

O-304-11

TRADE MARKS ACT 1994

**IN THE MATTER OF REGISTRATION No. 2308620
IN THE NAME OF JOCELYN CHARLES LALLY FOR THE TRADE MARK**

SUSHI

IN CLASS 30

**AND IN THE MATTER OF AN APPLICATION FOR A DECLARATION OF INVALIDITY
THERE TO UNDER NO 83898
BY ROVACOS S.A**

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BACKGROUND AND PLEADINGS

1. The registered trade mark the subject of these proceedings stands in the name of Jocelyn Charles Lally of Fairfield Meadow, Chillington, Devon TQ7 2LB. The mark was applied for on 22nd August 2002 and completed its registration procedure on 31st January 2003. The trade mark comprises the word 'SUSHI' and the goods and services for which it is registered are as below:

Class 30

Chocolates; boxes of chocolates; bars of chocolate; chocolate confectionery

2. On 2nd November 2010 Rovacos S.A, Rue Robbrechtsstr 30-32, Wemmel 1750, Belgium (hereafter, "Rovacos") applied for a declaration of invalidity in respect of Mr Lally's registration in its entirety. In the alternative, and according to their final submissions, Rovacos seek amendment of the specification by way of negative exclusion to exclude confectionery in the form of Japanese sushi.
3. The statement of grounds says that, for UK consumers, the primary meaning of the Japanese word 'sushi' is "cold boiled rice moistened with rice vinegar, usually shaped into bite-size pieces and topped with raw seafood (nigiri-sushi) or formed into a long seaweed-wrapped roll often around strips of vegetable or raw fish, and sliced into bite sized pieces (maki- sushi)".
4. Rovacos requests the registry to take judicial notice of the fact that confectioners often produce items of confectionery in novel shapes imitating well known and familiar objects such as rabbits, eggs, hens and mice or hard sugar confectionery in the shape of canes. For a number of years, it says, inventive confectioners have sought to counterfeit the shape and general appearance of Japanese sushi cuisine. The specific grounds of invalidity are then stated as follows:-
 - under section 3(1)(b), in that the mark is devoid of distinctive character, being a term which consumers are unlikely to perceive designating trade origin or distinguishing the goods of one undertaking from those of others;
 - under section 3(1)(c), in that the mark consists exclusively of a sign or indication which may serve in trade to designate the kind, quality, intended purpose, value, geographical origin, the time of production of goods or rendering of services, because it consists exclusively of the word 'SUSHI', which would designate chocolates or chocolate products with the appearance of sushi; and

- under section 3(1)(d), in that the mark consists exclusively of a term which has become customary in the current language or in the bona fide and established practices of the trade, as it is commonly used to describe chocolate products in the form of sushi.
5. Mr Lally filed a defence and counterstatement in which he denied the grounds of invalidity. He said his application had been properly registered following full examination by the registry, including the opportunity for third parties to oppose the application, with no such parties coming forward. He then makes reference to a number of authorities on the question of distinctiveness, ending by saying his mark is wholly distinctive of his goods and is an extravagant and evocative way of referring to his goods. He says, "The subject trade mark is a unique and fanciful expression which is merely allusive of a characteristic of the proprietor's goods and therefore does not enable the consumer to immediately and discernibly identify the proprietor's goods without the need for further analytical effort".
 6. Evidence was filed by both parties which I shall summarise below. Neither party requested to be heard but both provided submissions and both parties also requested costs.

Evidence of the applicant for a declaration of invalidity

7. This comprises a witness statement dated 3rd February 2011 from John Reddington who is a solicitor and registered trade mark attorney with the firm Williams Powell, acting on behalf of the applicant.
8. He says that on 27th January 2011 he conducted a search on the internet using GOOGLE and the search term, "chocolate sushi". The first 20 results (of a total of 280,000) are exhibited at JR1. The results (not restricted to the UK) exhibited, include the following:-
 - a website www.chocolatesushi.com. The words 'Chocolate Sushi' are followed by the letters 'TM';
 - a website www.oneinchpunch.net (with the date 3rd June 2007) which refers to a "strange combination" of sushi styling but chocolate tastes. "These sushi items are meticulously handmade and...."
 - reference to chocolate sushi on FLICKR (with the date 31st Jan 2005);
 - a "Chocolate Sushi and Tofu House" based in Sunnyvale, California,
 - a recipe for 'chocolate sushi' at www.pasterywiz.com,
 - a website www.gingerisland.ca, describing the company as responsible for the original and unique chocolate roll, 'Chocolate Sushi', followed by the letters 'TM',
 - a further recipe for 'chocolate sushi' at <http://cocoajava.com>;
 - a FACEBOOK page about Chocolate Sushi Couture;
 - a website for hotelchocolate.co.uk with a headline promoting "Unique Chocolate Sushi".
9. Exhibit JR3 comprises pages taken from the websites referred to above. The page from www.chocolatesushi.com shows clear use of the words 'Chocolate Sushi' as a trade mark and followed by the letters 'TM'. The page includes a copyright statement dated 2002. The page from www.oneinchpunch.net describes a recipe for chocolate sushi, being made from the finest chocolate, flavourings and crisp rice cookies rather than raw fish, vinegar and rice. The date of 3rd June 2007 is evident. It is not possible to tell whether, or to what extent this website is targeted at customers from the UK. The last comment on the web page refers to a product costing \$80k, so this appears to be a US web site. There is a recipe for chocolate sushi on <http://cocoajava.com> (undated), but in the side panel of this page are advertisements for books from Amazon.com which are priced in dollars.
10. There is an article about 'chocolate sushi' at <http://www.extremechocolate.com>. This website is undated, having no dates at all, but it does contain adverts for dining out in Leeds which would suggest it is, at least, in part aimed at the UK consumer. The article reads:

“ Before we get too far here, we’d better point out that this type of sushi actually comes in two subtypes: a) chocolate treats prepared to look like sushi, but containing not a speck of wasabi, rice or seafood; and b) the real deal, which really is all of the above wrapped up in strips of chocolate. Um, yay”

By ‘all of the above’ the author is referring, literally, to strips of raw fish wrapped in chocolate which, he or she later goes on to say is ‘rare’, but occasionally possible to find. As far as a) above is concerned, the author says that chocolate sushi, having no fish at all, can be found at “Koo-Ki Sushi”. Alternatively, says the author, you could get realistically rendered chocolate sushi confections, resembling sushi, from the kitchens of Renee Foote, through her catering company, Toronto’s Ginger Island Cuisine. The reference to Toronto perhaps places in possible doubt that this website is aimed at the UK consumer.

11. There are various other pages containing references to chocolate sushi, including an undated FLICKR page containing comments or posts from various individuals, including someone called ‘pokeystik’ who says, “Someone gave me this a gift, it’s from Suedy’s Koo-Ki Sushi”.
12. There is a Jewish recipe, published at www.easyjewishrecipes.com for ‘Pareve Chocolate Sushi’ which is said to be adapted from the original recipe Chocolate Sushi at www.pasterywiz.com (also exhibited). The ingredients include sweet chocolate, corn syrup, rice and apple juice. There are no dates on these websites but adverts appear on www.easyjewishrecipes.com for dining out in Leeds and Liverpool indicating that it, at least, is aimed at UK consumers.
13. There is a ‘March06’ article published in ‘TRAVELLADY MAGAZINE’ at www.travallady.com/Issues/March06/3203SushiinChocolate.htm. The author, Madelyn Miller, writes about a company, ‘Suedy Koo-Ki Sushi’, which produces “chocolate sushi”. It is clear from this article that the company is based in San Jose, California. This appears to be the same source mentioned in paragraph 11 above and may or may not be the same “Koo-Ki Sushi” referred to above at para 10.
14. Despite the fact that it is the only website overtly directed at the UK, there are no pages from the website hotelchocolate.co.uk in Mr Reddington’s evidence. It is not therefore possible to assess the significance of the use of the words Chocolate Sushi on that website in their full context. I note, however, that the reference is from 2011 and that the product was then being described as “unique”.
15. Exhibit JR2 comprises a further internet search using the GOOGLE search engine, but this time on ‘images’ and shows three pages of photos of items of chocolate sushi. It is not clear whether such products are being sold in the UK and no dates are evident, save the date on which the search was made. The remainder of Mr Reddington’s witness statement is legal submission which I shall take into account below.

Evidence of the registered proprietor

16. This comprises a witness statement dated 19th April 2011 from Mr Lally, the registered proprietor. He says he had been using the trade mark, ‘SUSHI’, for several years before filing the application for registration and has used it continuously since then. His annual turnover during the last five years is as follows:

2006 - £32,903.00
2007- £37,869.00
2008- £41, 582.00
2009- £ 27, 388.00

2010- £15,486.00

17. He says his use of the trade mark 'SUSHI' was inspired by his knowledge of Japanese cuisine and from the skill and care that goes into making traditional 'sushi' products; the pin-pointing of flavours and the evocation of Japanese life. The chocolates and sweet confections sold under the trade mark do not seek to imitate traditional sushi; in other words he does not try to make chocolates that look like a fish or copy the texture of a fish. Instead, he makes confectionery that draws inspiration from the traditional sushi makers, applying that philosophy to his own craft. Exhibit 1 shows photos of his product in plastic wrapping, tagged with pink and cream labels on which is printed the word 'SUSHI', together with other, indistinct, wording. The products themselves however are not obviously representations of traditional sushi, but instead, appear to be sold in 'blocks', resembling fudge.
18. Exhibit 2 to his witness statement comprises a trade price list. This shows use of the word 'SUSHI' in a trade mark sense, followed by the letter 'R'. SUSHI chocolates are described as being, "a delicate combination of fresh eastern flavours, Japanese craftsmanship and British confectionery magic". There are a range of different chocolate slices, individually named as:- 'Momotaro', 'Urashima', 'Rashomon', 'Nashi' and 'Mikan'. Also included are a range of chocolates sold in block bottom bags under the names:- 'Golden Pavilion', 'Ume', 'Sakuranbo', 'Empress Jokwa' and 'Budo'. Finally, there are two chocolate selection ranges under the names 'Kyoto' and 'MoshiMoshi'.
19. In addition to this witness statement, it is said on behalf of the registered proprietor, but not properly deposed as factual evidence, that the applicant for invalidity entered its own confectionery product that resembles sushi in the 'New Product Showcase at the International Sweets and Biscuits Fair (ISM)' in Cologne in 2010 as an 'innovative' product, and thus this is suggestive that Rovacos were, at that time, of the impression the product and name were innovative.

DECISION

The law

20. Section 3(1) (b) (c) and (d) of the Act are relevant in invalidation proceedings in view of the provisions of Section 47(1) of the Act, the relevant parts of which read:

"47. - (1) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 3 or any of the provisions referred to in that section (absolute grounds for refusal of registration). Where the trade mark was registered in breach of subsection (1)(b), (c) or (d) of that section, it shall not be declared invalid if, in consequence of the use which has been made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered.

...

(5) Where the grounds of invalidity exists in respect of only some of the goods or services for which the trade mark is registered, the trade mark shall be declared invalid as regards those goods or services only."

Section 3(1) (b) (c) and (d) of the Act read:

"3. - (1) The following shall not be registered –

(a) ...

(b) trade marks which are devoid of any distinctive character,

(c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services,

(d) trade marks which consist exclusively of signs or indications which have become customary in the current language or in bona fide and established practices of the trade.

Provided that, a trade mark shall not be refused registration by virtue of paragraph (b), (c) or (d) above if, before the date of application for registration, it has in fact acquired a distinctive character as a result of the use made of it.

21. The relevant date at which the assessment as to whether any, or all, the grounds of objection is, or are, made out is the date of application for the registration under attack, being 22nd August 2002. If the objection is made out at that date, it would also necessary to consider whether the mark had acquired a distinctive character after it was registered. The relevant date for this purpose would be the date of the application for invalidation, 2 November 2010.

Section 3(1) (c)

22. There are now a number of judgments from the Court of Justice of the European Union (CJEU) which deal with the scope of Article 3(1) (c) of First Council Directive 89/104 (recoded and replaced by Directive 2008/95/EC on 22 October 2008) and Article 7(1) (c) of the Community Trade Mark Regulation (“the CTMR”), whose provisions correspond to Section 3(1) (c) of the UK Act. The following main guiding principles, relevant to this case, are noted below:

- subject to any claim in relation to acquired distinctive character, signs and indications which may serve in trade to designate the characteristics of goods or services are deemed incapable of fulfilling the indication of origin function of a trade mark – *Wm Wrigley Jr & Company v OHIM* – Case 191/01P (*Doublemint*) paragraph 30;
- thus, Article 7(1)(c) (Section 3(1)(c)) pursues an aim which is in the public interest that descriptive signs or indications may be freely used by all – *Wm Wrigley Jr v OHIM*, paragraph 31;
- Section 3(1) (c) of the Act excludes signs which may serve, in trade, to designate the kind of goods or other characteristics of goods. It follows that in order to decide this issue it must first be determined whether the mark designates a characteristic of the goods in question;
- it is not necessary that such a sign be in use at the time of application in a way that is descriptive of the goods or services in question. It is sufficient that it could be used for such purposes – *Wm Wrigley Jr v OHIM*, paragraph 32;
- to assess whether a national trade mark is devoid of distinctive character or is descriptive of the goods or services in respect of which its registration is sought, it is necessary to take into account the perception of the relevant parties, that is to say in trade and or amongst average consumers of the said goods or services, reasonably well-informed and reasonably observant and circumspect, in the territory in respect of which registration is applied for - *Matratzen Concord AG v Hukla Germany SA*, Case C-421/04 at paragraph 24;
- a sign’s descriptiveness may only be assessed, first, in relation to the goods or services concerned and, secondly, in relation to the perception of the target public, which is

composed of the consumers of those goods or services – *Ford Motor Co v OHIM* (as above).

23. The question then arises as to whether the word, 'sushi', about which there is no dispute as to its traditional meaning, is, or was in 2002, capable of 'designating a characteristic' of the products for which it is registered. To ask this question in another way; the words "70% cocoa" are, plainly and directly descriptive (or more properly, "*designate*") a characteristic of chocolate products. Can it be said, however, that the word 'sushi' is likewise capable of 'designating a characteristic' of the relevant goods?
24. Sushi, being made from ingredients such as raw fish, rice and vegetables, is entirely unrelated, on the face of it, to chocolate and chocolate products. The ingredients used in sushi and circumstances under which sushi is made and sold are, again on the face of it, far removed from chocolate and chocolate products.
25. Rovacos relies upon registry guidance, referring to the Trade Mark Manual and quoting examples such as 'FISH' which would be refused for soap, because you can get soap in the shape of fish. This registry guidance is based on guidance from the courts. In his Opinion in Case C-498/01P (*New Born Baby*), Advocate General Jacobs addressed, at paras 27-29, the question whether a term which is not *directly* descriptive of the relevant goods may nonetheless be an 'essential characteristic' of those goods, in terms of what they *represent*. His discussion was in the context of toys and he concluded that, for example, the words:- 'giraffe', 'motorcycle', 'new born baby', 'princess', 'soldier' all defined the nature of the toy, and as such, were important to both buyer and seller alike. He said it would surely not be compatible with Art 7(1)(c) to register such terms for the relevant class of toy. He says at para 29:

"It seems clear that, where an essential characteristic of a product is to represent something else, a term consisting exclusively of elements which designate that something else may not be registered as a trade mark".
26. This line of thinking has been adopted in many cases subsequently, for example, in relation to three dimensional 'shape' marks which relate to the shape of the product applied for (see, by way of example only, General Court Cases T-324/01 and T-110/02 (*Shapes of a cigar and gold ingot*)). The position can be no different where the thing the mark represents is identified by a word, such Cigar or Gold Ingot.
27. It seems to me then that, whether it is a shape of product mark or a word only mark, the authorities support the proposition that marks can and should be refused or invalidated on the basis that they designate something other than the goods applied for, but which may nonetheless be taken by relevant parties as being '*represented*' in those goods.
28. Having established this principle, I am left to decide whether, in 2002, it was likely that the average consumer (by which I include the trade as well as the chocolate eating general public) in the UK would have perceived the word 'sushi' as designating a characteristic of chocolate and chocolate products. This does not mean that such a person must have already encountered such a product: it would be sufficient if such use would have been *foreseeable* in 2002 so that relevant consumers would have been able to see the potential for future descriptive usage, without undertaking undue analysis or contemplation of the mark.
29. It is not sufficient to conclude that the average consumer in the UK knew what 'sushi' was. Nor is it sufficient to conclude that because in 2011 there is such a thing as chocolate with the appearance of sushi, then inevitably this position must have been foreseeable to relevant parties in 2002. Nor, finally, is it sufficient to say that, as chocolate and chocolate products are sometimes made in a form or configuration which, with their delicate mix of texture or

flavours, demonstrates a similar level of care and skill to that which goes into the creation of sushi, that 'sushi' would be seen as descriptive.

30. I must consider what the average consumer's (again, including the relevant trade) reaction would have been on seeing the word 'sushi' being used, as registered, i.e. on its own, and not as 'chocolate sushi'. Would the average consumer necessarily have understood that word in a descriptive way, as designating the appearance of the goods as the applicant contends or, on the contrary and as Mr Lally contends, would such usage have been seen as a fanciful, and perhaps somewhat surprising and extravagant evocation ?
31. As Mr Lally says, his mark was fully examined in 2002, survived the opposition phase and currently stands on the register. Section 72 of the Act therefore requires that the mark be deemed to be *prima facie* valid. The initial onus is then on Rovacos to make out its claim for invalidity. Its specific claim, at para 5 of its statement of grounds, is that:

“For a number of years inventive confectioners have sought to counterfeit the shape and general appearance of items of Japanese sushi cuisine. The applicant will adduce evidence to show that this is a widespread phenomenon in the UK”.
32. In my view this claim is not supported by the evidence provided. I have to judge the position at 2002 and whilst it is theoretically possible to assess that position based upon evidence gathered at a later date, in this case I have nothing that casts any light upon what 'inventive confectioners' trading in the UK were trying to achieve in 2002.
33. The results of the GOOGLE searches made in 2011, and produced in evidence, are not, (a) primarily directed at users in the UK, (b) necessarily indicative of the position in 2002. Only one of the dates mentioned in my evidence summary goes back to that date and this is i) in relation to use in the United States, and ii) claimed by its user to be trade mark use.
34. When the evidence is carefully analysed the results do not prove Rovacos's case. There is not much doubt that 'Chocolate Sushi' exists now, and is plainly the subject of some trade in the product in the US and Canada, and possibly, more recently, in the UK.
35. Further there is evidence of recipes for chocolate sushi. If it could be shown that such recipes existed in 2002, and were generally available to UK consumers, then the average consumer's perception of the word 'sushi' in a trading context would have been conditioned to accept that such a word could designate a characteristic of chocolate products. On balance however, I am not convinced the recipe evidence helps Rovacos. None of the recipes tells me about the position in 2002 in the UK. On this evidence, I doubt that, even in 2011, the average chocolate consumer in the UK is aware of a product that could naturally be described as 'chocolate sushi'.
36. Rovacos ask me to accept, on judicial notice, that confectioners manufacture products in shapes such as, eg bunnies, eggs, animals and so forth. I do so, but struggle on the evidence provided to put sushi in the same category of representation. In fact, 'sushi' fits extremely uncomfortably in the list of novelty shapes focused on by Rovacos, because it is not an animal or a product whose shape is simple, fixed, and comes immediately to mind, like that of an egg. It is this element of surprising juxtaposition between chocolate food products, and the complex rice and fish/vegetable product of varied appearance called 'sushi', that lends support to Mr Lally's claim that in 2002 the word would have been seen as fanciful when used in relation to chocolate.
37. If Mr Lally's own use of 'SUSHI' had been in a descriptive sense, this may have helped Rovacos make good its case. For if Mr Lally had been using the term descriptively since 2002 there would be a reason to believe that the term was capable of being so used from the time it was registered. However, this is not the case. Mr Lally does not produce confectionery

resembling sushi at all and he has plainly used the term in a trade mark sense in connection with products which, whilst inspired by sushi principles and philosophy, do not of themselves resemble sushi.

38. I would just add finally on this score that, even if Rovacos had made good its claim under section 3(1) (c) I would have needed to be satisfied the claim was good against *all* the goods of Mr Lally's registration. In this regard it is questionable that the word 'sushi' would, in any event, have served to designate the appearance of a 'bar of chocolate', which is simply a 'slab'.
39. For the sake of completeness, I have not found the alleged fact that Rovacos exhibited their products at a New Product Showcase at the International Sweets and Biscuits Fair at Cologne in 2010, as an 'innovative product' to be of any help in my finding here.
40. In summary, then, I find the ground of invalidity relying upon section 3(1)(c) is not made out. Given the potentially independent natures of the various grounds of invalidity, I will however proceed to consider them all separately.

Section 3(1)(b)

41. As is recognised, section 3(1)(b) can be broader in scope and application than both sections 3(1)(c) and (d). It is plain, however, in this case that my determination under section 3(1)(c), in effect, determines the matter under section 3(1)(b) also.
42. Sushi defines a recognisable food product of Japanese origin and based on rice and raw fish or vegetables. In its inherent nature, including where it is served and produced, it is far removed from chocolate products. As the mark was fanciful in the UK in 2002, it cannot have been devoid of any distinctive character.
43. I conclude then that the ground under section 3(1)(b) is also not made out.

Section 3(1)(d)

44. Section 3(1) (d) of the Act requires consideration of the nature of use in the market place and a finding that the sign has become customary in the current language or in the *bona fide* and established practices of the trade to designate the goods or services in respect of which the mark is applied for or registered (see, *Merz & Krell GmbH & Co.* [2001] ECR I-6959, para 41).
45. The ground under section 3(1)(d) must be established by persuasive evidence going to actual use of the word, 'sushi', in the context of chocolate products, in such a way that *the average* consumer would find it incapable of distinguishing the goods of a single undertaking. Perhaps a good example of such generic use in *the field of chocolate* would be the word, 'treat', as in size, which has assumed generic use by a number of confectioners to designate a particular, and smaller than normal, size of chocolate bar.
46. My criticisms of the Rovacos's evidence under section 3(1)(c) all apply with even more force under section 3(1)(d). There is simply nothing from which I can say that the *word 'sushi'* was actually in use in the current language and *bona fide* and established practices of the trade to designate a characteristic of *chocolate or chocolate products*, in 2002, either in the UK or elsewhere.
47. I conclude then, that the ground under section 3(1)(d) of the Act fails and the registration is not invalid on that ground either.

Overall conclusion

48. The declaration of invalidity has failed under section 47, relying upon section 3(1)(b), (c) and (d).

Costs

49. Jocelyn Charles Lally has been totally successful in defending against this application to declare the registration invalid and he is entitled to a contribution towards his costs. I take into account this decision has been reached without a hearing and neither party sought costs off the normal scale. In the circumstances I award Jocelyn Charles Lally the sum of £1000 as a contribution towards the costs of the proceedings. The sum is calculated as follows:

1. Preparing counterstatement and considering statement of case - £400
2. Filing evidence - £300
3. Filing submissions - £300

Total £1000

50. I order Rovacos S.A to pay Jocelyn Charles Lally the sum of £1000. The sum should 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 31 day of August 2011

**Edward Smith
For the Registrar
The Comptroller-General**