. These took place between 1994 and 2004.

68. The visit of Robbie Williams to the restaurant in October 2000 received widespread publicity in The Sunday Sutton Coldfield and the Sutton Coldfield Observer. An article in The Sun in September 1992 reported the visit of English cricket players to a KABABISH restaurant. An article entitled "Curry-Oke" that appeared in The Sun on 14 December 1999 referred to the KABABISH restaurant and its owner Sydd Sadiq. These events may well have enhanced the reputation of the KABABISH restaurants, and being connected to a known trading business will no doubt have extended the force that will attract customers to the restaurants well beyond the immediate locality. On the basis of the above I have little difficulty in coming to the position that around 1992-3 the opponents are likely have a reputation and goodwill that although centred around Birmingham, extended to other parts of the UK, albeit diminishing as it travelled.

69. This now brings into question the use that the applicants say that they have made of KEBABISH since 1986, and the goodwill that they claim to have accrued. The applicant, Mr I Khan, in partnership with his brother opened the first restaurant of that name in Southall, West London in August /September 1986. In "late 1989" the restaurant including the goodwill and reputation which had accrued under the mark KEBABISH was sold, although Mr I Khan says that as he wished to open further restaurants under the KEBABISH name the purchaser agreed a form of limited non-exclusive license that permitted the use the KEBABISH mark within a two mile radius of the Southall restaurant premises. There is no evidence of this license.

70. Mr I Khan says that on 16 August 1991, in partnership with Amjad Khan, the co-applicant, he opened a restaurant under the mark KEBABISH at 89 Green Street, Forest Gate, London. He says that the launch was accompanied by extensive advertising on Europe's leading Asian radio station called Sunrise Radio which broadcasts from Southall. In 1994 the applicants' business expanded to include premises in Wembley, North London, and

in 1995, another at Manor Park, London. A further KEBABISH restaurant was opened in Plaistow although it is not stated when. Mr I Khan says that the opening received considerable coverage in the media including television, and with its proximity to the West Ham football ground proved very successful. In 1998 a licence was granted for an ex-employee to run a restaurant under the KEBABISH name. In 1999 the business acquired premises in Ilford to open a new KEBABISH restaurant. In June 2000 the Plaistow restaurant was sold, the new owners being granted a non-exclusive licence to continue to use the goodwill of the trade mark within a limited geographical area. Mr Khan says that with the proceeds of the sale they managed to acquire premises in Romford, East Ham and Ilford.

71. Two companies had been incorporated in 1997 under the name of Kebabish Restaurant and Takeaway Limited as a holding company in respect of the assets of the business and Shaygold Holdings Limited as a corporate trading entity, initially trading as Kebabish and subsequently as Kebabish Original.

72. Evidence showing the KEBABISH mark in use consists of one Exhibit numbered AK3, Mr A Khan introducing this as an example of the promotion undertaken when a new restaurant was set up, and consists of an extract taken from the 9 November 1996 edition of the Stratford and Newham Express. The first page is the front page and has the word KEBABISH in large lettering above an advertisement feature for KEBABISH JUNCTION that refers to the Khan's. The second page includes a photograph of the frontage of a KEBABISH restaurant, and an article referring to the KEBABISH phenomenon "Over the last decade...", Iftikhir and Amjad Khan being referred to as the owners. The article lists three KEBABISH restaurants located in London.

73. As was the case with the opponents, the applicants' claims to use from 1986 go unchallenged and are "not obviously incredible". Accordingly, it would be appropriate to deem the use of KEBABISH to have commenced in 1986, and to goodwill having been accrued from that date.

74. Earlier I said that the relevant date may be either the date of the application for the mark in suit (although not later), or the date at which the acts first complained of commenced, as per the comments in *Cadbury Schweppes Pty Ltd v The Pub Squash Co Pty Ltd* [1981] RPC 429. Which date depends upon whether there has been use of the offending mark prior to the date on which the application for registration was made.

75. The applicants, or at least one of them, first used the KEBABISH mark in August/September 1986. The vehicle under which the goodwill was gathered appears to have operated as a partnership at will. In "late 1989" the business was sold along with the goodwill in the KEBABISH name. Mr I Khan says that this was under a licence that geographically limited the use of KEBABISH that could be made by the new owner. That may well be the case, but there is no evidence of this, or that the goodwill that had been built under the name travelled with Mr I Khan when the business was sold. Being a partnership, the goodwill was not owned by Mr I Khan but by the partnership. In August 1991, Mr I Khan formed a partnership with Mr Amjad Khan to run restaurants under the mark KEBABISH. From that date the new partnership started building its own goodwill in the name.

76. If Mr I Khan's claim to have retained the goodwill in the KEBABISH name following the sale of the restaurant is accepted, the relevant date at which the opponents' goodwill would be assessed is 1986. At that point in time the opponents had one restaurant trading under the KABABISH name located in Moseley, Birmingham. There is no evidence of any sales, advertising or promotion in areas beyond this, and I must therefore take their goodwill to be limited to that geographical area. The applicants were trading in London so the businesses and their goodwill were separated geographically. Had this circumstance continued, the two restaurants and their goodwill could have continued to co-exist. In an unreported decision, *Clouds Restaurant Ltd. v. Y Hotel Ltd.* (7 July 1982), Dillon J. refused to grant an interlocutory injunction to plaintiffs who ran a restaurant at or near Kingston-upon-Thames under the name "Clouds" to restrain defendants from using the same name for a restaurant at or near Tottenham Court Road in London, even though there was some evidence of confusion. He said:

"I do not think that names of restaurants which have essentially local connections and are known essentially in their locality give the right to stop other restaurants starting up under the same name elsewhere. This is not the case of an established nationwide chain of restaurants."

77. If assessed at the point when the partnership between I Khan and A Khan began to trade, the position would be little different. By 1991 the opponents had three restaurants in the Birmingham area. There is no evidence that they had any goodwill or reputation beyond this locality at the time that the applicants opened the second of the KEBABISH businesses in London. Thereafter, the opponents' goodwill and reputation can be seen to have spread, although the business itself remained centred on Birmingham. The applicants essentially continued opening restaurants in London and the South-East, but as can be seen from the list of franchisees (Exhibit AK4 to Mr A Khan's Statement) the applicant's intentions did not stop there. The franchised premises can be seen to spread throughout the UK, including the Birmingham area. The list does not state that these franchises are trading as KEBABISH, but having been introduced as evidence in these proceedings that is what I am being invited to infer..

78. In *Chelsea Man Menswear Limited v. Chelsea Girl Limited and Another* [1987] RPC 189, Slade LJ took the following view where two business had previously been trading in distinct geographical areas, but one now intended to expand:

"201 Conclusions

In the course of opening this appeal, a substantial part of Mr. Wilson's argument on the facts was directed to satisfying us that the plaintiffs have not established a nationwide reputation attached to the name "Chelsea Man", existing at the date of the writ. This was not surprising because the learned judge himself appears to have regarded the existence or otherwise of the plaintiffs' reputation as the crucial issue and, though not in terms so stating, expressed himself in words which could be read as meaning that they had established a nationwide reputation.

As to this point, I see much force in Mr. Wilson's argument, particularly having regard to the plaintiffs' lack of advertising, the relatively small volume of their sales of goods labeled

"Chelsea Man", and their choice of the shop name "Nickleby", rather than "Chelsea Man". To take two examples at random, I infer that, on the evidence, few, if any, men ordinarily living in Penzance or Newcastle-on-Tyne would be likely to connect the name "Chelsea Man" either with the plaintiffs or with "Nickleby". If, therefore, the evidence had shown that the defendants were intending to conduct business under the name "Chelsea Man" in (for example) one or other of those two places and were not threatening to do so in any other place, then, in the light of authorities such as *Outram* and *Clouds*, there might have been grounds for contending that the plaintiffs had not even established a cause for action.

However, comparisons with hypothetical situations are not helpful. In any passing off action the court has to consider not only the nature and extent of the plaintiffs' reputation (if any), but also what are the acts, or threatened acts, complained of. Paragraph 6 of the statement of claim in this *quia timet* action describes clearly the acts threatened by these particular defendants:

"The Defendants threaten and intend to open a chain of retail shops selling menswear to be called .CHELSEA MAN'. Further they intend to carry on business with the trade, the public and others under and by reference to the said name. Further they threaten and intend to place on the market menswear under the brand name .CHELSEA MAN'."

This paragraph is admitted, without qualification, in paragraph 9 of the defence. At the date when these proceedings were instituted, the defendants were not merely intending to open one or two "Chelsea Man" shops in isolated parts of the country far removed from the three proposed restricted areas. On the contrary, having already in operation a chain of more than 150 Chelsea Girl shops, with a very large turnover of business, they were intending to open a chain of "Chelsea Man" shops up and down the country. Their practical ability to do so is illustrated by the fact that by the date of the trial they already had no less than 28 "Chelsea Man" shops operating either on their own or (in the majority of cases) in conjunction with Chelsea Girl shops. Mr. Robin Jacob Q.C., on behalf of the plaintiffs, was, I think, inclined to accept that, at the date of the writ, they had not established a nationwide reputation in the sense that they were known throughout the country. However, he submitted in effect that: (1) they have at very least, on the evidence, established a clear reputation and goodwill attaching to the name "Chelsea Man" in connection with their business in the three proposed restricted areas;

202 (2) in the light of the activities threatened by the defendants, the plaintiffs have established a clear cause of action which entitles them to relief by way of injunction; (3) the reasonable protection of the plaintiffs requires the injunction to run throughout England and Wales and does not permit it to be circumscribed geographically within those limits."

79. The fact that there has been what can be described as "concurrent use" is no defence (See *Habib Bank Ltd v Habib Bank A G Zurich* [1982] RPC 1 CA. The applicants may have established goodwill in a distinct geographical area, and regardless of whether this pre-dates the opponents' use (in fact it does not) granting a national monopoly through the registration of a very similar trade mark will move their rights into conflict in the geographical area

where the opponents are the senior user (See *A A Levey v Henderson-Kenton* [1974] RPC 617. Therefore, whether the opponents' goodwill is limited to Birmingham or extends to other parts of the country, the applicant's use constitutes an act of passing off. Earlier in this decision I said that if the opponents were found to be the senior user, a finding of misrepresentation and damage would be inevitable. In the circumstances and facts of this case I find the opposition under section 5(4)(a) succeeds.

80. The opposition having been successful, the opponents are entitled to a contribution towards their costs. I therefore order that the applicant pays the opponents the sum of £2,250 towards their costs. This is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 9th day of November 2007

**Mike Foley
for the Registrar
the Comptroller-General**