

O-317-13

TRADE MARKS ACT 1994

CONSOLIDATED PROCEEDINGS INVOLVING:

OPPOSITION (99239) TO TRADE MARK APPLICATION 2509926:



AND

APPLICATIONS FOR INVALIDITY (84297/8) IN RESPECT OF TRADE MARK REGISTRATIONS 2440230 & 2440232:

TFC



THE BACKGROUND AND THE PLEADINGS

1) The parties to this dispute are Foodland UK Limited (“Foodland”) and TFC Croydon Limited (“Croydon”). Foodland is the applicant for trade mark 2509926, a trade mark which is opposed by Croydon. Croydon oppose on grounds under sections 5(1), 5(2)(a), 5(3) & 5(4)(a) of the Trade Marks Act 1994 (“the Act”). A defence was filed by Foodland, both sides filed evidence, and the matter proceeded towards a main hearing.

2) Shortly before the hearing, Croydon requested that a further ground be added to its case under section 5(2)(b) of the Act. Under this ground it wished to rely on the same two earlier trade marks (UK registrations 2440230 & 2440232) that it relied on under sections 5(1), 5(2)(a) and 5(3) of the Act. I agreed to deal with this as a preliminary point at the hearing, by which time it became clear that Foodland not only objected to the request to add the ground of opposition but, furthermore, it would seek to invalidate Croydon’s two earlier marks. After hearing submissions from both parties I directed that:

- i) Section 5(2)(b) was to be added as a ground of opposition;
- ii) That the hearing should be vacated pending the imminent filing of the invalidation proceedings;
- iii) That the three sets of proceedings were to be consolidated;
- iv) That the parties would be permitted an opportunity to file any further evidence given the new pleadings that were in play.

3) Although not an ideal set of directions to give at such a late stage in the (opposition) proceedings, I felt that this was the most appropriate and economical way of dealing with the matters in dispute. Doing so facilitates the reaching of consistent decisions whilst ensuring that the parties did not face a multiplicity of proceedings.

4) Foodland duly filed its invalidation claims against Croydon’s two trade mark registrations, the grounds being based on sections 3(6) and 5(4)(a) of the Act. Neither party filed additional evidence. The matters then came to be heard before me on 2 May 2013. Mr Ali Sinai, of counsel, instructed by ST Solicitors represented Croydon; Mr Aaron Wood of Briffa represented Foodland. At the hearing four witnesses were cross-examined (six were due to be cross-examined, but two failed to attend).

THE EVIDENCE

5) To a large extent, this is family dispute relating to the name of various supermarkets which operate in the London/Surrey area. Beyond the section 5(1), 5(2) & 5(3) claims that have been made in the opposition proceedings (which, of course, are bound to fail if the invalidation claims succeed), both sides make claims under section 5(4)(a) of the Act; Foodland additionally claims under

section 3(6). Therefore, the businesses that the respective parties have operated and the relationships between them are highly pertinent. Rather than provide a standalone summary of the evidence, I will instead draw from it when it is necessary to do so. For the record, those who have provided evidence in these proceedings are:

Croydon's witnesses

- i) Huseyin Ucur, a company director of Croydon. He regards himself as the “founder” of the family business. He is certainly the first person to have been engaged in the running of supermarkets, with family members then joining him in business. His evidence is about the history of the business, the names used in relation to it, and the relationship with his nephew Kemal Ucur (the controlling mind behind Foodland). He attended the hearing for cross-examination. Although he struck me as an honest witness, many of his answers were hazy and inconsistent; he failed to demonstrate a good grasp of the detail as to when various events occurred.
- ii) Ercan Ucur, Huseyin Ucur's son, who describes himself as the day-to-day manager of various TFC supermarkets. He gives similar evidence to that of Huseyin Ucur. He attended the hearing for cross-examination. He struck me as an honest witness but, although he was somewhat clearer and more direct in his answers than Huseyin Ucur, there was still a degree of haziness and ambiguity.
- iii) Attila Ozen, an employee (between June 1991 and the end of 1992) of Huseyin Ucur's supermarket in Dalston. He gives evidence about the design of a logo based on the letters TFC and the signage used in the store. Mr Ozen was directed to attend the hearing for cross-examination, but he failed to do so. This impacts upon the weight that can be given to his evidence.
- iv) Namik Kubasik, another employee at the Dalston store (between 1998 and 1994). He gives similar evidence to Mr Ozen. Mr Kubasik was directed to attend the hearing for cross-examination, but he also failed to attend. This impacts upon the weight that can be given to his evidence.

Foodland's witnesses

- v) Kemal Ucur, Huseyin Ucur's nephew. He does not say what specific role he plays in Foodland's business, but it is clear that he is its controlling mind. He gives evidence about the supermarket businesses he has been involved in and his relationship with Huseyin and Ercan Ucur. He attended the hearing for cross-examination. He was not the best of

witnesses. Whilst not uncooperative, his answers sometimes lacked detail and conviction. Some of his answers also lacked credibility.

vi) Erol Acaturk, who was the manager of the supermarket in Dalston between 1989 and 1993. He gives evidence about the names used by this supermarket and the design of a logo in 1991/1992. Mr Acaturk attended the hearing for cross-examination. He was an honest and direct witness.

6) At the end of the hearing I directed the parties to discuss any agreed facts that could be derived from the evidence, bearing in mind the cross-examination that had taken place. I did so as it appeared to me that some common facts may be possible to ascertain which, in turn, would limit the scope of the dispute. The parties subsequently advised the tribunal that nothing could be agreed.

PASSING-OFF – INVALIDATION & OPPOSITION PROCEEDINGS

7) Both sides have pleaded under section 5(4)(a) of the Act on the basis that the use of the other's mark(s) was liable to be prevented under the law of passing-off. Although the relevant dates in the respective claims differ, I will nevertheless consider the respective claims together given that there will be substantial overlap in analysis and findings. I will, though, differentiate between the claims when it is necessary to do so. Section 5(4)(a) of the Act constitutes a ground for invalidity/opposition in circumstances where the use of the mark(s) in question 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..”

8) The elements of passing-off (often referred to as the classic trinity) can be summarised as: 1) goodwill, 2) misrepresentation and 3) damage. In *Reckitt & Colman Products Ltd v Borden Inc* [1990] R.P.C.341, Lord Oliver summarised the position when he stated:

“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 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. Secondly, 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...Thirdly 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."

9) The concept of goodwill was explained in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 at 223 as:

"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."

10) I note from the relevant case-law that to qualify for protection under the law of passing-off, any goodwill must be of more than a trivial nature¹. However, being a small player does not necessarily prevent the law of passing-off from being relied upon².

11) Croydon's trade marks, the use of which Foodland claims it is in a position to prevent, are:

		<p>Class 29: Meat, fish, poultry and game; meat extracts; preserved, dried and cooked fruits and vegetables; jellies, jams, compotes; eggs, milk and milk products; edible oils and fats; butter; buttercream; cheese; cream; potato crisps; food prepared from fish; preserved herbs; preserved lentils; margarine; marmalade; milk beverages; preserved mushrooms; prepared nuts; olive oil for food; preserved olives; peanut butter; rape oil for food; sausages; salami; sesame oil, soups; preserved soya beans; suet for food; sunflower oil for food; tomato juice for cooking; tomato puree; vegetable juices for cooking; whey; whipped cream; yoghurt.</p> <p>Class 30: Coffee, tea, cocoa, sugar, rice, tapioca, sago, artificial coffee; flour and preparations made from cereals; bread, pastry and confectionery; ices; honey, treacle; yeast, baking powder; salt, mustard; vinegar; sauces (condiments); spices; ice; aniseed; aromatic preparations for food; barley meal; chocolate based beverages; cocoa based beverages; coffee based beverages; biscuits; bread crumbs; buns; cake paste; cake powder; cakes; capers;</p>
---	---	--


¹ *Hart v Relentless Records* [2002] EWHC 1984

² See, for instance, *Stannard v Reay* [1967] FSR 140, *Teleworks v Telework Group* [2002] RPC 27 and *Stacey v 2020 Communications* [1991] FSR 49

	<p>cereal preparations; chocolate; chutneys; cookies; couscous; ice cream; custard; dressings for salad; flavourings other than essential oils; frozen yoghurt; gingerbread; golden syrup; meat gravies; halvah; honey; husked barley; husked oats; ketchup; leaven; macaroni; maize meal; marzipan; mayonnaise; meat pies; muesli; noodles; crushed oats; pancakes; pasta; pastry; pepper; pies; pizzas; popcorn; quiches; ravioli; rice; rusks; sandwiches; seasonings; semolina; spaghetti; spring rolls; tacos; tomato sauce; tortillas; unleavened bread; vinegar; waffles.</p> <p>Class 32: Beers; mineral and aerated waters and other non-alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages.</p> <p>Class 35: Retail services connected with food and drink; advertising; business management; business administration; office functions; information and advisory services relating to the aforesaid services.</p>
TFC	As above

The “earlier sign” that Foodland relies upon is: TFC. It is claimed that Foodland (and its predecessor) first used this sign in 1995.

12) Foodland’s mark, the use of which Croydon claims it is in a position to prevent, is:

	<p>Class 29: Meat, fish, poultry and game; meat extracts; preserved, dried and cooked fruits and vegetables; jellies, jams, fruit sauces; eggs, milk and milk products; edible oils and fats; prepared meals; soups and potato crisps.</p> <p>Class 31: Agricultural, horticultural and forestry products; live animals; fresh fruits and vegetables, seeds, natural plants and flowers; foodstuffs for animals; malt; food and beverages for animals.</p> <p>Class 32: Beers; mineral and aerated waters; non-alcoholic drinks; fruit drinks and fruit juices; syrups for making beverages; shandy, de-alcoholised drinks, non-alcoholic beers and wines.</p>
---	---

The earlier sign that Croydon relies upon is embodied by its trade mark registrations as per paragraph 11 above.

13) In terms of the relevant dates, I note the judgment of the General Court (“GC”) in *Last Minute Network Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Joined Cases T-114/07 and T-115/07 where it was stated:

“50 First, there was goodwill or reputation attached to the services offered by LMN in the mind of the relevant public by association with their get-up. In an action for passing off, that reputation must be established at the date on which the defendant began to offer his goods or services (*Cadbury Schweppes v Pub Squash* (1981) R.P.C. 429).

51 However, according to Article 8(4) of Regulation No 40/94 the relevant date is not that date, but the date on which the application for a Community trade mark was filed, since it requires that an applicant seeking a declaration of invalidity has acquired rights over its non registered national mark before the date of filing, in this case 11 March 2000.”

14) The relevant date is the date on which the respective marks were filed. So in Foodland’s claims against Croydon’s marks, the relevant date is 30 November 2006. However, in Croydon’s claim against Foodland’s mark, the relevant date is 28 February 2009. Notwithstanding this, the position before the relevant dates may also be pertinent. Both sides claim use earlier than the relevant dates which may, therefore, be a factor in deciding whether Foodland was in a position to have prevented Croydon’s use and vice versa. Issues such as senior user status, common law acquiescence, or not disturbing the status quo may need to be considered which, in turn, could mean that the use of one, or both, side’s mark(s) could not have been prevented under the law of passing-off at the relevant dates. In *Croom’s Trade Mark Application* [2005] RPC 2 Mr Geoffrey Hobbs QC, sitting as the Appointed Person, stated:

“45. I understand the correct approach to be as follows. When rival claims are raised with regard to the right to use a trade mark, the rights of the rival claimants 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.”

15) In *Daimlerchrysler AG v Javid Alavi (T/A Merc)* [2001] RPC 42 Mr Justice Pumfrey, when giving his conclusion on passing-off in that case, stated:

“67 Against these findings of fact, it is possible to deal with the complaint of passing-off shortly. It must fail. Mr Alavi has been trading under the style complained of since at least 1985. He had entered the market by 1978. He did not make any relevant misrepresentation then and he had not, down to 1997 essentially changed the manner of his trading. As Oliver L.J. (as he then was) said in *Budweiser (Anheuser-Busch v. Budejovicky Budvar [1984] F.S.R. 413 at 462)*:

“The plaintiffs' primary submission is that the learned judge was wrong in regarding the material point of time at which he should consider the matter as the date of the writ. Obviously the plaintiffs must, to succeed, have a cause of action at that date, but Mr Kentridge submits, and Mr Jeffs does not contest, that it cannot be right to look simply at that date to see whether a passing off is established. In particular to test by reference to that date whether plaintiff and defendant have concurrent reputations would simply mean that no remedy lay against a defendant who had successfully passed off his goods as the plaintiffs', so as to establish a reputation for himself.”

This is consistent with what was said by Lord Scarman, giving the opinion of the Board in *Cadbury-Schweppes Pty Ltd v. The Pub Squash Co. Pty Ltd [1981] R.P.C. 429 at 494*: the relevant date in law is the date of the commencement of the conduct complained of. I should just add that there must come a time after which the court would not interfere with a continued course of trading which might have involved passing off at its inception but no longer did so: logically, this point would come six years after it could safely be said that there was no deception and independent goodwill had been established in the market by the protagonists. There must also be doubt as to the availability of injunctive relief if there is no passing-off at the date the action is commenced.”

The status of the parties to these proceedings

16) The legal entities party to these proceedings are Croydon and Foodland, neither was extant when the first use they both rely upon was made. However, it is clear from the evidence that the controlling minds behind them are Kemal Ucur (behind Foodland) and Huseyin Ucur (behind Croydon). These individuals have, effectively, regarded the companies as an embodiment of themselves; this is a common misunderstanding of the relationship between registered companies and their officers. Whilst this potentially gives rise to technical arguments about whether the actual parties were able to make the claims and counterclaims that they have made in these proceedings, this may have been overcome by joining the respective individuals to the proceedings. However, given the stage at which the proceedings are now at, and given the length of time it has taken to get this far, the most sensible, proportionate and economical way of handling this is to

proceed on the basis that the companies the individuals went on to incorporate (even though they have also incorporated other companies) are either a continuation of the businesses they conducted before incorporation or, at the very least, that there exists some form of implied assignment of rights to those companies. So, Foodland may rely on any goodwill established by Kemal Ucur and Croydon may rely on any goodwill established by Huseyin Ucur. Both Mr Wood and Mr Sinai appeared to appreciate the technical difficulties involved and that matters could have been clearer. However, if this decision is appealed, they may wish to consider regularising the position by joining Kemal Ucur and Huseyin Ucur to the proceedings.

Background to the evidence

17) The evidence of the parties is detailed and complex, although often not well marshalled, and some of it not particularly pertinent. Everything has been borne in mind even if I do not refer to it specifically. Foodland does not deny that Huseyin Ucur has operated supermarkets for a number of years (including a number of years prior to 1995), but argues that it was Kemal Ucur who devised and first used the name TFC when he opened a supermarket in 1995 in Edmonton. It is claimed that, through such use, he established goodwill associated with the TFC name. Croydon's case is that it (more specifically Huseyin Ucur) had already been using the TFC name in relation to supermarkets and that a logo containing these letters was designed (and subsequently used) by at least 1992 – some three or so years before Kemal Ucur's claimed first use.

The history of Huseyin Ucur's "family business"

18) Mr Huseyin Ucur started his first supermarket in 1980. The company he operated through at this time was called Herbtree Limited. The store was a specialty shop in Dalston selling Turkish food. Huseyin Ucur states that the shop was called "Turkish Food Centre" and that this name remained until he started to use the abbreviation TFC in 1991. The use of both these names is disputed. Foodland believes that the name used by Huseyin Ucur was the Turkish equivalent of the words Turkish Food Centre: Turk Gida Market and that it (or more accurately Kemal Ucur) was the first to use TFC in trade, in 1995. Huseyin Ucur refers to further stores that he opened in and around London which he called Turkish Food Centre. Huseyin Ucur refers to a store that was opened in Haringey as Turkish Food Centre but that by this time the TFC logo and abbreviation were in use, even though the signs on the inside and outside of the store had the name displayed in full as Turkish Food Centre.

19) What is clear from the evidence is that Huseyin Ucur involves his family members in the business. His son Ercan Ucur has been working with him in the business since the late 80s. Other family members are also involved. Commonly, this appears to be in the form of a new store being opened in partnership with a particular family member. In his written evidence Huseyin Ucur explained that

family members invest in the opening of the store and become shareholders and usually directors, along with Ercan Ucur and other family members. Huseyin Ucur considers himself to be the head of the family and that he controls the group of supermarkets, although, he goes on to state that this role is now performed by Ercan Ucur.

The creation of the logo

20) It is Croydon's case that a logo containing the letters TFC was designed (and subsequently used) in 1991. This is stated by Huseyin and Ercan Ucur in their written evidence. Croydon also provided evidence from two further witnesses in relation to this. The first is Mr Ozen who worked at the Dalston store between June 1991 and the end of 1992. He states that alongside Mr Acaturk (the store manager) he was tasked by Huseyin Ucur to help with the production of a logo for the business. He states that Mr Acaturk identified a designer (based in Angel Holloway) whom they went to see and that Huseyin Ucur gave instructions for the way the logo was to look. Three designs were produced one of which was selected. Mr Ozen states that the Dalston store then began to trade as TFC from around 1992 and new signs were erected. He adds that there had not been much signage until then, but from that point onwards the new signage was displayed continuously and prominently; the logo, he states, is the same today.

21) Croydon's second witness is Mr Kubasik. He was employed at the Dalston store from 1988 to 1994 in the butchery department. He recalls that Mr Acaturk, Mr Ucur (the business owner, I assume this to be Huseyin Ucur) and Mr Ozen (one of the managers) would often stand in front of his section discussing the signs and the names to be used for the store. He is sure that it was during these discussions in 1992 that the new trading name TFC was chosen. He states that from about 1992 the store logo and signage displayed the name TFC; the logo is like an upside down triangle with the letters TFC on top. He recalls Erol Acaturk telling him the store would change its name ten or so days before the actual change and that he should answer the phone with reference to TFC. Shortly after the change, carrier bags with the new logo were produced. The logo and signs, he states, are the same today as they were in 1992.

22) I will come on to what they said under cross-examination, but in their written evidence both Huseyin and Ercan Ucur refer to the creation of the logo in 1991. Huseyin Ucur states that a number of variations of its TFC logo have been used and he provides example of such use, but none can be placed at particular points in time. He states that the logo was designed in 1991 with the help of a designer who presented three designs from which he chose. Ercan Ucur states that they began referring to the stores as TFC in 1991 and his father decided that a logo was appropriate. He states that Erol Acaturk was tasked with finding a designer. He cannot remember the name of the designer but refers to the choice being of three logos, his father choosing the one as per Croydon's earlier [logo] mark.

Instructions were then given to register it in November 2006 by which time it had been in use for more than 14 years. He states that by 1992 the logo was used on plastic bags and was prominently displayed in all of the stores.

23) All of Croydon's witnesses refer to Mr Acaturk and his involvement in the process of identifying a designer and arranging for a logo to be produced. Mr Acaturk has given evidence in these proceedings (and was cross-examined on it) on behalf of Foodland. Mr Acaturk was the manager of the Dalston store between 1989 and 1993. He states that the store traded as TURK GIDA MARKET during this period. He refers to a photograph in Kemal Ucur's evidence which shows this name in use. He states that to give a more professional look he decided to create a logo for the company stationery. He states that in 1992 he met a designer and asked him to create a logo which featured the letter T above an upside down triangle and the phrase "The Anatolian Choice" running through it. There was no mention of TFC or Turkish Food Centre. He adds that a subsequent store opened by Huseyin Ucur in Elephant and Castle was also called TURK GIDA MARKET and did not use the TFC logo.

24) In his written evidence Kemal Ucur comments upon this issue and Croydon's evidence in relation to it. In terms of Croydon's corroborative witnesses, he states that they must be mistaken and he highlights a discrepancy in dates (Huseyin/Ercan Ucur refer to the logo design in 1991 whereas Mr Ozen and Mr Kubasik refer to 1992). He states that he did not design the green and black colour scheme until 1997, which counters what the witnesses say when they state that the same design used today was used in 1992. Kemal Ucur states that Huseyin Ucur did not use TFC or Turkish Food Centre until 1999 in a store in Croydon. He states that the Dalston store was called Turk Gida Market – he provides a photo said to be from 1988 showing this name on the store front. He states that another store in Elephant and Castle also traded as Turk Gida Market not as TFC; another photo in Exhibit KU10 depicts this and is said to be from the early 1990s. Kemal Ucur notes that no evidence of the design being made in 1991 is provided and the claim that new stores began using TFC must be untrue due to the photograph of the Elephant & Castle store.

25) Huseyin Ucur subsequently comments upon the TURK GIDA MARKET name explaining that this means Turkish Food Centre; he explains that he decided to use the English version to appeal to a wider market but later went to TFC. He says this was 1992/1993 although the exact date is unclear.

The relationship between Huseyin/Ercan Ucur and Kemal Ucur

26) Ercan Ucur states that he came to the UK in 1987 and worked with Huseyin Ucur at the Dalton store for one and half years before setting up a textile company called Ucur Textiles Limited. He states that Kemal Ucur came to the UK in around 1990 and lived with him "as if they were brothers". Kemal Ucur worked at the textile company, becoming the manager and eventually taking control of it.

In October 1992 Ercan Ucur returned to work in Dalston. Ercan Ucur states that Kemal Ucur also worked for Huseyin Ucur (presumably around the same time) but Kemal Ucur then left, moving to Manchester (to work for Venus Foods) but came back (exactly when is not specified) to the store in Dalston; Kemal was a salesman for the “supplying company”. He states that Huseyin Ucur tried to get Kemal Ucur involved in the business. He states that Huseyin Ucur educated him in the supermarket business. He states that all the systems used in the various supermarkets stem from the Dalston store which his father established.

27) Huseyin Ucur also states that Kemal Ucur came to the UK in 1990 after his (Huseyin Ucur’s) business was already established and that Kemal went to work in the textile industry. After giving his recollection of Kemal’s other activities, Huseyin Ucur explains that his brother (presumably Kemal’s father) asked if he could find a place for Kemal Ucur in the business. He then invited Kemal Ucur to join him as a “partner” in “Turkish Food Centre Edmonton”. He states that the reality of the situation was that Kemal Ucur was the manager of the store and that Huseyin Ucur invested the majority of the funds to establish it; he states that it remained trading as Turkish Food Centre until it was incorporated in 2000.

The Edmonton store

28) Kemal Ucur states that in 1995 he opened a store in Edmonton which was the first to use the name TFC; it was opened in partnership with Huseyin Ucur. He provides a number of “to whom it may concern” letters relating to this store; for example, a letter from the shop fitter who refers to the store as TFC. Kemal Ucur states that he then developed the Turkish Food Centre and TFC logos during the years 1995-1997. Exhibit KU3 is a photograph said to be from 1996 of the store front which shows the letters TFC (not the logo), which Kemal states was an abbreviation of the trading name Turkish Food Centre. There is a logo to the left of this sign but it is not possible to see whether it includes the words Turkish Food Centre or the letters TFC. Kemal Ucur denies that there was any use of TFC prior to the Edmonton store opening. He states that the store was run in partnership with Huseyin Ucur until 2000 when they changed the business operation to a registered company called Turkish Food Centre (Edmonton) Limited. Kemal and Huseyin Ucur became directors and they each owned half of the shares; materials are provided in support of this.

29) Ercan Ucur states that in 1996 Huseyin Ucur established the store in Edmonton paying the investment to fit out the store and that Kemal Ucur was invited to become his (Huseyin’s) partner. Huseyin Ucur supplements this by providing some newspaper advertisements for the Edmonton store which refer to it as “TFC 4” which (he says) clearly means this was the fourth TFC after Dalston, Lewisham and Harringay, none of which Kemal Ucur had any involvement in. Huseyin Ucur also produces an advertisement from 1994 for the Lewisham store which shows a logo containing the words Turkish Food Centre (but not TFC).

TFC Wholesale Limited

30) Huseyn Ucur states that the first use of the letters TFC in a company name was in 1995 when TFC Wholesale Limited was incorporated on 22 August 1995. He says that “we” had begun using TFC in logos and letterheads but not in any company names. Documents (including Companies House documents and business solicitors’ letters) relating to the company are provided. The company supplied the various stores with Turkish food. He states that the company was run with his son Ercan Ucur. The stores would order from TFC Wholesale Limited by telephone or fax. He states that at this time Kemal Ucur worked for him as a salesman so he would have been aware of the use of the letters and logo.

31) Ercan Ucur also refers to TFC Wholesale Limited in his evidence, providing similar information to Huseyin Ucur as to its function of providing the stores with Turkish food.

Claims to licensing

32) In his written evidence Kemal Ucur states that the logo containing the letters TFC was created by him in 1997 which he then allowed to be used on all Turkish Food Centre stores. A photograph is provided which shows the logo on a shop front, which is said to be from sometime between 1997 and 1998. It is said that this is the first store to use the logo. He states that there is no such thing as the “TFC Group” which controls the operation of all TFC stores. He states that since setting up the first TFC store he has allowed others to use the TFC and Turkish Food Centre brands and benefit from the goodwill he established. He estimates that he has spent £100,000 on marketing the brand for the benefit of all stores.

33) Huseyin Ucur comments on Foodland’s claim that it licenses or sublicenses TFC. He says that this is simply not true and there is no evidence of this.

The falling out

34) Huseyin Ucur states that the real reason Foodland applied for its mark was due to a falling out over a property transaction between Kemal and Ercan Ucur. Kemal Ucur also refers to this dispute which relates to the ownership of a store in Palmers Green; to resolve the dispute Kemal Ucur agreed to purchase Ercan Ucur’s 50% shareholding; Kemal Ucur is now the sole director and shareholder. Kemal Ucur states that as part of this agreement the reputation associated with the company (including the TFC brand) was surrendered to him. He is surprised that Kemal/Huseyin Ucur did not mention this. The agreement is in Exhibit KU7. The agreement relates to the assets and goodwill of the company. Ercan Ucur agreed not to open a supermarket within two miles of the Palmers Green store within two years of the agreement.

The parties other stores

35) Kemal Ucur states that the Turkish Food Centre and TFC names are well-known throughout the UK, in particular in the Turkish community. He says his success story has been picked up by some Turkish newspapers which identify him as the founder of the business. One of the translations (an Internet translation) refers to him as TFC Chairman, the other simply states “in 1995 the first modern Turkish Food Centre (TFC) [Kemal] with his uncle opened a branch in Edmonton”.

36) Kemal Ucur states that he set up a number of stores which Ercan and Huseyin Ucur refer to as being part of the TFC Group. He set up TFC Harringay (1998), TFC Catford (1999), TFC Tottenham and TFC Chingford in 2003, TFC Enfield (2009) and TFC Palmers Green (2011). A further to whom it may concern letter is provided from Cypsressa, a food supplier which refers to Kemal Ucur as being a valuable customer since 1995, when he set up his first shop, the other shops (and dates as above) are then mentioned. Kemal Ucur states that he remains as sole director and majority shareholder of Edmonton, Wood Green and director and majority share holder of Tottenham. He is also a director and share holder of TFC Palmers Green, TFC (Enfield) Limited and TFC (Chingford) Limited.

37) Huseyin Ucur states that in 1998 Kemal Ucur became a “partner” (he describes this as an investor and shareholder) in TFC Wood Green. This store was set up by Ercan Ucur in 1995 with two partners, one of whom left in 1998, with Kemal purchasing his interest. He states that TFC Wood Green Limited was not incorporated until 1998 and that Kemal Ucur was not appointed as a director. The evidence provided to this effect (from snoopfordirectors.com) shows that Kemal Ucur was appointed as a director in 1999. Huseyin Ucur refers to corporate systems inside stores (such as employment contracts, group handbooks and company policies) which he says was developed by Ercan Ucur. He states that there are many TFC stores in the London region, Leytonstone, Catford and Croydon, were opened in 1999. Tottenham was opened in 1999 or 2000. He states that if Kemal Ucur was the instigator of the brand then he would be involved with them all, he is not.

The website

38) Huseyin Ucur states that in relation to a website that Kemal Ucur claims to own, this was commissioned by the “TFC group”. It was constructed by Kemal Ucur’s cousin and “we” paid for the website to be hosted. Some web hosting invoices are provided (to TFC Dalston/Ercan Ucur) and the original registration was to TFC Edmonton. He states that Kemal Ucur had the IP address transferred to himself after the falling out.

Cross-examination

39) Huseyin Ucur, as already stated, was not a good witness regarding the detail of events. Some of his answers regarding the dates of various changes of trading name (from Turk Gida Market to Turkish Food Centre to TFC) were somewhat inconsistent. He often conflated the name Turkish Food Centre with the Turkish equivalent. What is clear is that Dalston was his first store which was followed by stores in Lewisham (1992) and Harringay (1994). There was also a store in Elephant and Castle but he was bought out of this by his partner at the time in exchange for full control of the Dalston store. So, by the time Edmonton opened, Huseyin Ucur was running stores in Dalston, Lewisham and Harringay.

40) Ercan Ucur was more direct in his answers. He stated that the store in Elephant and Castle was always called Turk Gida Market but as far as he could remember Dalston and Lewisham were trading as Turkish Food Centre since 1992/1993. He was adamant that the stores in the control of Huseyin Ucur were using TFC before 1995 (when the Edmonton store was opened) although he appeared to accept that there was some inconsistent use given that some stores used both the name Turkish Food Centre and TFC. Mr Wood attempted to get greater certainty in terms of what sign had been used and when, as can be seen in the following exchanges:

Q. All I am trying to do is to establish when you started on the signs and when you started using TFC. That is where the question is coming from. If I am quite picky, that is why.

A. If you expect me to remember which branch was using just Turkish Food Centre at which time and then started TFC, it is like I have to look at the crystal ball and study it. It is not possible. Because we did not think it was that important at that time, we did not keep the records of it. One thing for sure, we started using TFC before 1995. The first company we set up, TFC, was TFC (Wholesale) Limited before TFC Edmonton. Also we have the newspapers which is showing that TFC 4 opened in Edmonton. So that shows that TFC was being used.

Q. All right, okay. Prior to TFC (Wholesale) Limited being established, was TFC used on any of the front signs of any of the stores, as far as you can remember?

A. As far as I can remember, it was used.

Q. How was it used?

A. You know the triangle logo, which was done with my father, Mr. Erol and Mr. Atilla, that was the shape which has been used since 1991.

Q. So the shape has been used, the shape?

A. The shape, yes, but ----

Q. But is it possible that the shape was used with other things: with Turkish Food Centre or Turkish supermarkets?

A. It was used with Turkish Food Centre as well. Later on it was used with TFC as well.

Q. Later on, okay. But you think that it was before TFC (Wholesale) was set up, you think?

A. Yes, because when TFC (Wholesale) was set up, TFC was already an established name. I remember 100% on our letter headed papers that we were using TFC logo on TFC (Wholesale) Limited.

41) The way in which Kemal Ucur answered questions during cross-examination sometimes lacked conviction. Although, he did stress a number of times that he was the person who came up with the idea to use TFC. He said that he thought of the idea when he encountered people passing by the developing site at Edmonton expressing reservations about the plan to use the name TURKISH FOOD CENTRE; he stated under cross-examination:

“During the building time, people were worrying, "what is going on here?" When you said "Turkish Food Centre", the reaction was not good.”

42) Kemal Ucur stated that he did not consult Huseyin Ucur regarding the TFC name even though they were partners in the Edmonton store. Also, when presented with the advertisement in which the Edmonton store was identified as TFC 4, he denied that there was any real link between the stores or that Edmonton was the 4th TFC store. He said the advertisement was simply some form of marketing ploy. He stated that lots of people were opening stores and supermarkets around this time and that his store was nothing to do with Huseyin Ucur's other stores. These were some of the answers that lacked credibility. In terms of the claimed licensing arrangements, Kemal Ucur accepted that there were no licensing arrangements in play:

“I formed TFC. I used TFC Edmonton, but with all family members we did not do any agreement or whatever. Everyone can use TFC”

43) Also cross-examined was Erol Acaturk. He explained under cross-examination that the store in Dalston began trading as Turkish Food Centre in 1992; although he could not remember whether the shop front was changed. The phones were answered as Turkish Food Centre. Although, as per his written evidence, he made no mention of TFC being used whilst he was employed at Dalston (which ended in 1993).

Findings in relation to passing-off

44) There is always an inherent difficulty in establishing facts which took place some time ago. In this case, some of the relevant matters took place more than 18 years ago. It is therefore appreciated that recollections and memories will have dimmed over time. This problem is exacerbated in these proceedings by the relatively casual approach that the various protagonists have approached their businesses in relation to record keeping. Nevertheless, the tribunal has to make the best of what has been presented to it. Although there are other issues, the central issue appears to be who first used the letters TFC in trade. I have no doubt that Kemal Ucur (the controlling mind of Foodland) began using TFC in around August 1995 when the store in Edmonton was opened in partnership with Huseyin Ucur. However, the very fact that the Edmonton store was operated in partnership (and remained so until 2000) means that Huseyin Ucur will, unless there was an agreement to the contrary, also have benefited from any goodwill created by that business. Thus, Huseyin Ucur was, at the very least, a simultaneous user; use which continued through to the relevant dates through his other stores.

45) I say “at the very least” because Croydon’s claim is that the other stores controlled by Huseyin Ucur (in August 1995 this would have been Dalston, Lewisham and Harringay) had already begun using TFC in trade. Huseyin and Ercan Ucur refer to the creation of a logo in 1991/1992 which, they state, included the letters TFC; this was corroborated by Mr Ozen and Mr Kubasik, although, the failure of these witnesses to attend for cross-examinations lessens the weight of their corroboration. Mr Acaturk, whom both parties agree was involved in the logo project, has given evidence that the logo did not contain the letters TFC. Given my earlier observations as to the reliability of Huseyin and Ercan Ucur’s evidence in terms of what events took place when, and given the lack of documentary evidence showing a TFC logo prior to August 1995, and given Mr Acaturk’s evidence, I am not prepared to accept that the logo designed in 1991/1992 contained the letters TFC.

46) Foodland claims that prior to August 1995, Huseyin Ucur’s shops were called TURK GIDA MARKET and that it was not even clear if they had been trading under the TURKISH FOOD CENTRE name, let alone TFC. However, Mr Acaturk (Foodland’s witness) stated under cross-examination that Dalston was trading as TURKISH FOOD CENTRE, even though he was unsure if the shop front name had been changed. Therefore, despite my comments regarding Huseyin and Ercan Ucur’s evidence, there is some corroboration that TURKISH FOOD CENTRE was in use. There is also evidence in exhibit HU/11 of Huseyin Ucur’s second witness statement of an advertisement for the Lewisham store showing use of these words both alone and incorporated into a triangular logo. I accept that the stores in Dalston, Lewisham and Harringay were using the designation TURKISH FOOD CENTRE in some way from around 1992.

47) The question that remains is whether the stores in Dalston, Lewisham and Harringay started to use the abbreviation TFC prior to the opening of TFC Edmonton. The advertisements for TFC Edmonton refer to it as "T.F.C 4". I can see no other plausible explanation for this other than that Edmonton was the fourth TFC after Dalston, Lewisham and Harringay. The suggestion that the manner of advertising was merely a promotional ploy is not convincing. I think it is reasonably clear that the store in Edmonton was to be linked, albeit in the casual/informal way inherent in the type of business relationship the parties operated, to the other stores. Both Kemal and Huseyin claim it was they whom came up with the idea to abbreviate the name to TFC so as to not alienate the non-Turkish members of the community. However, I do not consider that this really matters as the law of passing-off is not concerned with ideas, it is the actual trading of the parties that matters and my findings are based upon this.

48) Another aspect to bear in mind is that Kemal Ucur has been operating TFC supermarkets since August 1995, not just in Edmonton, but in other stores, often without involvement with Huseyin or Ercan Ucur. Similarly, Huseyin Ucur has been operating TFC supermarkets since at least August 1995 (but possibly earlier) without the involvement of Kemal Ucur. Furthermore, both Kemal Ucur and Huseyin Ucur have stated, effectively, that anyone in the family can use the names in question – it seems only recently that this position has changed with the protagonists attempting to claw back control, control that was never really exercised to begin with. Bearing all this in mind, I come to the following findings.

- Foodland's claim at the relevant date of 30 November 2006 must fail because:
 - i) Huseyin Ucur (the controlling mind of Croydon) was either a simultaneous user, on account of being a partner in the Edmonton store; or
 - ii) That Huseyin Ucur was in fact the senior user due to the earlier use of TFC in connection with his businesses in Dalston, Lewisham and Harringay; and, in any event,
 - iii) That a period of 11 years have elapsed since the Edmonton store was opened, a period in which Huseyin Ucur has made use of TFC in other stores and, as per the *Merck* case, it would have been too late in November 2006 to seek to restrain such use.

- Croydon's claim at the relevant date of 28 February 2009 must fail because:
 - i) Kemal Ucur (the controlling mind of Foodland) may have been a simultaneous user on account of being a partner in the Edmonton store; or
 - ii) Even if the above is not correct and that Huseyin Ucur was the senior user on account of the use of TFC in his stores in Dalston,

Lewisham and Haringay, that a period of nearly 14 years has elapsed since the Edmonton store was opened, a period in which Kemal Ucur has made use of TFC in other stores and, as per the *Merck* case, it would have been too late in February 2009 to seek to restrain such use.

49) The effective outcome of the above, in so far as passing-off is concerned, is that both sides have a relevant goodwill which whilst they may be able to prevent, under the law of passing-off, other unconnected parties from using the TFC designation, they cannot prevent each others' use. **The passing-off claims in both the invalidation and opposition proceedings fails.** I add that these findings are not affected by the evidence (as referred to in paragraph 34 above) of the agreement in relation to the Palmers Green store. Any goodwill being referred to in that agreement would only have been relevant to goodwill built up by that store (which was in fact nothing because it had yet to trade).

BAD FAITH – INVALIDATION PROCEEDINGS

Legislation and the leading case-law

50) Section 3(6) of the Act states:

“A trade mark shall not be registered if or to the extent that the application is made in bad faith.”

51) In *Red Bull GmbH v Sun Mark Ltd & Anr* [2012] EWHC 1929 and [2012] EWHC 2046 (Ch) (“*Sun Mark*”) Arnold J summarised the general principles underpinning section 3(6) as follows:

“Bad faith: general principles

130 A number of general principles concerning bad faith for the purposes of section 3(6) of the 1994 Act/ Article 3(2)(d) of the Directive/ Article 52(1)(b) of the Regulation are now fairly well established. (For a helpful discussion of many of these points, see N.M. Dawson, “Bad faith in European trade mark law” [2011] IPQ 229.)

131 First, the relevant date for assessing whether an application to register a trade mark was made in bad faith is the application date: see Case C-529/07 *Chocoladenfabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH* [2009] ECR I-4893 at [35].

132 Secondly, although the relevant date is the application date, later evidence is relevant if it casts light backwards on the position as at the application date: see *Hotel Cipriani Srl v Cipriani (Grosvenor Street) Ltd* [2009] EWHC 3032 (Ch), [2009] RPC 9 at [167] and cf. Case C-259/02 *La*

Mer Technology Inc v Laboratoires Goemar SA [2004] ECR I-1159 at [31] and Case C-192/03 *Alcon Inc v OHIM* [2004] ECR I-8993 at [41].

133 Thirdly, a person is presumed to have acted in good faith unless the contrary is proved. An allegation of bad faith is a serious allegation which must be distinctly proved. The standard of proof is on the balance of probabilities but cogent evidence is required due to the seriousness of the allegation. It is not enough to prove facts which are also consistent with good faith: see *BRUTT Trade Marks* [2007] RPC 19 at [29], *von Rossum v Heinrich Mack Nachf. GmbH & Co KG* (Case R 336/207–2, OHIM Second Board of Appeal, 13 November 2007) at [22] and *Funke Kunststoffe GmbH v Astral Property Pty Ltd* (Case R 1621/2006-4, OHIM Fourth Board of Appeal, 21 December 2009) at [22].

134 Fourthly, bad faith includes not only dishonesty, but also “some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined”: see *Gromax Plasticulture Ltd v Don & Low Nonwovens Ltd* [1999] RPC 367 at 379 and *DAAWAT Trade Mark* (Case C000659037/1, OHIM Cancellation Division, 28 June 2004) at [8].

135 Fifthly, section 3(6) of the 1994 Act, Article 3(2)(d) of the Directive and Article 52(1)(b) of the Regulation are intended to prevent abuse of the trade mark system: see *Melly's Trade Mark Application* [2008] RPC 20 at [51] and *CHOOSI Trade Mark* (Case R 633/2007-2, OHIM Second Board of Appeal, 29 February 2008) at [21]. As the case law makes clear, there are two main classes of abuse. The first concerns abuse vis-à-vis the relevant office, for example where the applicant knowingly supplies untrue or misleading information in support of his application; and the second concerns abuse vis-à-vis third parties: see *Cipriani* at [185].

136 Sixthly, in order to determine whether the applicant acted in bad faith, the tribunal must make an overall assessment, taking into account all the factors relevant to the particular case: see *Lindt v Hauswirth* at [37].

137 Seventhly, the tribunal must first ascertain what the defendant knew about the matters in question and then decide whether, in the light of that knowledge, the defendant's conduct is dishonest (or otherwise falls short of the standards of acceptable commercial behaviour) judged by ordinary standards of honest people. The applicant's own standards of honesty (or acceptable commercial behaviour) are irrelevant to the enquiry: see *AJIT WEEKLY Trade Mark* [2006] RPC 25 at [35]-[41], *GERSON Trade Mark* (Case R 916/2004-1, OHIM First Board of Appeal, 4 June 2009) at [53] and *Campbell v Hughes* [2011] RPC 21 at [36].

138 Eighthly, consideration must be given to the applicant's intention. As the CJEU stated in *Lindt v Hauswirth*:

“41. ... in order to determine whether there was bad faith, consideration must also be given to the applicant's intention at the time when he files the application for registration.

42. It must be observed in that regard that, as the Advocate General states in point 58 of her Opinion, the applicant's intention at the relevant time is a subjective factor which must be determined by reference to the objective circumstances of the particular case.

43. Accordingly, the intention to prevent a third party from marketing a product may, in certain circumstances, be an element of bad faith on the part of the applicant.

44. That is in particular the case when it becomes apparent, subsequently, that the applicant applied for registration of a sign as a Community trade mark without intending to use it, his sole objective being to prevent a third party from entering the market.

45. In such a case, the mark does not fulfil its essential function, namely that of ensuring that the consumer or end-user can identify the origin of the product or service concerned by allowing him to distinguish that product or service from those of different origin, without any confusion (see, inter alia, Joined Cases C-456/01 P and C-457/01 P *Henkel v OHIM* [2004] ECR I-5089 , paragraph 48).”

The relevant date

52) Whether Croydon applied for its trade mark registration in bad faith must be assessed at a particular point in time. Evidence from after the relevant date can, however, be instructive in deciding whether the application was made in bad faith at the relevant date if it sheds light backwards. As stated in the *Sun Mark* case, the relevant date is the application date of the trade mark. The relevant date is 30 November 2006.

Findings in relation to bad faith

53) Although very different claims, it seems to me that my findings in relation to passing-off are instructive here. Huseyin Ucur, through his company Croydon, was entitled to apply for its trade mark registration to protect its business interest which, by the relevant date, it (or more accurately its predecessor) had been using TFC since at least 1995, possibly earlier. To suggest that this is action that falls below the standards of acceptable commercial behaviour is rejected. **The invalidation under section 3(6) fails.**

SECTION 5(2) – OPPOSITION PROCEEDINGS

54) I have already dismissed the ground of opposition under section 5(4)(a) of the Act, so I turn to consider sections 5(1), 5(2)(a) and 5(2)(b), which read:

“5. - (1) A trade mark shall not be registered if it is identical with an earlier trade mark and the goods or services for which the trade mark is applied for are identical with the goods or services for which the earlier trade mark is protected.

(2) A trade mark shall not be registered if because –

(a) it is identical with an earlier trade mark and is to be registered for goods or services similar to those for which the earlier trade mark is protected, or

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.”

55) Sections 5(1) and 5(2)(a) require identical marks to be in play. However, literal identity is not always required. In *S.A. Société LTJ Diffusion v. Sadas Vertbaudet SA* [2003] FSR 34 the Court of Justice of the European Union (“CJEU”) stated:

“54. In those circumstances, the answer to the question referred must be that Art.5(1)(a) of the Directive must be interpreted as meaning that a sign is identical with the trade mark where it reproduces, without any modification or addition, all the elements constituting the trade mark or where, viewed as a whole, it contains differences so insignificant that they may go unnoticed by an average consumer.”

56) Foodland’s mark is:



57) Croydon’s closest marks are:



58) Whilst (as I will come on to say) there are some clear and strong points of similarity, the addition of a telephone number, a domain name and the slogan in Foodland's mark are differences unlikely to go unnoticed by the average consumer. The marks are not identical. **The grounds of opposition under sections 5(1) and 5(2)(a) of the Act are dismissed.**

59) Marks need only be similar under section 5(2)(b) of the Act. In reaching my decision under this ground I bear in mind that the CJEU has issued a number of judgmentsⁱ which provide guiding principles relevant to this ground. In *La Chemise Lacoste SA v Baker Street Clothing Ltd* (O/330/10), Mr Geoffrey Hobbs QC, sitting as the Appointed Person, quoted with approval the following summary of the principles which are established by these cases:

“(a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors;

(b) the matter must be judged through the eyes of the average consumer of the goods or services in question, who is deemed to be reasonably well informed and reasonably circumspect and observant, but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind, and whose attention varies according to the category of goods or services in question;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details;

(d) the visual, aural and conceptual similarities of the marks must normally be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components, but it is only when all other components of a complex mark are negligible that it is permissible to make the comparison solely on the basis of the dominant elements;

(e) nevertheless, the overall impression conveyed to the public by a composite trade mark may, in certain circumstances, be dominated by one or more of its components;

(f) and beyond the usual case, where the overall impression created by a mark depends heavily on the dominant features of the mark, it is quite possible that in a particular case an element corresponding to an earlier trade mark may retain an independent distinctive role in a composite mark, without necessarily constituting a dominant element of that mark;

(g) a lesser degree of similarity between the goods or services may be offset by a great degree of similarity between the marks, and vice versa;

(h) there is a greater likelihood of confusion where the earlier mark has a highly distinctive character, either *per se* or because of the use that has been made of it;

(i) mere association, in the strict sense that the later mark brings the earlier mark to mind, is not sufficient;

(j) the reputation of a mark does not give grounds for presuming a likelihood of confusion simply because of a likelihood of association in the strict sense;

(k) if the association between the marks causes the public to wrongly believe that the respective goods [or services] come from the same or economically-linked undertakings, there is a likelihood of confusion."

Comparison of the marks

60) The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The visual, aural and conceptual similarities of the marks must be assessed by reference to their overall impressions, bearing in mind their distinctive and dominant components. Both marks are dominated by the letters TFC, together with an inverted triangle which contains a letter T. Both marks also have a designation (FOOD CENTRE/SUPERMARKET) which is non-distinctive, even though it is part and parcel of the overall presentation of the marks. Bearing this in mind, whilst accepting that there are some differences in presentation and that Foodland's mark contains additional aspects which are not present in Croydon's mark (the telephone number, the domain name and the slogan) I come to the clear view that there is an extremely high degree of visual, aural and conceptual similarity. Although shortly stated, I do not consider that further analysis is required. On any reasonable analysis the marks are extremely similar.

The average consumer

61) The case-law informs me that the average consumer is reasonably observant and circumspect (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* paragraph 27). The degree of care and attention the average

consumer uses when selecting goods and services can, however, vary depending on what is involved (see, for example, the judgment of the General Court (“GC”) in *Inter-Ikea Systems BV v OHIM* (Case T-112/06)). The goods/services in question are general consumer items (and the retailing thereof) purchased in a supermarket or similar store by a member of the general public. No more than an average degree of care and consideration will be deployed by the average consumer. The selection will be by predominantly visual means, although, aural similarity will not be ignored completely from my analysis.

The distinctiveness of the earlier mark

62) The degree of distinctiveness of the earlier mark(s) must be assessed. This is because the more distinctive the earlier mark(s) (based either on inherent qualities or because of use made), the greater the likelihood of confusion (see *Sabel BV v. Puma AG*, paragraph 24). The evidence does not establish that the earlier marks are entitled to an enhanced degree of protection given the limited geographical scale of use and the target market utilized. However, the marks are at least reasonably distinctive from an inherent perspective.

Comparison of goods/services

63) When making the comparison, all relevant factors relating to the goods/services in the respective specifications should be taken into account in determining this issue. In *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* the CJEU stated at paragraph 23 of its judgment:

“In assessing the similarity of the goods or services concerned, as the French and United Kingdom Governments and the Commission have pointed out, all the relevant factors relating to those goods or services themselves should be taken into account. Those factors include, *inter alia*, their nature, their intended purpose and their method of use and whether they are in competition with each other or are complementary.”

64) Guidance on this issue has also come from Jacob J In *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281 where the following factors were highlighted as being relevant when making the comparison:

- “(a) The respective uses of the respective goods or services;
- (b) The respective users of the respective goods or services;
- (c) The physical nature of the goods or acts of service;
- (d) The respective trade channels through which the goods or services reach the market;

(e) In the case of self-serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;

(f) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.”

65) In terms of being complementary (one of the factors referred to in *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer*), this relates to close connections or relationships that are important or indispensable for the use of the other. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM) Case T- 325/06* it was stated:

“It is true that goods are complementary if there is a close connection between them, in the *sense that one is indispensable or important for the use of the other in such a way that* customers may think that the responsibility for those goods lies with the same undertaking (see, to that effect, *Case T-169/03 Sergio Rossi v OHIM – Sissi Rossi (SISSI ROSSI)* [2005] ECR II-685, paragraph 60, upheld on appeal in *Case C-214/05 P Rossi v OHIM* [2006] ECR I-7057; *Case T-364/05 Saint-Gobain Pam v OHIM – Propamsa (PAM PLUVIAL)* [2007] ECR II-757, paragraph 94; and *Case T-443/05 El Corte Inglés v OHIM – Bolaños Sabri (PiraÑAM diseño original Juan Bolaños)* [2007] ECR I-0000, paragraph 48).”

66) In relation to understanding what terms used in specifications mean/cover, the case-law informs me that “in construing a word used in a trade mark specification, one is concerned with how the product is, as a practical matter, regarded for the purposes of the trade”³ and that I must also bear in mind that words should be given their natural meaning within the context in which they are used; they cannot be given an unnaturally narrow meaning⁴. The competing specifications can be seen in the following table:

The goods of Croydon’s earlier mark	Foodland’s applied for goods
Class 29: Meat, fish, poultry and game; meat extracts; preserved, dried and cooked fruits and vegetables; jellies, jams, compotes; eggs, milk and milk products; edible oils and fats; butter; buttercream; cheese; cream; potato crisps; food prepared from fish; preserved	Class 29: Meat, fish, poultry and game; meat extracts; preserved, dried and cooked fruits and vegetables; jellies, jams, fruit sauces; eggs, milk and milk products; edible oils and fats; prepared meals; soups and potato crisps.

³ See *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281

⁴ See *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another* [2000] FSR 267

<p>herbs; preserved lentils; margarine; marmalade; milk beverages; preserved mushrooms; prepared nuts; olive oil for food; preserved olives; peanut butter; rape oil for food; sausages; salami; sesame oil, soups; preserved soya beans; suet for food; sunflower oil for food; tomato juice for cooking; tomato puree; vegetable juices for cooking; whey; whipped cream; yoghurt.</p> <p>Class 30: Coffee, tea, cocoa, sugar, rice, tapioca, sago, artificial coffee; flour and preparations made from cereals; bread, pastry and confectionery; ices; honey, treacle; yeast, baking powder; salt, mustard; vinegar; sauces (condiments); spices; ice; aniseed; aromatic preparations for food; barley meal; chocolate based beverages; cocoa based beverages; coffee based beverages; biscuits; bread crumbs; buns; cake paste; cake powder; cakes; capers; cereal preparations; chocolate; chutneys; cookies; couscous; ice cream; custard; dressings for salad; flavourings other than essential oils; frozen yoghurt; gingerbread; golden syrup; meat gravies; halvah; honey; husked barley; husked oats; ketchup; leaven; macaroni; maize meal; marzipan; mayonnaise; meat pies; muesli; noodles; crushed oats; pancakes; pasta; pastry; pepper; pies; pizzas; popcorn; quiches; ravioli; rice; rusks; sandwiches; seasonings; semolina; spaghetti; spring rolls; tacos; tomato sauce; tortillas; unleavened bread; vinegar; waffles.</p> <p>Class 32: Beers; mineral and aerated waters and other non-alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages.</p> <p>Class 35: Retail services connected with food and drink; advertising; business management; business administration; office functions; information and advisory services relating to the aforesaid services.</p>	<p>Class 31: Agricultural, horticultural and forestry products; live animals; fresh fruits and vegetables, seeds, natural plants and flowers; foodstuffs for animals; malt; food and beverages for animals.</p> <p>Class 32: Beers; mineral and aerated waters; non-alcoholic drinks; fruit drinks and fruit juices; syrups for making beverages; shandy, de-alcoholised drinks, non-alcoholic beers and wines.</p>
---	---

67) The goods applied for in classes 29 and 32 are identical as they are either identically worded or fall within the ambit of terms in classes 29 and 32 of the earlier mark. The goods applied for in class 31 have no identical counterparts, however, many contain within their ambit goods which could be for human consumption (such as fruit, seeds etc) which are highly similar to the processed equivalents that fall in class 29 of the earlier mark. The exceptions to this are the following terms:

live animals;
natural plants and flowers;
foodstuffs for animals;
food and beverages for animals

68) With the above, the nature and purpose is different and, although they can all be sold in a supermarket (as many things can), they will be in quite different areas. I conclude that these goods are not similar to anything in the specification of the earlier mark.

Likelihood of confusion

69) The factors assessed so far have a degree of interdependency (*Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*, paragraph 17), a global assessment of them must be made when determining whether there exists a likelihood of confusion (*Sabel BV v. Puma AG*, paragraph 22). However, there is no scientific formula to apply. It is a matter of considering the relevant factors from the viewpoint of the average consumer and determining whether they are likely to be confused.

70) In my view the matter would come to an inevitable conclusion of a likelihood of confusion (other than in respect of the non-similar goods) in the normal course of events. However, this is a case which does not represent a normal course of events. At the hearing I highlighted to the parties the judgment of the CJEU in *Budějovický Budvar, národní podnik v Anheuser-Busch Inc* Case C-482/09 and that I would consider whether it was applicable in the circumstances before me. In that judgment the CJEU held:

“Article 4(1)(a) of Directive 89/104 must be interpreted as meaning that the proprietor of an earlier trade mark cannot obtain the cancellation of an identical later trade mark designating identical goods where there has been a long period of honest concurrent use of those two trade marks where, in circumstances such as those in the main proceedings, that use neither has nor is liable to have an adverse effect on the essential function of the trade mark which is to guarantee to consumers the origin of the goods or services.”

71) In *Budejovický Budvar, národní podnik v Anheuser-Busch Inc* [2012] EWCA Civ 880 the Court of Appeal applied the findings of the CJEU in relation to this matter. Sir Robin Jacob stated:

“20. I do not accept that. The Court could have said just that but did not. The rather self-evident point as to the effect of a long period of honest concurrent use was clearly laid before the Court when I summarised Mr Mellor's submission:

Mr Mellor suggests that the Court might recognise a further exception in the case of long established honest concurrent use. For in such a case the guarantee of origin of the mark is not impaired by the use of the mark by each party. Once such concurrent use is established the mark does not solely indicate the goods of just one of the users. It means one or the other. Hence there is no impairment of the guarantee and, if impairment is the touchstone of Art 4(1), no infraction of it.

21. The Court did not rule that only *de minimis* levels of confusion are acceptable when there is honest concurrent use. Nor did the Court rule that the inevitable confusion in a same mark/same goods case is enough to take a case out of acceptable concurrent use. Yet that is what Mr Bloch's submissions involve.

22. More fundamentally, Mr Bloch's submissions involve the unstated premise that even where there is long established honest concurrent use the mark of one party must provide a guarantee of origin in that party and not the other. That is quite unrealistic. Here for instance, Budweiser has never denoted AB's beer alone."

He also stated:

"32. We know now from the Court's answer that the hearing officer was wrong to conclude that "concurrent use is not a factor I can properly take into account". If the concurrent use is honest (as is accepted to be the case here) and there is no adverse affect on the essential function of the trade mark, the case is not within Art.4(1).

33. It is just worth stepping back and examining what has happened in the jurisprudence of the Court. Those who framed the same mark/same goods rule were rather naïve. To say that confusion is necessarily so in such a case, is wrong. The apparently black and white rigid application of the rule which the hearing officer thought was compelled, has been tempered to produce rational answers. The Court has steadily been recognising this in a series of cases, *O2 v Hutchison* Case C-533/06, [2008] ECR I-4231 (comparative advertising conforming with the Comparative Advertising Directive), *Hölterhoff* [2002] ECR I-4187 (purely descriptive use), *BMW v Deenik* [1999] ECR I-905 (honestly stating that a garage repaired BMWs), *Adam Opel v Autec* Case C-48/05 [2007] ETMR 5 (use of mark on a toy car not infringing if no effect on essential function even though mark was registered for toys), *Celine v Celine* Case C-17-06 [2007] ECR I-7041 (use as a business name for a clothes shop not affecting essential function of mark registered for clothing). The ruling here is another example of tempering the apparently inflexible same mark/same goods rule to produce a rational answer. "

Warren J stated:

“42. But before that can happen, I would need to be persuaded that at least, in theory, there could be evidence of some sort to support a claim of adverse effect. In that context, evidence of confusion would, in my judgment, be insufficient. However much evidence of confusion is adduced, I do not see how that could, in the light of the earlier cases, be sufficient to establish any impairment of the guarantee of origin given the unstated premise in Mr Bloch's submissions identified by Jacob LJ in paragraph 22 of his judgment.”

72) In this case TFC (or the triangular logos containing these letters) has never denoted the goods of services of Croydon only; for a lengthy period it has also denoted the goods and services of Foodland. Both sides have tolerated each other's independent use, both sides have referred to the ability for other family members to use it, neither party, up until now, has attempted to exercise any form of control over the other. There is no evidence of an adverse effect having been created by Foodland's use. The judgment of the CJEU and the Court of Appeal relates to an invalidation action under section 5(1) of the Act. However, the same reasoning must apply in relation to opposition proceedings under section 5(2)(b) of the Act, *mutatis mutandis*. Foodland (albeit via the use of Kemal Ucur) can rely upon the effects of its concurrent use with no adverse effect. **Consequently, the ground of opposition under section 5(2)(b) of the Act is dismissed.**

SECTION 5(3)

73) Section 5(3)⁵ of the Act reads:

“5-(3) A trade mark which-

(a) is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of Community trade mark, in the European Community) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.”

74) In order to succeed under this ground the earlier mark must have a reputation. In *General Motors Corp v Yplon SA (Chevy)* [2000] RPC 572 the CJEU stated:

⁵ Section 5(3) was amended by The Trade Marks (Proof of Use, etc) Regulations 2004 (SI 2004 No. 946).

“The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.”

75) The public concerned with the goods/services of the earlier mark is the general public in the United Kingdom. I am far from satisfied that the earlier marks are known by a significant part of such a public. For this reason, the opposition under section 5(3) of the Act is dismissed. Furthermore, a clear due cause would have been in existence given the nature of my findings under sections 5(4)(a) and 5(2)(b) of the Act.

OUTCOME OF CONSOLIDATED PROCEEDINGS

76) Given my findings, both the invalidation and the opposition claims have failed. Consequently, Croydon’s trade marks may remain on the register and Foodland’s trade mark may proceed to registration.

COSTS

77) The respective claims have failed. As referred to in paragraph 2 above, there were some matters during the proceedings which were raised late in the day, but, in reality, the parties should take a roughly equal responsibility for this. In all the circumstances each party should bear its own costs.

Dated this 9th day of August 2013

**Oliver Morris
For the Registrar,
The Comptroller-General**

ⁱ The leading judgments are: *Sabel BV v. Puma AG* [1998] R.P.C. 199, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer* [1999] R.P.C. 117, *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V* [2000] F.S.R. 77, *Marca Mode CV v. Adidas AG + Adidas Benelux BV* [2000] E.T.M.R. 723, Case C-3/03 *Matrazen Concord GmbH v GmbGv Office for Harmonisation in the Internal Market* [2004] ECR I-3657 *Medion AG V Thomson multimedia Sales Germany & Austria GmbH* (Case C-120/04) and *Shaker di L. Laudato & Co. Sas* (C-334/05).