

**O-863-21**

**TRADE MARKS ACT 1994  
IN THE MATTER OF APPLICATION No.3408601  
BY GRINDSMITH COFFEE ROASTERS LIMITED  
TO REGISTER IN CLASSES 16, 21, 29, 30, 35 & 43  
THE TRADE MARK**

**GRINDSMITH**

**AND**

**IN THE MATTER OF OPPOSITION THERETO  
UNDER No. 417595**

**BY**

**GRIND & CO LIMITED**

**AND**

**IN THE MATTER OF  
REGISTRATION Nos. 3060182, 3054830, 3100332, 3059018 & 3060183**

**STANDING IN THE NAME OF**

**GRIND & CO. LIMITED**

**AND**

**IN THE MATTER OF A REQUEST FOR A DECLARATION  
OF INVALIDITY THERETO UNDER No.503495, 503503, 503504, 503505 & 503506  
BY GRINDSMITH COFFEE ROASTERS LIMITED**

## **BACKGROUND**

1) On 21 June 2019, Grindsmith Coffee Roasters Limited (GCR) applied to register the trade mark GRINDSMITH in respect of the following goods:

In Class 16: Paper and cardboard; printed matter; photographs; stationery; instructional and teaching materials; printed publications; books; booklets; periodical publications; magazines; newspapers; newsletters; printed publicity and promotional material; catalogues; manuals; printed charts; printed menus; printed gift vouchers; printed certificates; signs and advertisement boards of paper and cardboard; printed display materials of paper and cardboard; posters; boxes of cardboard; cards; prints and pictures; paper table linen; paper table cloths; paper napkins; paper towels; paper and cardboard coasters; paper and cardboard place mats.

In Class 21: Household or kitchen utensils and containers; cookware and tableware; glassware, porcelain and earthenware; pottery; chinaware; ceramic tableware; crockery; plates; saucers; dishes; bowls; pots; jugs; tea pots; coffee pots; non-electric coffee brewers; non-electric coffee filters; storage jars; drinking vessels; cups; mugs; coffee services in the nature of tableware; drinking glasses; bottles; drinking bottles; bottle openers; corkscrews; food storage containers; drinks containers; lunchboxes; cups of paper or plastic; cardboard cups; paper plates; non-electric coolers for food and drinks; cutlery holders; condiment holders; salt and pepper shakers; menu card holders; serving trays; place mats, not of paper or textile; coasters, not of paper or textile; coffee grinders; coffee scoops; coffee stirrers; parts and fittings for all of the aforesaid goods.

In Class 29: Preserved, frozen, dried and cooked fruits and vegetables; jellies, jams, compotes; eggs; milk, cheese, butter, yoghurt and other milk products; oils and fats for food; prepared meals consisting primarily of meat; meat-based snack foods; prepared meals consisting primarily of fish; prepared meals consisting primarily of seafood; prepared meals consisting primarily of game; prepared meals consisting primarily of poultry; food products made primarily from meat substitutes; cooked meats; cured meats; sausages; burgers; prepared vegetables; prepared vegetable products; prepared fruits; prepared fruit products; vegetable and fruit purees; fruit and vegetable spreads; vegetable oils; prepared meals consisting primarily of vegetables; vegetable-based snack foods; fruit-based snack foods; fruit salads; prepared salads; dairy products and dairy substitutes; cream; cheese products; cheese-based snack foods; dairy spreads; dairy desserts and puddings; dairy-based drinks; yoghurt desserts; yoghurt-based drinks; egg products; prepared meals consisting primarily of eggs; desserts; fruit desserts; crisps; potato crisps; vegetable crisps; processed nuts; prepared nuts; processed

seeds; prepared seeds; soups and stocks, meat extracts; extracts for soups; preparations for making soups; prepared meals and snack foods, all in Class 29.

In Class 30: Coffee, tea, cocoa and artificial coffee; rice, pasta and noodles; tapioca and sago; flour and preparations made from cereals; bread, pastries and confectionery; chocolate; ice cream, sorbets and other edible ices; sugar, honey, treacle; yeast, baking-powder; salt, seasonings, spices, preserved herbs; vinegar, sauces and other condiments; ice [frozen water]; bakery products; pies; pasties; bread products; sandwiches; sandwich wraps; pizzas; rice cakes; popcorn; pastry products; cakes; muffins; biscuits; puddings; desserts; pancakes; waffles; ice cream products; frozen confections; frozen yoghurt; sweets; chocolate products; chocolate and cocoa beverages; coffee beverages; coffee beans; ground and whole bean coffee; unroasted coffee; decaffeinated coffee; iced coffee; coffee extracts; coffee essences; coffee flavourings; flavouring syrups; coffee substitutes; artificial coffee and tea; tea-based beverages; herbal tea; cocoa-based beverages; snack foods consisting principally of grain; snack foods consisting principally of rice; snack foods consisting principally of pasta and noodles; snack foods consisting principally of confectionery; rice-based prepared meals; pasta-based prepared meals; noodle-based prepared meals; prepared meals in the form of pizzas; cereal bars; prepared snack foods, all in Class 30.

In Class 35: Advertising; business management; business administration; office functions; marketing services; promotional services; sales promotion services; business management, advisory and consultancy services, all relating to franchising; services rendered by a franchisor, namely, assistance in the establishment, running and management of commercial enterprises; business assistance relating to the establishment of franchises; advice in the running of businesses as franchises; promotional services; marketing services; organisation of events for commercial or advertising purposes; organisation, operation and supervision of loyalty and incentive schemes.

In Class 43: Services for providing food and drink; temporary accommodation; preparation and provision of food and drink; coffee shop services; coffee bar services; coffee house and snack bar services; restaurant and café services; takeaway food and drink services; catering services; information, advisory and consultancy services in relation to all of the aforesaid.

2) The application was examined and accepted, and subsequently published for opposition purposes on 5 July 2019 in Trade Marks Journal No.2019/027.

3) On 5 September 2019 Grind & Co Limited (hereinafter GRIC) filed a notice of opposition, subsequently amended leaving out a number of earlier trade marks (2599037, 3029754 & 3029755). GRIC is the proprietor of the following trade marks:

Mark	Number	Dates of filing & registration	Class	Specification relied upon
Piccadilly Grind	3059018	09.06.14 19.09.14	30	Coffee, tea, cocoa, sugar, 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; sandwiches; prepared meals; pizzas, pies and pasta dishes.
			32	Minerals and aerated waters; non-alcoholic drinks; fruit drinks and fruit juices; syrups for making beverages.
			43	Services for providing food and drink; restaurant, bar and catering services.
London Grind	3060183	17.06.14 19.09.14	30	Coffee, tea, cocoa, sugar, 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; sandwiches; prepared meals; pizzas, pies and pasta dishes.
			32	Beers; mineral and aerated waters; non-alcoholic drinks; fruit drinks

				and fruit juices; syrups for making beverages.
			33	Alcoholic beverages (except beers); none being liqueurs.
			43	Services for providing food and drink; restaurant, bar and catering services.
<p><b>GRIND</b> <b>GRIND</b></p> <p>A series of two marks. The second mark in the series is Pantone colour 485C.</p>	3100332	20.03.15 07.08.15	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.
			30	Coffee, tea, cocoa, sugar, 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; sandwiches; prepared meals; pizzas, pies and pasta dishes.
			32	Beers; mineral and aerated waters; non-alcoholic drinks; fruit drinks and fruit juices; syrups for making beverages.
			33	Alcoholic beverages (except beers); none being liqueurs.
			41	Production and distribution services in the field of sound and/or visual recordings and entertainment; music publishing services; recording studio services;

				<p>production of masters of sound and/or visual recordings; remastering of sound and/or visual recordings; enhancement of sound and/or visual recordings; information services relating to the mixing, enhancement and recording of sound and/or images; nightclub and discotheque services; dj and compere services; dance club services; hosting of musical events; production, distribution and publishing of music; production of television and radio programs; distribution of television and radio programs for others; providing online entertainment, namely providing sound and video recordings in the field of music and music based entertainment; entertainment services, namely providing online non-downloadable prerecorded musical sound and video recordings via a global computer network; fan clubs; entertainment in the nature of live concerts and performances by dj's, musical artists and groups; entertainment services, namely personal appearances by dj's, musical groups, musical artists and celebrities; organising, arranging, managing and staging musical events, shows, concerts, festivals,</p>
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				gigs and live band performances; arranging of competitions for entertainment purposes; organization of entertainment competitions; organisation of fan clubs; operating websites on the Internet in connection with entertainment and competitions; advisory and information services relating to all the aforesaid.
			43	Services for providing food and drink; restaurant, bar and catering services.
GRIND	3054830	08.05.14 17.04.15	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.
			30	Coffee, tea, cocoa, sugar, 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; sandwiches; prepared meals; pizzas, pies and pasta dishes.
			32	Beers; mineral and aerated waters; non-alcoholic drinks; fruit drinks and fruit juices; syrups for making beverages.

			33	Alcoholic beverages (except beers); none being liqueurs.
			41	Production and distribution services in the field of sound and/or visual recordings and entertainment; music publishing services; artist management, recording studio services; production of masters of sound and/or visual recordings; remastering of sound and/or visual recordings; enhancement of sound and/or visual recordings; information services relating to the mixing, enhancement and recording of sound and/or images; nightclub and discotheque services; dj and compere services; dance club services; hosting of musical events; production, distribution and publishing of music; production of television and radio programs; distribution of television and radio programs for others; providing online entertainment, namely providing sound and video recordings in the field of music and music based entertainment; entertainment services, namely providing online non-downloadable prerecorded musical sound and video recordings via a global computer network; fan clubs; entertainment in the nature of live



				concerts and performances by dj's, musical artists and groups; entertainment services, namely personal appearances by dj's, musical groups, musical artists and celebrities; organising, arranging, managing and staging musical events, shows, concerts, festivals, gigs and live band performances; arranging of competitions for entertainment purposes; organization of entertainment competitions; organisation of fan clubs; operating websites on the Internet in connection with entertainment and competitions; advisory and information services relating to all the aforesaid.
			43	Services for providing food and drink; restaurant, bar and catering services.
Holborn Grind	3060182	17.06.14 21.11.14	30	Coffee, tea, cocoa, sugar, 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; sandwiches; prepared meals; pizzas, pies and pasta dishes.
			32	Minerals and aerated waters; non-alcoholic drinks; fruit drinks and

				fruit juices; syrups for making beverages.
			33	Alcoholic beverages (except beers); none being liqueurs.
			43	Services for providing food and drink; restaurant, bar and catering services.

4) The grounds of opposition are, in summary:

- a) GRIC claims that it has reputation in the goods and services for which its marks are registered. GRIC contends that the marks of the two parties are very similar and that the goods and services applied for are identical and/or similar to the goods and services for which the earlier mark is registered. As such the mark in suit offends against Section 5(2)(b) of the Act. In addition, GRIC also claims to have a “family of registered and unregistered marks”. With the exception of the two “Grind” marks 3100332 & 3054830 all the marks have a geographical location in front of the word GRIND. The marks relied upon are Shoreditch, Soho, Hoxton, Piccadilly, Holborn, London, Greenwich, Clerkenwell, Exmouth, Covent Garden, Liverpool St., Royal Exchange & Whitechapel.
- b) GRIC claims that it has reputation in the mark GRIND (3054830) in respect of the goods and services for which it is registered and claims that use of the mark in suit would take unfair advantage as the marks/goods and services are identical/ similar. Use of the mark in suit would also dilute the distinctiveness of its mark. As such the mark in suit offend against section 5(3) of the Act.
- c) GRIC contends that it has goodwill in the sign GRIND having used it since 2011 on a coffee shop providing coffee. Use of the mark in suit would result in misrepresentation and damage to GRIC’s sign. As such the mark in suit offends against Section 5(4)(a) of the Act.
- d) The opposition case does not encompass, under any of the grounds, the following goods and services applied for.

In Class 16: Paper and cardboard; printed matter; photographs; stationery; instructional and teaching materials; printed publications; books; booklets; periodical publications; magazines; newspapers; newsletters; printed publicity and promotional material; catalogues; manuals; printed charts; printed certificates; signs and advertisement boards of paper and cardboard; printed display materials of paper and cardboard; posters; boxes of cardboard; cards; prints and pictures.

In Class 21: Household or kitchen utensils and containers; cookware and tableware; glassware, porcelain and earthenware; plates; dishes; bowls; pots; drinking glasses; bottles; drinking bottles; bottle openers; corkscrews; food storage containers; drinks containers; lunchboxes; cups of paper or plastic; cardboard cups; paper plates; non-electric coolers for food and drinks; cutlery holders; condiment holders; salt and pepper shakers; menu card holders; serving trays.

In Class 35: Advertising; business management; business administration; office functions; marketing services; business management, advisory and consultancy services, all relating to franchising; services rendered by a franchisor, namely, assistance in the establishment, running and management of commercial enterprises; business assistance relating to the establishment of franchises; advice in the running of businesses as franchises; marketing services; organisation of events for commercial or advertising purposes;

5) On 18 December 2019 GCR filed a counterstatement basically denying all the grounds of opposition. It contends that it has used its mark since 2010. It also contends that no exclusivity can be claimed in the word "grind" given the goods and services involved.

6) By applications dated 15 December 2020 GCR applied for declarations of invalidity in respect of the five trade mark registrations shown at paragraph 3 above. The grounds of invalidity are, in summary:

- a) In respect of UK 3054830 (GRIND) and UK 3100332 (GRIND/GRIND series of two) GCR contends that the word GRIND is a term which designates the kind of goods GRIC offers for sale, namely coffee and coffee related products. Thus, GRIND is descriptive of the contested goods and services and offends against Section 3(1)(c) of the 1994 Trade Marks Act.
- b) In respect of UK 3060182 (HOLBORN GRIND), UK 3059018 (PICCADILLY GRIND) and UK 3060183 (LONDON GRIND) GCR contends that the word GRIND is a term which designates

the kind of goods GRIC offers for sale, namely coffee and coffee related products, whilst HOLBORN / PICCADILLY / LONDON designates the geographical location of said products and of the services provided by GRIC. Thus, HOLBORN / PICCADILLY / LONDON GRIND is descriptive of the contested goods and services and offends against Section 3(1)(c) of the 1994 Trade Marks Act.

- c) In respect of UK 3054830 (GRIND) and UK 3100332 (GRIND/GRIND series of two) the word GRIND is descriptive and/or suggestive and allusive of a characteristic of the goods and services protected by the contested trade mark and is therefore devoid of any distinctive character. Further, the word GRIND cannot fulfil the function of a trade mark to indicate origin of goods and services, because it is widely used by other businesses providing goods and/or services identical and/or similar to those protected by the contested trade mark. Thus, GRIND offends against Section 3(1)(b) of the 1994 Trade Marks Act.
  
- d) In respect of UK 3060182 (HOLBORN GRIND), UK 3059018 (PICCADILLY GRIND) and UK 3060183 (LONDON GRIND) the word GRIND is descriptive and/or suggestive and allusive of a characteristic of the goods and services protected by the contested trade mark. The word HOLBORN / PICCADILLY / LONDON designates geographical origin. The combination HOLBORN /PICCADILLY / LONDON GRIND has no inherent distinctiveness and is therefore devoid of any distinctive character. Further, the word GRIND cannot fulfil the function of a trade mark to indicate origin of goods and services, because it is widely used by other businesses providing goods and/or services identical and/or similar to those protected by the contested trade mark. The addition of the word HOLBORN / PICCADILLY / LONDON does nothing to enable the combination HOLBORN / PICCADILLY / LONDON GRIND to fulfil the abovementioned function of a trade mark. Thus, HOLBORN / PICCADILLY / LONDON GRIND offends against Section 3(1)(b) of the 1994 Trade Marks Act.
  
- e) In respect of UK 3054830 (GRIND) and UK 3100332 (GRIND/GRIND series of two) the word GRIND is widely used by other businesses providing goods and/or services identical and/or similar to those protected by the contested trade mark, and is therefore a sign that is customary in the bona fide and established practices of the trade. Thus, GRIND offends against Section 3(1)(d) of the 1994 Trade Marks Act.

f) In respect of UK 3054830 (GRIND), UK 3100332 (GRIND/GRIND series of two) and UK 3059018 (PICCADILLY GRIND) GCR has used its earlier trade mark GRINDSMITH continuously since January 2010. GCR is a well-known company within the coffee shop industry and through the extensive use of its earlier trade mark, GCR has acquired significant protectable goodwill associated with its trade mark. Use of the contested trade mark in relation to the contested goods and services is a misrepresentation that will lead consumers into wrongly believing that (a) the goods and services are those supplied by GCR, when they are not; and/or (b) the goods and services are authorised or endorsed by GCR, when they are not; and/or (c) there is some other relationship or economic link with GCR's business. As a consequence of the misrepresentation GCR's goodwill will be damaged. Such use of the contested trade mark amounts to passing off at common law and registration should therefore be invalidated in its entirety under Section 5(4)(a) of the Trade Marks Act 1994.

7) On 18 February 2021 GRIC provided counterstatements to the invalidity actions, which basically denied all the grounds. Specifically, GRIC responds:

- Re: 3(1)(b): Suggestive or allusive trade marks are not necessarily descriptive of goods and services. The word GRIND means to reduce something to small particles or powder by crushing it. We submit that the description is not directly applicable to any the goods or services of the Registered Trade Mark. The addition of the word HOLBORN / PICCADILLY / LONDON in the mark further alters the meaning of the mark as a whole so that the word GRIND would no longer be seen automatically as having the meaning ascribed to it in GCR's Statement of Grounds. It is clear from the use made of the trade mark GRIND since 2011 and subsequently the trade mark Holborn / Piccadilly / London Grind by GRIC that the mark is functioning as an indicator of the origin particularly in respect of coffee and coffee products, that are GRIC's core product line, along with GRIC's coffee bars, cafés, venues and bars and, moreover, that GRIC has built up and acquired goodwill in the trade marks GRIND and Holborn / Piccadilly / London Grind over that time.
- Re: 3(1)(c): Although the Form TM26 indicates that the claims under Section 3 apply to all the goods and services of the Registered Trade Mark, in the Statement of Grounds, the trade mark is only described as being a term that designates the kind of goods "... GRIC offers for sale, namely coffee and coffee related products. The words HOLBORN / PICCADILLY / LONDON refer to geographical regions in London or the city itself. The geographical regions / city have

no specific reputation in relation to any of the goods and services and so are not descriptive in relation to any of the goods and services of the Registered Trade Mark. The word GRIND has no direct meaning in relation to coffee and coffee related products. A customer seeing the word GRIND alone would not see the word as anything other than a trade mark being used to indicate the origin of the product. The word GRIND has no meaning at all in relation to the other goods and services of the Registered Trade Mark. The addition of the word HOLBORN / PICCADILLY / LONDON in the mark further alters the meaning of the mark as a whole so that the word GRIND would no longer be seen automatically as having the meaning ascribed to it in GCR's Statement of Grounds. Again, it is clear from the use made of the trade mark by GRIC that the mark is functioning as an indicator of the origin particularly in respect of coffee and coffee products, that are GRIC's core product line, along with GRIC's coffee bars, cafés, venues and bars.

- Re: 3(1)(d): GCR claims that the word GRIND is used by other businesses providing the goods and /or services identical and/or similar to those protected by the Registered Trade Mark and is therefore a sign that is customary in the bona fide and established practices of the trade. The claim is made against all the goods and services of the application. The claim is denied in its entirety and the Applicant is put to strict proof of the claim. GRIC further contend that UK 3100332 is a stylised form of the word, and the stylisation enhances the ability of the mark to function.
- Re: 5(4)(a): As a result of the goodwill, GCR claims that use of the trade mark GRIND would lead to a misrepresentation to consumers that GRIC's goods and services are supplied by, authorised by or endorsed by GCR, which in turn would lead to damage to GCR's goodwill, although the nature of the damage is not specified in the Statement of Grounds. It is noted that GCR is claiming that the word GRIND is descriptive, non-distinctive and a term commonly used in the trade in other grounds. If the word GRIND is found to be objectionable under those grounds, then the ability of the term GRINDSMITH to function as a trade mark capable of acquiring goodwill is also questionable since the word SMITH is simply the title of the person "who grinds". GRIC has used the trade mark GRIND since 2011 and has built up and acquired goodwill in the trade mark GRIND since that date. The claim under Section 5(4)(a) is denied entirely and GCR is put to strict proof of that the mark GRINDSMITH has been in use since 2010 and that as a result GCR has goodwill in the name for all those goods and services and that use of GRIC's trade mark would then lead to the claimed misrepresentation and damage.

8) Both sides filed evidence; both sides seek an award of costs in their favour. The matter came to be heard on 13 October 2021 when Mr Muir-Wood of Counsel instructed by Messrs Wilson Gunn represented GRIC; whilst GCR was represented by Mr Carter of Counsel instructed by Messrs Lewis Silkin LLP.

## **GRIC'S EVIDENCE**

9) The opponent filed a witness statement, dated 25 February 2020, by David Abrahamovitch the CEO of GRIC. He also provides a copy of a statement he used in an earlier opposition before the UKIPO. From his evidence I take the following points:

- GRIC has six café bars and three restaurants across London, the first being established in 2011, and all operational by 2017, since 2017 they have added two more restaurants.
- All are called “Grind” with a prefix giving the area in which it is situated such as Shoreditch, Soho, Holborn, Piccadilly, Covent Garden etc.
- All premises are licensed to sell alcohol and in addition to coffee they sell food, and all become cocktail bars of an evening.
- GRIC roasts its own coffee which is also retailed in all its outlets.
- The premises have been used by various companies as a venue for their “launch” parties when bringing out a new product or sub-brand.
- At its Shoreditch premises it also has an international-grade music recording studio.
- Turnover and advertising figures for the business are provided, but no breakdown between marks and or goods and services are supplied, as follows:

Year	Turnover £ Million	Advertising £
2015	1.8	64,534
2016	3.7	124,348
2017	5.9	92,641

2018	8.5	152,108
2019	10.6	227,053

- GRIC employs around 300 people.
- There are over 30,000 customers using the GRIND loyalty card with some 150,000 followers on social media.
- GRIC has received attention from the press both in relation to its business (in particular its raising of finance) and also its food and drinks. Newspapers such as the Telegraph and Evening Standard, magazines such as Time Out, and media outlets such as Trip Advisor.
- The business has also been nominated for a number of industry awards and in 2016 were selected as one of the Bloomberg's Business Innovators.
- GRIC's coffee is also sold by other retailers such as Amazon, Harvey Nichols, Ocado and Selfridges.
- In addition to using the various marks on its bars, restaurants and cafes all of which serve food and drink including alcohol, and its recording studios, GRIC also uses its GRIND mark upon coffee tins, cups and saucers, coffee machines, French press, home cocktail kits and re-useable cups all of which it sells in store and on-line.

10) The opponent filed a second witness statement, dated 10 May 2021, by Mr Abrahamovitch who has previously made a statement in this case. He updates the figures provided previously by confirming turnover for 2020 being £9.9 million with £1.4 million spent on promotion and advertising.

## **GCR's EVIDENCE**

11) GCR filed two witness statements. The first, dated 10 May 2021, is by Terry Roy Rundle GCR's Trade Mark Attorney. He provides the following exhibits:

- TRR 01: A copy of a report into the use of the word GRIND by coffee shops cafes, and related products and services in the UK. Whilst this report identifies many businesses which contain



the word GRIND in their name the use is often part of a mark which alters the meaning of the word or disguises it considerably, such as Sweeney's Slice & Grind Ltd, The Daily Grind, Bean Grinder, Squeeze N Grind, The Organ Grinder, Pump N Grind, Cut and Grind Burgers Ltd, Life of Grind etc. I note that none of the use of the word GRIND is dated prior to the application dates of the marks sought to be invalidated, although some of the companies were incorporated prior to these dates. I also note that despite claiming to be in respect of coffee shops and related businesses, the report includes details of businesses clearly not in this field of activity. By way of example, the following fifteen companies are shown as undertaking "business services" *BB Grind Ltd; The Daily Grind Coffee Trading Co; Life of Grind; Grinder Sourcing Services Ltd; No Axe to Grind Ltd; Cut & Grind York Way Ltd; Urban Grind Ltd; Grind & Ghost Ltd; Crusher Form Grinding Co; PWK Grinding services Ltd; CKR Grinding Ltd; Axe Grinder Ltd; Grind that Axe Ltd; Grindlyn Ltd and Grindsbrook Estates Ltd*. Whilst *BB Tugsten Grinders Ltd* is listed as providing grinders and stainless steel weld cleaners; *Cut and Grind Burgers Ltd* is a restaurant specialising in burgers, beer and fries; *Grind and Pour Trading Ltd* provides miscellaneous general merchandise; *Your Daily Grind* is a liquor store; *Grinder and Gears Ltd* provides miscellaneous general merchandise; *Hardmet Grinding Co* provides nondurable goods; *Grindley Potter Ltd* is a mortgage broker; *Rise and Grind* sell sportswear; and *Grindmaster Ltd* are metal machinery Suppliers. Because of the inconsistencies and lack of dates I do not find this report of assistance in my decision.

- TRR 02 & 03: Evidence of a coffee shop in Bolton called THE COFFEE GRIND which opened in approximately 2015 and expanded with another identically named coffee bar also in Bolton in 2016.
- TRR 04: An internet search for references to the word GRIND in the context of coffee, all are dated after the dates that the marks in suit were applied for by GRIC. I also note that pages 1-8 appear to relate to a company in Canada whilst pages 13-21 and 22-32 are from USA. Thus, only one article (pages 9-12) is from the UK.
- TRR 05: A copy of a decision in a previous opposition case B/L O/814/18. Here GRIC opposed the registration of the mark THE DAILY GRIND for, inter alia, café services. The opposition was unsuccessful.

12) The second witness statement, dated 10 May 2021, is by Luke Tomlinson a Director of GCR who states that the business opened its first shop under the name GRINDSMITH in January 2010 in Manchester, and which closed in August 2010. This shop hosted two art exhibitions by Sean Penlington which attracted some media coverage. A second shop was opened in 2014. He provided the following exhibits:

- LT04: Three reviews of the coffee shop on a social media platform called YELP, dated April and May 2010.
- LT05: A review for the ManchesterConfidentialCo.UK, dated May 2010, which mentions the coffee shop as a “tiny venue” and names the owners as Neil Greenhalgh and Ben Youngs.
- LT06: A blog dated 5 May 2010 which mentions the Grindsmith coffee shop.
- LT08: This shows the Grindsmith coffee house as the venue to exchange tickets for wristbands for the MAPS 210 Festival. However, no details as to the scale of the festival or numbers attending are provided.
- LT10: The documents in this exhibit relate to the crowdfunding of a new coffee shop in a large shed, with seating for eight people. The unit is described as “dinky” and the documents refer to the business being created by Peter Gibson and Luke Tomlinson. It states that Mr Tomlinson ran his own mobile coffee business in 2010.

13) That concludes my summary of the evidence filed, insofar as I consider it necessary.

## **DECISION**

14) Although the UK has left the EU, section 6(3)(a) of the European (Withdrawal) Act 2018 requires tribunals to apply EU-derived national law in accordance with EU law as it stood at the end of the transition period. The provisions of the Trade Marks Act relied on in these proceedings are derived from an EU Directive. This is why this decision continues to make reference to the trade mark case-law of EU courts.

15) At the hearing GCR restricted its invalidity actions to the following goods only: Class 30: Coffee; artificial coffee. Class 43: Services for providing food and drink; restaurant, bar and catering services

(at least insofar as such services include “services for providing coffee; coffee shop services; coffee bar services, café services or similar). The invalidity actions are brought under section 47 of the Trade Marks Act 1994 which reads:

“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.

16) Although the opponent sought invalidity under both section 3(1)(b) & (c) these must be treated independently and have differing general interests. In *SAT.1 SatellitenFernsehen GmbH v OHIM*, Case C-329/02 P, the Court of Justice of the European Union stated that:

“25. Thirdly, it is important to observe that each of the grounds for refusal to register listed in Article 7(1) of the regulation is independent of the others and requires separate examination. Moreover, it is appropriate to interpret those grounds for refusal in the light of the general interest which underlies each of them. The general interest to be taken into consideration when examining each of those grounds for refusal may or even must reflect different considerations according to the ground for refusal in question (Joined Cases C-456/01 P and C-457/01 P *Henkel v OHIM* [2004] ECR I-0000, paragraphs 45 and 46).”

17) I shall first turn to the ground of invalidity under section 3(1)(b) which reads:

“3.— Absolute grounds for refusal of registration

(1) The following shall not be registered—

(a) .....

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

(c) .....

(d) .....

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.”.

18) The principles to be applied under article 7(1)(b) of the CTM Regulation (which is now article 7(1)(b) of the EUTM Regulation, and is identical to article 3(1)(b) of the Trade Marks Directive and s.3(1)(b) of the Act) were conveniently summarised by the CJEU in *OHIM v BORCO-Marken-Import Matthiesen GmbH & Co KG* (C-265/09 P) as follows:

“29..... the fact that a sign is, in general, capable of constituting a trade mark does not mean that the sign necessarily has distinctive character for the purposes of Article 7(1)(b) of the regulation in relation to a specific product or service (Joined Cases C-456/01 P and C-457/01 P *Henkel v OHIM* [2004] ECR I-5089, paragraph 32).

30. Under that provision, marks which are devoid of any distinctive character are not to be registered.

31. According to settled case-law, for a trade mark to possess distinctive character for the purposes of that provision, it must serve to identify the product in respect of which registration is applied for as originating from a particular undertaking, and thus to distinguish that product from those of other undertakings (*Henkel v OHIM*, paragraph 34; Case C-304/06 P *Eurohypo v OHIM* [2008] ECR I-3297, paragraph 66; and Case C-398/08 P *Audi v OHIM* [2010] ECR I-0000, paragraph 33).

32. It is settled case-law that that distinctive character must be assessed, first, by reference to the goods or services in respect of which registration has been applied for and, second, by reference to the perception of them by the relevant public (*Storck v OHIM*, paragraph 25; *Henkel v OHIM*, paragraph 35; and *Eurohypo v OHIM*, paragraph 67). Furthermore, the Court has held, as *OHIM* points out in its appeal, that that method of assessment is also applicable to an analysis of the distinctive character of signs consisting solely of a colour per se, three-dimensional marks and slogans (see, to that effect, respectively, Case C-447/02 P *KWS Saat v OHIM* [2004] ECR I-10107, paragraph 78; *Storck v OHIM*, paragraph 26; and *Audi v OHIM*, paragraphs 35 and 36).

33. However, while the criteria for the assessment of distinctive character are the same for different categories of marks, it may be that, for the purposes of applying those criteria, the

relevant public's perception is not necessarily the same in relation to each of those categories and it could therefore prove more difficult to establish distinctiveness in relation to marks of certain categories as compared with marks of other categories (see Joined Cases C-473/01 P and C-474/01 P *Proctor & Gamble v OHIM* [2004] ECR I-5173, paragraph 36; Case C-64/02 P *OHIM v Erpo Möbelwerk* [2004] ECR I-10031, paragraph 34; *Henkel v OHIM*, paragraphs 36 and 38; and *Audi v OHIM*, paragraph 37)."

19) GCR contends that the two GRIND marks are descriptive and/or suggestive and allusive of a characteristic of the goods and services protected by the contested trade mark and is therefore devoid of any distinctive character. Further, the word GRIND cannot fulfil the function of a trade mark to indicate origin of goods and services, because it is widely used by other businesses providing goods and/or services identical and/or similar to those protected by the contested trade mark. In respect of the marks which have the word GRIND as their second element with a geographical location as the first element the same contention is made against the word GRIND, whilst claiming that the addition of a geographic location does not form a combination which has an inherent distinctiveness and is therefore devoid of any distinctive character.

20) I take note of the case of *Miles-Bramwell Executive Services Ltd v EUIPO*, Case T-113/18, the General Court found that the word mark FREE was devoid of any distinctive character in relation to a range of goods and services in classes 9, 16, 35, 41 & 44, all relating to dieting and weight control. The court noted that:

"42. The applicant.... accepts that expressions such as 'sugar-free', 'alcohol-free' or 'fat-free' are generally used in relation to the goods and services covered even though, on its own, the word 'free' is intriguing and unusual in relation to those goods and services.

43. Furthermore, it must be pointed out, as the Board of Appeal did, that, as regards the goods and services covered, which in essence come under the fields of slimming, weight control, diet, food, beverages, nutrition, dieting, exercise, health, fitness, recreation, lifestyle, eating habits and well-being, the word 'free' is generally used in English for such goods and services, to the extent that they relate to goods characterised by the absence of certain ingredients or constituents which may be contraindicated depending on the consumers' objectives. In addition, the parties agree that, as regards the goods and services covered, consumers are accustomed to seeing and interpreting the inclusion of the word 'free' as being related to the

absence of one or several constituents of the foods and beverages for which those goods and services are supplied.

44. It follows that the word 'free' is commonly used, in particular in the food sector. The Board of Appeal therefore made no error in considering that the word 'free' is a generic term in the field of the goods and services covered.

45. Consequently, in accordance with the case-law cited in paragraph 20 above and given the common use of the word 'free' in the field of the goods and services concerned, the mark applied for is not capable of distinguishing the goods or services that it designates from those of other undertakings.”

21) The term GRIND has a number of different meanings, from reducing something such as, inter alia, cereals, pepper, stone or coffee to small particles or powder; hard dull work as in daily grind; the erotic gyration of a dancer's hips as in bump & grind or rubbing together such a tectonic plates. Turning to the issue of use of the word GRIND by others I note that much of the evidence takes the form of “state of the register” in that whilst it purports to show that other coffee businesses use the word GRIND in their mark all it amounts to is a list of company names, many of which have a number of additional elements which alter the meaning of the term GRIND such as Sweeney's Slice & Grind Ltd, The Daily Grind, Bean Grinder, Squeeze N Grind, The Organ Grinder, Pump N Grind, Cut and Grind Burgers Ltd, Life of Grind etc. I also note that a number of the companies listed have little or nothing to do with the coffee industry( see my paragraph eleven above). There is also no evidence of whether or how these marks have been used. To my mind, the word GRIND is not descriptive of coffee but merely to part of the process that a coffee bean undergoes in order to turn the beans into coffee i.e. roasted and ground. At this stage the coffee is sold as ground coffee or it is further processed and formed into instant coffee. Although the coffee beans go through a grinder, they are usually referred to as ground beans or coffee. There is no evidence of the word GRIND being commonly used in the UK at the relevant dates (i.e. when the marks were applied for). To my mind, the word GRIND is not descriptive of any of the goods or services for which the marks are registered. As such, the additional geographical terms are unimportant. **The ground of invalidity under section 3(1)(b) fails.**

22) I next turn to the ground of invalidity under section 3(1)(c) which reads:

“3.— Absolute grounds for refusal of registration

(1) The following shall not be registered—

a.....

(b) ....

(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,

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.”.

23) The case law under section 3(1)(c) (corresponding to article 7(1)(c) of the EUTM Regulation, formerly article 7(1)(c) of the CTM Regulation ) was set out by Arnold J. (as he then was) in *Starbucks (HK) Ltd v British Sky Broadcasting Group Plc* [2012] EWHC 3074 (Ch) as follows:

“91. The principles to be applied under art.7(1)(c) of the CTM Regulation were conveniently summarised by the CJEU in *Agencja Wydawnicza Technopol sp. z o.o. v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* (C-51/10 P) [2011] E.T.M.R. 34 as follows:

“33. A sign which, in relation to the goods or services for which its registration as a mark is applied for, has descriptive character for the purposes of Article 7(1)(c) of Regulation No 40/94 is – save where Article 7(3) applies – devoid of any distinctive character as regards those goods or services (as regards Article 3 of First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks ( OJ 1989 L 40 , p. 1), see, by analogy, [2004] ECR I-1699 , paragraph 19; as regards Article 7 of Regulation No 40/94 , see *Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) v Wm Wrigley Jr Co* (C-191/01 P) [2004] 1 W.L.R. 1728 [2003] E.C.R. I-12447; [2004] E.T.M.R. 9;

[2004] R.P.C. 18 , paragraph 30, and the order in *Streamserve v OHIM* (C-150/02 P) [2004] E.C.R. I-1461 , paragraph 24).

36. ... due account must be taken of the objective pursued by Article 7(1)(c) of Regulation No 40/94. Each of the grounds for refusal listed in Article 7(1) must be interpreted in the light of the general interest underlying it (see, inter alia, *Henkel KGaA v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* (C-456/01 P) [2004] E.C.R. I-5089; [2005] E.T.M.R. 44, paragraph 45, and *Lego Juris v OHIM* (C-48/09 P), paragraph 43).

37. The general interest underlying Article 7(1)(c) of Regulation No 40/94 is that of ensuring that descriptive signs relating to one or more characteristics of the goods or services in respect of which registration as a mark is sought may be freely used by all traders offering such goods or services (see, to that effect, *OHIM v Wrigley*, paragraph 31 and the case-law cited).

38. With a view to ensuring that that objective of free use is fully met, the Court has stated that, in order for OHIM to refuse to register a sign on the basis of Article 7(1)(c) of Regulation No 40/94 , it is not necessary that the sign in question actually be in use at the time of the application for registration in a way that is descriptive. It is sufficient that the sign could be used for such purposes (*OHIM v Wrigley*, paragraph 32; *Campina Melkunie* , paragraph 38; and the order of 5 February 2010 in *Mergel and Others v OHIM* (C-80/09 P), paragraph 37).

39. By the same token, the Court has stated that the application of that ground for refusal does not depend on there being a real, current or serious need to leave a sign or indication free and that it is therefore of no relevance to know the number of competitors who have an interest, or who might have an interest, in using the sign in question (Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee* [1999] ECR I-2779, paragraph 35, and Case C-363/99 *Koninklijke KPN Nederland* [2004] ECR I-1619, paragraph 38). It is, furthermore, irrelevant whether there are other, more usual, signs than that at issue for designating the same characteristics of the goods or services referred to in the application for registration (*Koninklijke KPN Nederland*, paragraph 57).



And

46. As was pointed out in paragraph 33 above, the descriptive signs referred to in Article 7(1)(c) of Regulation No 40/94 are also devoid of any distinctive character for the purposes of Article 7(1)(b) of that regulation. Conversely, a sign may be devoid of distinctive character for the purposes of Article 7(1)(b) for reasons other than the fact that it may be descriptive (see, with regard to the identical provision laid down in Article 3 of Directive 89/104, *Koninklijke KPN Nederland*, paragraph 86, and *Campina Melkunie*, paragraph 19).

47. There is therefore a measure of overlap between the scope of Article 7(1)(b) of Regulation No 40/94 and the scope of Article 7(1)(c) of that regulation (see, by analogy, *Koninklijke KPN Nederland*, paragraph 67), Article 7(1)(b) being distinguished from Article 7(1)(c) in that it covers all the circumstances in which a sign is not capable of distinguishing the goods or services of one undertaking from those of other undertakings.

48. In those circumstances, it is important for the correct application of Article 7(1) of Regulation No 40/94 to ensure that the ground for refusal set out in Article 7(1)(c) of that regulation duly continues to be applied only to the situations specifically covered by that ground for refusal.

49. The situations specifically covered by Article 7(1)(c) of Regulation No.40/94 are those in which the sign in respect of which registration as a mark is sought is capable of designating a 'characteristic' of the goods or services referred to in the application. By using, in Article 7(1)(c) of Regulation No 40/94, the terms 'the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service, or other characteristics of the goods or service', the legislature made it clear, first, that the kind, quality, quantity, intended purpose, value, geographical origin or the time of production of the goods or of rendering of the service must all be regarded as characteristics of goods or services and, secondly, that that list is not exhaustive, since any other characteristics of goods or services may also be taken into account.

50. The fact that the legislature chose to use the word ‘characteristic’ highlights the fact that the signs referred to in Article 7(1)(c) of Regulation No 40/94 are merely those which serve to designate a property, easily recognisable by the relevant class of persons, of the goods or the services in respect of which registration is sought. As the Court has pointed out, a sign can be refused registration on the basis of Article 7(1)(c) of Regulation No 40/94 only if it is reasonable to believe that it will actually be recognised by the relevant class of persons as a description of one of those characteristics (see, by analogy, as regards the identical provision laid down in Article 3 of Directive 89/104, *Windsurfing Chiemsee*, paragraph 31, and *Koninklijke KPN Nederland*, paragraph 56).”

92. In addition, a sign is caught by the exclusion from registration in art.7(1)(c) if at least one of its possible meanings designates a characteristic of the goods or services concerned: see *OHIM v Wrigley* [2003] E.C.R. I-12447 at [32] and *Koninklijke KPN Nederland NV v Benelux-Merkenbureau* (C-363/99 [2004] E.C.R. I-1619; [2004] E.T.M.R. 57 at [97].”

24) It is accepted that descriptiveness must be assessed through the perception of the relevant parties, including those in the trade. In *Matratzen Concord AG v Hukla Germany SA*, Case C-421/04, the Court of Justice held that:

“24. In fact, 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 (see Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee* [1999] ECR I-2779, paragraph 29; Case C-363/99 *Koninklijke KPN Nederland* [2004] ECR I-1619, paragraph 77; and Case C-218/01 *Henkel* [2004] ECR I-1725, paragraph 50).”

25) I also note that in *Exalation v OHIM*, Case T-85/08, the General Court confirmed that, at least where technical terms are concerned, it is appropriate to take account of meanings known to those in the trade. The court stated that:

“38. In paragraph 18 of the contested decision, the Board of Appeal stated that the applicant had not submitted any substantiated evidence to invalidate the examiner’s observations to the effect that the element ‘lycopin’ (lycopene) designated a carotenoid with antioxidant properties.

39 For the first time at the hearing, the applicant challenged the Board of Appeal's assessment that the term 'lycopin' is descriptive. The Court observes that the applicant has not given any details to support its claims and there is thus no need to consider whether such an argument may be raised at this stage in the proceedings. In particular, the applicant has put forward no argument capable of calling into question the meaning attributed to the term 'lycopin' by the Board of Appeal. In those circumstances, the Court must find that the applicant has not succeeded in challenging the meaning attributed to the element 'lycopin' by the examiner and by the Board of Appeal.

40 First, that technical term designates a food supplement necessarily known by some of the relevant public, in particular professionals dealing with dietetic, pharmaceutical and veterinary preparations.

41 Secondly, the Board of Appeal established in the contested decision that the meaning of the term 'lycopin' was easily accessible to consumers of all the goods covered by the application for registration. The meaning of the term 'lycopin' does in fact appear in dictionaries and on web sites. It is probable therefore that the substance designated by that term is also known by some of the consumers of all the goods listed in paragraph 3 above.

42 Thirdly, consumers of pharmaceutical, veterinary, dietetic and sanitary preparations for medical use who are not aware of the meaning of the term 'lycopin' will often tend to seek advice from the informed section of the relevant public, namely doctors, pharmacists, dieticians and other traders in the goods concerned. Thus, by means of the advice received from those who prescribe it or through information from various media, the less well informed section of the relevant public is likely to become aware of the meaning of the term 'lycopin'.

43 The relevant public must therefore be regarded as being aware of the meaning of the term 'lycopin', or at least it is reasonable to envisage that the relevant public will become aware of it in the future (see paragraphs 25 and 26 above)."

26) I further note that combining words does not necessarily provide them with a distinctive character under s.3(1)(c). In *Campina Melkunie BV and Benelux-Merkenbureau*, Case C-265/00, the Court of Justice of the European Union stated that:

"39. As a general rule, the mere combination of elements, each of which is descriptive of characteristics of the goods or services in respect of which registration is sought, itself remains descriptive of those characteristics within the meaning of Article 3(1)(c) of the Directive even if

the combination creates a neologism. Merely bringing those elements together without introducing any unusual variations, in particular as to syntax or meaning, cannot result in anything other than a mark consisting exclusively of signs or indications which may serve, in trade, to designate characteristics of the goods or services concerned.

40 However, such a combination may not be descriptive within the meaning of Art.3(1)(c) of the Directive, provided that it creates an impression which is sufficiently far removed from that produced by the simple combination of those elements. In the case of a word mark, which is intended to be heard as much as to be read, that condition will have to be satisfied as regards both the aural and the visual impression produced by the mark.

41 Thus, a mark consisting of a neologism composed of elements, each of which is descriptive of characteristics of the goods or services in respect of which registration is sought, is itself descriptive of those characteristics within the meaning of Art.3(1)(c) of the Directive, unless there is a perceptible difference between the neologism and the mere sum of its parts: that assumes that, because of the unusual nature of the combination in relation to the goods or services, the word creates an impression which is sufficiently far removed from that produced by the mere combination of meanings lent by the elements of which it is composed, with the result that the word is more than the sum of its parts.”

27) GCR contends that the word GRIND is a term which designates the kind of goods GRIC offers for sale, namely coffee and coffee related products, whilst the geographical references in certain marks merely identifies the location of the services provided by GRIC. As such it contends, all the marks are descriptive of the goods and services offered by GRIC. There is no evidence that, at the relevant dates. In the UK that the term GRIND was widely used by the coffee industry including cafes etc. As I stated earlier the normal term used in the UK is “ground” coffee which differentiates it from instant coffee despite the fact that all coffee beans have to go through a grinder as part of their processing, the same as being roasted. I accept that there may be a few outlets which sell coffee beans which have only been roasted, and can then go through a home grinder, but there is no evidence of such sales in the UK, or indeed sales of home grinders, prior to the relevant dates. I do not consider the marks to be descriptive of the goods for which they are registered and so **I reject the invalidity under section 3(1)(c).**

28) I next turn to the ground of invalidity based upon section 3(1)(d) which reads:

“3.— Absolute grounds for refusal of registration

(1) The following shall not be registered—

(a) .....

(b) .....

(c) .....

(d) trade marks which consist exclusively of signs or indications which have become customary in the current language or in the 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.”

30) GCR contends that: “In respect of UK 3054830 (GRIND) and UK 3100332 (GRIND/GRIND series of two) the word GRIND is widely used by other businesses providing goods and/or services identical and/or similar to those protected by the contested trade mark, and is therefore a sign that is customary in the bona fide and established practices of the trade. Thus, GRIND offends against Section 3(1)(d) of the 1994 Trade Marks Act.”

31) I note that in *Telefon & Buch Verlagsgesellschaft GmbH v OHIM*, Case T-322/03, the General Court summarised the case law of the Court of Justice under the equivalent of s.3(1)(d) of the Act, as follows:

“49. Article 7(1)(d) of Regulation No 40/94 must be interpreted as precluding registration of a trade mark only where the signs or indications of which the mark is exclusively composed have 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 registration of that mark is sought (see, by analogy, Case C-517/99 *Merz & Krell* [2001] ECR I-6959, paragraph 31, and Case T-237/01 *Alcon v OHIM – Dr. Robert Winzer Pharma* (BSS) [2003] ECR II-411, paragraph 37). Accordingly, whether a mark is customary can only be assessed, firstly, by reference to the goods or services in respect of which registration is sought, even though the provision in

question does not explicitly refer to those goods or services, and, secondly, on the basis of the target public's perception of the mark (*BSS*, paragraph 37).

50. With regard to the target public, the question whether a sign is customary must be assessed by taking account of the expectations which the average consumer, who is deemed to be reasonably well informed and reasonably observant and circumspect, is presumed to have in respect of the type of goods in question (*BSS*, paragraph 38).

51. Furthermore, although there is a clear overlap between the scope of Article 7(1)(c) and Article 7(1)(d) of Regulation No 40/94, marks covered by Article 7(1)(d) are excluded from registration not on the basis that they are descriptive, but on the basis of current usage in trade sectors covering trade in the goods or services for which the marks are sought to be registered (see, by analogy, *Merz & Krell*, paragraph 35, and *BSS*, paragraph 39).

52. Finally, signs or indications constituting a trade mark which have become customary in the current language or in the bona fide and established practices of the trade to designate the goods or services covered by that mark are not capable of distinguishing the goods or services of one undertaking from those of other undertakings and do not therefore fulfil the essential function of a trade mark (see, by analogy, *Merz & Krell*, paragraph 37, and *BSS*, paragraph 40).”

32) The evidence provided by GCR was all dated after the relevant dates, much was from jurisdictions other than the UK, and the balance was effectively state of the register evidence which included many companies not in the industry claimed which casts severe doubt on the veracity of what the evidence did show. It is for the party seeking the invalidity to make a case, which GCR has singularly failed to do. **The ground of invalidity under section 3(1)(d) fails.**

33) Lastly, in relation to the invalidity action I turn to the ground under section 5(4)(a) which reads:

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

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, where the condition in subsection (4A) is met,

(aa) .....

(b) .....

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

Subsection (4A) of Section 5 states:

“(4A) The condition mentioned in subsection (4)(a) is that the rights to the unregistered trade mark or other sign were acquired prior to the date of application for registration of the trade mark or date of the priority claimed for that application.”

34) In *Discount Outlet v Feel Good UK*, [2017] EWHC 1400 IPEC, Her Honour Judge Melissa Clarke, sitting as a deputy Judge of the High Court, conveniently summarised the essential requirements of the law of passing off as follows:

“55. The elements necessary to reach a finding of passing off are the ‘classical trinity’ of that tort as described by Lord Oliver in the *Jif Lemon* case (*Reckitt & Colman Product v Borden* [1990] 1 WLR 491 HL, [1990] RPC 341, HL), namely goodwill or reputation; misrepresentation leading to deception or a likelihood of deception; and damage resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all three limbs.

56. In relation to deception, the court must assess whether “*a substantial number*” of the Claimants’ customers or potential customers are deceived, but it is not necessary to show that all or even most of them are deceived (per *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21).”

35) Whilst Halsbury’s Laws of England Vol. 97A (2012 reissue) provides further guidance with regard to establishing the likelihood of deception. In paragraph 309 it is noted (with footnotes omitted) that:

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

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

(2) that members of that class will mistakenly infer from the defendant’s use of a name, mark or other feature which is the same or sufficiently similar that the defendant’s goods or business are from the same source or are connected.

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

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

(a) the nature and extent of the reputation relied upon;

(b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;

(c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;

(d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and

(e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.”



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

36) I must first determine the relevant date. In *Advanced Perimeter Systems Limited v Multisys Computers Limited*, BL O-410-11, Mr Daniel Alexander QC, as the Appointed Person, endorsed the registrar’s assessment of the relevant date for the purposes of section 5(4)(a) of the Act, as follows:

“43. In *SWORDERS TM O-212-06* Mr Alan James acting for the Registrar well summarised the position in s.5(4)(a) proceedings as follows:

‘Strictly, the relevant date for assessing whether s.5(4)(a) applies is always the date of the application for registration or, if there is a priority date, that date: see Article 4 of Directive 89/104. However, where the applicant has used the mark before the date of the application it is necessary to consider what the position would have been at the date of the start of the behaviour complained about, and then to assess whether the position would have been any different at the later date when the application was made.’ ”

37) The earliest date of the registered marks is UK 3054830 which was applied for on 8 May 2014, whereas GCR claims to have used its mark GRINDSMITH since January 2010. Therefore, the relevant date is 8 May 2014. If GCR can show that at this date it had goodwill in its sign then it follows that at the application dates of GRIC’s other marks (the latest of which is 20 March 2015) GCR’s goodwill would still exist as it is highly unlikely that such goodwill would evaporate in under a year.

38) I must therefore consider whether the opponent had, at the relevant date, goodwill in the sign GRINDSMITH, and if so in relation to what goods or services. In deciding this I look to the comments in *Inland Revenue Commissioners v Muller & Co’s Margarine Ltd* [1901] AC 217 (HOL):

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

39) I also take into account the views expressed in *South Cone Incorporated v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership)* [2002] RPC 19 (HC), where Pumfrey J. stated:

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

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

40) However, in *Minimax GmbH & Co KG v Chubb Fire Limited* [2008] EWHC 1960 (Pat) Floyd J. (as he then was) stated that:

“[The above] observations are obviously intended as helpful guidelines as to the way in which a person relying on section 5(4)(a) can raise a case to be answered of passing off. I do not understand Pumfrey J to be laying down any absolute requirements as to the nature of evidence which needs to be filed in every case. The essential is that the evidence should show, at least prima facie, that the opponent's reputation extends to the goods comprised in the application in the applicant's specification of goods. It must also do so as of the relevant date, which is, at least in the first instance, the date of application.”

41) I also take into account that the goodwill must be more than trivial in extent and take into account *Hart v Relentless Records* [2002] EWHC 1984 (Ch), where Jacob J. (as he then was) stated that:

“62. In my view the law of passing off does not protect a goodwill of trivial extent. Before trade mark registration was introduced in 1875 there was a right of property created merely by putting a mark into use for a short while. It was an unregistered trade mark right. But the action for its infringement is now barred by s.2(2) of the Trade Marks Act 1994. The provision goes back to the very first registration Act of 1875, s.1. Prior to then you had a property right on which you could sue, once you had put the mark into use. Even then a little time was needed, see per Upjohn L.J. in BALI Trade Mark [1969] R.P.C. 472. The whole point of that case turned on the difference between what was needed to establish a common law trade mark and passing off claim. If a trivial goodwill is enough for the latter, then the difference between the two is vanishingly small. That cannot be the case. It is also noteworthy that before the relevant date of registration of the BALI mark (1938) the BALI mark had been used “but had not acquired any significant reputation” (the trial judge's finding). Again that shows one is looking for more than a minimal reputation.”

42) I further note that in *Smart Planet Technologies, Inc. v Rajinda Sharm* [BL O/304/20], Mr Thomas Mitcheson QC, as the Appointed Person, reviewed the following authorities about the establishment of goodwill for the purposes of passing-off: *Starbucks (HK) Ltd v British Sky Broadcasting Group Plc* [2015] UKSC 31, paragraph 52, *Reckitt & Colman Product v Borden* [1990] RPC 341, HL and *Erven Warnink B.V. v. J. Townend & Sons (Hull) Ltd* [1980] R.P.C. 31. After reviewing these authorities Mr Mitcheson concluded that:

“.. a successful claimant in a passing off claim needs to demonstrate more than nominal goodwill. It needs to demonstrate significant or substantial goodwill and at the very least sufficient goodwill to be able to conclude that there would be substantial damage on the basis of the misrepresentation relied upon.”

43) After reviewing the evidence relied on to establish the existence of a protectable goodwill Mr Mitcheson found as follows:

“The evidence before the Hearing Officer to support a finding of goodwill for Party A prior to 28 January 2018 amounted to 10 invoices issued by Cup Print in Ireland to two customers in the UK. They were exhibited to Mr Lorenzi’s witness statement as exhibit WL-10. The customers were Broderick Group Limited and Vaio Pak.

37. The invoices to Broderick Group Limited dated prior to 28 January 2018 totalled €939 and those to Vaio Pak €2291 for something approaching 40,000 paper cups in total. The invoices referred to the size of “reCUP” ordered in each case. Mr Lorenzi explained that Broderick Group Limited supply coffee vending machines in the UK. Some of the invoices suggested that the cups were further branded for onward customers e.g. Luca’s Kitchen and Bakery.

38. Mr Rousseau urged me not to dismiss the sales figures as low just because the product was cheap. I have not done so, but I must also bear in mind the size of the market as a whole and the likely impact upon it of selling 40,000 cups. Mr Lorenzi explained elsewhere in his statement that the UK market was some 2.5 billion paper coffee cups per year. That indicates what a tiny proportion of the market the reCUP had achieved by the relevant date.

39. Further, no evidence was adduced from Cup Print to explain how the business in the UK had been won. Mr Rousseau submitted to me that the average consumer in this case was the branded cup supplier company, such as Vaio Pak or Broderick Group. No evidence was adduced from either of those companies or from any other company in their position to explain what goodwill could be attributed to the word reCUP as a result of the activities and sales of Cup Print or Party A prior to 28 January 2018.

40. Various articles from Packaging News in the period 2015-2017 had been exhibited but again no attempt had been made to assess their impact on the average consumer and these all pre-dated the acquisition of the goodwill in the UK. I appreciate that the Registry is meant to be a less formal jurisdiction than, say, the Chancery Division in terms of evidence, but the evidence submitted in this case by Party A as to activities prior to 28 January 2018 fell well short of what I consider would have been necessary to establish sufficient goodwill to maintain a claim of passing off.

41. This conclusion is fortified by the submissions of Party B relating to the distinctiveness of the sign in issue. Recup obviously alludes to a recycled, reusable or recyclable cup, and Party B adduced evidence that other entities around the world had sought to register it for similar goods around the same time. The element of descriptiveness in the sign sought to be used means that it will take longer to carry out sufficient trade with customers to establish sufficient goodwill in that sign so as to make it distinctive of Party A’s goods.”

44) I am also aware that, a small business which has more than a trivial goodwill can protect signs which are distinctive of that business under the law of passing off even though its goodwill and reputation may be small. In *Lumos Skincare Limited v Sweet Squared Limited and others* [2013] EWCA Civ 590, the Court of Appeal in England and Wales held that the defendant had passed off its LUMOS nail care products as the claimant's goods. The claimant had been selling LUMOS anti-ageing products since 2007. The goods retailed at prices between £40 and £100 per bottle. The Claimant's sales were small, of the order of £2,000 per quarter from early 2008 to September 2009, rising to £10,000 per quarter by September 2010. The vast majority of these sales were to the trade, including salons, clinics and a market. As at the relevant date (October 2010) the Claimant had sold to 37 outlets and by that date it was still selling to 25 outlets. There was evidence of repeat purchases. Although the number of customers was small, or, as the judge at first instance put it, "very limited", the claimant's goodwill was found to be sufficient to entitle it to restrain the defendant's trade under LUMOS.

45) In the instant case the evidence of use provided by the opponent is far from overwhelming. The evidence shows that a coffee shop operated under the GRINDSMITH name in Manchester between January and August 2010. According to exhibit LC5 the venue was "tiny" and operated by Neil Greenhalgh and Ben Young. No details as to turnover, number of customers or invoices for purchases of coffee etc were provided. It is claimed that the business closed as it could not afford the rent being charged for its premises. There is some independent evidence that the venue was in business as three reviews on YELP were filed in addition to a review by Manchester Confidential. I note that at exhibit LC10 it is stated that during 2010 Mr Tomlinson was running a mobile coffee business. I also note that no connection between the owners of the shop opened in 2010 and the current owners has been provided and no comment has been made in any of the evidence relating to the goodwill of the earlier business being transferred. If GCR wish to pursue an invalidity action based upon section 5(4)(a) then it is incumbent upon them to show that at the relevant date they had goodwill. **In my opinion, GCR has failed to provide any such evidence, as such this ground of invalidity fails.**

### **Conclusion of invalidity actions**

46) All the grounds of invalidity against all of the earlier marks of GRIC have failed; as a consequence GRIC can rely upon all its earlier marks in its opposition.

47) I now turn to consider the first ground of opposition under section 5(2)(b) which reads:

“5.-(2) A trade mark shall not be registered if because -

(a) .....

(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.”

48) An “earlier trade mark” is defined in section 6, the relevant part of which states:

“6.-(1) In this Act an “earlier trade mark” means -

(a) a registered trade mark, international trade mark (UK) or Community trade mark which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks.”

49) The opponent is relying upon its five trade marks shown in paragraph 3 above which are clearly earlier trade marks. The mark in suit was published on 5 July 2019 at which point none of the opponent’s marks had been registered for over five years. Therefore, the proof of use requirements do not bite.

50) When considering the issue under section 5(2)(b) I take into account the following principles which are gleaned from the decisions of the EU courts in *Sabel BV v Puma AG*, Case C-251/95, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*, Case C-39/97, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* Case C-342/97, *Marca Mode CV v Adidas AG & Adidas Benelux BV*, Case C-425/98, *Matratzen Concord GmbH v OHIM*, Case C-3/03, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*, Case C-120/04, *Shaker di L. Laudato & C. Sas v OHIM*, Case C-334/05P and *Bimbo SA v OHIM*, Case C-591/12P.

(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 be dominated by one or more of its components;

(f) however, it is also 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 creates a risk that the public will wrongly believe that the respective goods or services come from the same or economically-linked undertakings, there is a likelihood of confusion.

### **The average consumer and the nature of the purchasing decision**

51) As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' goods and services. I must then determine the manner in which these goods and services are likely to be selected by the average consumer in the course of trade. In *Hearst Holdings Inc, Fleischer Studios Inc v A.V.E.L.A. Inc, Poeticgem Limited, The Partnership (Trading) Limited, U Wear Limited, J Fox Limited*, [2014] EWHC 439 (Ch), Birss J. described the average consumer in these terms:

“60. The trade mark questions have to be approached from the point of view of the presumed expectations of the average consumer who is reasonably well informed and reasonably circumspect. The parties were agreed that the relevant person is a legal construct and that the test is to be applied objectively by the court from the point of view of that constructed person. The words “average” denotes that the person is typical. The term “average” does not denote some form of numerical mean, mode or median.”

52) Although the applicant has applied for a wide range of goods and services I have only to consider those which are the subject of this opposition. Broadly speaking these are: printed matter and paper and cardboard products, household utensils and containers including china and glassware all of which are connected to the food and drink industries. Foodstuffs and beverages, promotional services and food and drink services. The average consumer for goods and services connected with the provision of food and drink will be the public at large (including businesses), albeit insofar as those services which include the sale of alcoholic beverages with an alcohol content in excess of 0.5% are concerned, the average consumer will be over the age of 18. The average consumer for promotional services will be businesses in general.



53) The goods in class 16 fall into two distinct groups. Items such as printed menus and printed publicity and promotional material will be provided to businesses by specialised printers or via internet printing sites. The paper items such as napkins, coasters and towels are sold in supermarkets, other retail outlets and on-line. The selection process for both is primarily visual, either when self-selecting in a shop or when choosing a printer from advertisements or from an internet listing. However, I do not discount aural issues as the goods/provider may be recommended by word of mouth and may involve ordering by phone or from a shop assistant. All the items in this class are usually selected with only an average amount of consideration.

54) I next turn to consider the goods in class 21 which are, broadly speaking, china, glassware and household utensils. Such items are sold in supermarkets, other retail outlets and on-line. The selection process is primarily visual, either when self-selecting in a shop or when choosing an item from advertisements or from an internet listing. However, I do not discount aural issues as the goods may be recommended by word of mouth and may involve ordering by phone or from a shop assistant. Such items although usually relatively modest in terms of cost are chosen with an above average degree of care and attention. Chinaware may have to match an existing set, whilst household utensils will have to perform specific tasks and will need to be suitable for the task in hand and also fit within the décor of the room in which they are placed.

55) Turning to the goods in classes 29 and 30 which are broadly speaking food and drink items, these are sold in supermarkets, other retail outlets and on-line. The selection process is primarily visual, either when self-selecting in a shop or when choosing an item from advertisements or from an internet listing. However, I do not discount aural issues as the goods may be recommended by word of mouth and may involve ordering by phone or from a shop assistant. Given the number of people who are concerned as to where their food and drink comes from, whether it has been ethically sourced, as well as the increasing number who either suffer from allergies or avoid certain products due to their lifestyle such items are likely to be chosen with an above average level of attention.

56) Next, I turn to the services in class 35 which are promotional services. These will be sought by businesses either to encourage loyalty amongst customers by offering discounts or free items such as cups of tea or coffee or to boost sales by increasing awareness amongst consumers. These services are specialised and will be chosen with a high degree of care by businesses as it could be disastrous for business if the wrong promotional message were to be used. For example, offering the opportunity to win a fur coat to consumers if they purchased your product would not sit well with today's

squeamish snowflake consumers. Providers are likely to be selected visually initially from advertisements in the media or from the internet, although a meeting to discuss the business and its aims is likely to also take place, so aural aspects must be taken into account.

57) Lastly, I turn to the services in class 43 which are broadly concerned with the provision of food and drink either eating in or taking away. Such services are most likely to be primarily selected visually either from seeing the premises on the high street or by perusing an advertisement in print media or on the internet. However, I do not discount aural issues as the goods may be recommended by word of mouth. The level of care taken in the selection is likely to be varied in that booking a dinner for a wedding anniversary etc will involve considerably more care than if one is out and requires sustenance.

58) In summary, all the goods and services will be selected primarily visually, although aural issues must also be taken into account in respect of all the classes. The level of attention paid will vary with class 16 goods being only average, classes 21, 29 & 30 being above average, class 35 being high and class 43 covering all three levels from average to high.

### **Comparison of goods and services**

59) In the judgment of the Court of Justice of the European Union (CJEU) in *Canon*, Case C-39/97, the court stated at paragraph 23 of its judgment that:

“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”.

60) The relevant factors identified by Jacob J. (as he then was) in the *Treat* case, [1996] R.P.C. 281, for assessing similarity were:

- (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.

61) In *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T- 133/05, the General Court (GC) stated that:

“29. In addition, the goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by trade mark application (Case T-388/00 *Institut für Lernsysteme v OHIM- Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark”.

62) In *YouView TV Ltd v Total Ltd* ,[2012] EWHC 3158 (Ch), Floyd J. (as he then was) stated that:

"... Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 *The Chartered Institute of Patent Attorneys (Trademarks) (IP TRANSLATOR)* [2012] ETMR 42 at [47]-[49]. Nevertheless the principle should not be taken too far. Treat was decided the way it was because the ordinary and natural, or core, meaning of 'dessert sauce' did not include jam, or because the ordinary and natural description of jam was not 'a dessert sauce'. Each involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is

equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question."

63) In *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another*, [2000] F.S.R. 267 (HC), Neuberger J. (as he then was) stated that:

"I should add that I see no reason to give the word "cosmetics" and "toilet preparations"... anything other than their natural meaning, subject, of course, to the normal and necessary principle that the words must be construed by reference to their context."

64) In *Kurt Hesse v OHIM*, Case C-50/15 P, the CJEU stated that complementarity is an autonomous criterion capable of being the sole basis for the existence of similarity between goods. In *Boston Scientific Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-325/06, the GC stated that "complementary" means:

"...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".

65) As Mr Daniel Alexander Q.C. noted as the Appointed Person in *Sandra Amelia Mary Elliot v LRC Holdings Limited* BL-0-255-13:

"It may well be the case that wine glasses are almost always used with wine – and are, on any normal view, complementary in that sense - but it does not follow that wine and glassware are similar goods for trade mark purposes."

Whilst on the other hand:

".....it is neither necessary nor sufficient for a finding of similarity that the goods in question must be used together or that they are sold together."

66) I also note that if the similarity between the goods is not self-evident, it may be necessary to adduce evidence of similarity even if the marks are identical. In *Commercy AG, v Office for*

*Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)*, Case T-316/07, the General Court pointed out that:

“43. Consequently, for the purposes of applying Article 8(1)(b) of Regulation No 40/94, it is still necessary, even where the two marks are identical, to adduce evidence of similarity between the goods or services covered by them (see, to that effect, order of 9 March 2007 in Case C-196/06 P *Alecansan v OHIM*, not published in the ECR, paragraph 24; and Case T-150/04 *Mülhens v OHIM – Minoronzoni(TOSCA BLU)* [2007] ECR II-2353, paragraph 27).”

67) Thus, where the similarity between the respective goods / services is not self-evident, the opponent must show how, and in which respects, they are similar. Only some of the goods and services sought to be registered by the applicant are opposed. I shall first consider the goods of the applicant in class 16. GRIC contended that GCR’s goods were complementary to their services as restaurants etc use menus, napkins etc. Even though such items might have the name of the establishment printed upon them, the average consumer will be aware that the establishment would have purchased such items from a local printer or personalisation service provider. GRIC offered no evidence to support their supposition.

Applicant’s specification	Opponent’s specification	Result
Printed menus; printed gift vouchers; paper table linen; paper table cloths; paper napkins; paper towels; paper and cardboard coasters; paper and cardboard place mats.	Class 43: Services for providing food and drink; restaurant, bar and catering services.	Not similar

68) I next turn to the goods applied for in Class 21. GRIC put forward exactly the same proposition as set out in the previous paragraph. My view is the same in respect of these goods as it was earlier.

Applicant’s specification	Opponent’s specification	Result
Pottery; chinaware; ceramic tableware; crockery; saucers; jugs; tea pots; coffee pots; non-electric coffee brewers; non-electric coffee filters; storage jars; drinking vessels; cups; mugs; coffee services in the nature of tableware; place mats, not of paper or textile;	Class 43; Services for providing food and drink;	Not similar

coasters, not of paper or textile; coffee grinders; coffee scoops; coffee stirrers; parts and fittings for all of the aforesaid goods.	restaurant, bar and catering services.	
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69) Turning to the Class 29 goods only the opponent's marks 3100332 & 3054830 have these goods and both marks have identical specifications and so only one comparison test is required. At the hearing Mr Carter contended that freezing food was not akin to preserving it, something which I dismissed out of hand, as the only reason to freeze food is to extend its life, in other words to preserve it. I note that processed and prepared nuts and seeds tend to be sold alongside dried fruits in the average supermarket in my experience.

Applicant's specification	Opponent's specification	Result
Preserved, frozen, dried and cooked fruits and vegetables; prepared vegetables; prepared vegetable products; prepared fruits; prepared fruit products; prepared meals consisting primarily of vegetables; vegetable-based snack foods; fruit-based snack foods; fruit salads; prepared salads; fruit desserts; crisps; potato crisps; vegetable crisps; soups and stocks, extracts for soups; preparations for making soups; prepared meals and snack foods; desserts;	preserved, dried and cooked fruits and vegetables;	Identical
jellies, jams, compotes; vegetable and fruit purees; fruit and vegetable spreads; desserts;	jellies, jams	Identical
eggs; milk, cheese, butter, yoghurt and other milk products; dairy products and dairy substitutes; cream; cheese products; cheese-based snack foods; dairy spreads; dairy desserts and puddings; dairy-based drinks; yoghurt desserts; yoghurt-based drinks; egg products; prepared meals consisting primarily of eggs; desserts;	eggs, milk and milk products;	Identical
oils and fats for food; vegetable oils;	edible oils and fats	Identical
prepared meals consisting primarily of meat; meat-based snack foods; food products made primarily from meat substitutes; cooked meats; cured meats; sausages; burgers; soups and stocks, extracts for soups; preparations for making soups; prepared meals and snack foods	Meat,	Identical

prepared meals consisting primarily of fish; prepared meals consisting primarily of seafood; soups and stocks, extracts for soups; preparations for making soups; prepared meals and snack foods	fish	Identical
prepared meals consisting primarily of game; soups and stocks, extracts for soups; preparations for making soups; prepared meals and snack foods	game	Identical
prepared meals consisting primarily of poultry; soups and stocks, extracts for soups; preparations for making soups; prepared meals and snack foods	poultry	Identical
meat extracts;	meat extracts;	Identical
processed nuts; prepared nuts; processed seeds; prepared seeds; ,	preserved, dried and cooked fruits and vegetables;	Similar to a medium degree

70) Turning to the goods in class 30, the opponent's specification in relation to class 30 under its marks 3059018, 3060183, 3100332, 3054830 & 3060182 are identical and so only a single comparison test is required. At the hearing Mr Carter contended that "rice" is not a cereal, when it is generally regarded as such, and he offered no evidence to the contrary. I also take judicial notice that rice flour is commonly used around the globe to make noodles, bread and pancakes etc. and as such is an alternative to wheat and other flours. Mr Carter also stated that "pies" and "pizzas" were prepared meals, not snacks, despite slices of pizza and pies being sold throughout the UK as a snack by shops such as Greggs. I do not accept his submissions.

Applicant's specification	Opponent's specification	Result
Coffee, tea, cocoa and artificial coffee; chocolate and cocoa beverages; coffee beverages; coffee beans; ground and whole bean coffee; unroasted coffee; decaffeinated coffee; iced coffee; coffee extracts; coffee essences; coffee flavourings; coffee substitutes; artificial coffee and tea; tea-based beverages; herbal tea; cocoa-based beverages;	Coffee, tea, cocoa, artificial coffee	Identical

flour and preparations made from cereals; bread, pastries and confectionery; chocolate; bakery products; pasties; bread products; pastry products; cakes; muffins; biscuits; puddings; desserts; pancakes; waffles; sweets; chocolate products; cereal bars; popcorn; rice cakes; rice, pasta and noodles; tapioca and sago	flour and preparations made from cereals, bread, pastry and confectionery	Identical
ice cream, sorbets and other edible ices; ice [frozen water]; ice cream products; frozen confections; frozen yoghurt	ices; ice	Identical
sugar, honey, treacle; yeast, baking-powder; salt, seasonings, spices, preserved herbs; vinegar, sauces and other condiments; flavouring syrups;	Sugar, honey, treacle; yeast, baking-powder; salt, mustard; vinegar, sauces (condiments); spices;	Identical
sandwiches; sandwich wraps; pies; pizzas; snack foods consisting principally of grain; snack foods consisting principally of rice; snack foods consisting principally of pasta and noodles; snack foods consisting principally of confectionery; rice-based prepared meals; pasta-based prepared meals; noodle-based prepared meals; prepared meals in the form of pizzas; prepared snack foods	sandwiches; prepared meals; pizzas, pies and pasta dishes.	Identical

71) I next turn to the applicant's class 35 specification. Mr Muir Wood contended that restaurants would offer loyalty schemes such as those in GCR's specification. It was contended that the services of the two parties are complementary without any other reasoning being advanced or evidence provided.

Applicant's specification	Opponent's specification	Result
Promotional services; sales promotion services; promotional	Class 43: Services for providing food and drink; restaurant, bar and catering services. And Class 41: Cass 41: Production and distribution services in the field of sound and/or visual recordings and entertainment; music publishing services; recording studio services; production of masters of sound and/or	Not similar



<p>services; organisation, operation and supervision of loyalty and incentive schemes.</p>	<p>visual recordings; remastering of sound and/or visual recordings; enhancement of sound and/or visual recordings; information services relating to the mixing, enhancement and recordal of sound and/or images; nightclub and discotheque services; dj and compere services; dance club services; hosting of musical events; production, distribution and publishing of music; production of television and radio programs; distribution of television and radio programs for others; providing online entertainment, namely providing sound and video recordings in the field of music and music based entertainment; entertainment services, namely providing online non-downloadable prerecorded musical sound and video recordings via a global computer network; fan clubs; entertainment in the nature of live concerts and performances by dj's, musical artists and groups; entertainment services, namely personal appearances by dj's, musical groups, musical artists and celebrities; organising, arranging, managing and staging musical events, shows, concerts, festivals, gigs and live band performances; arranging of competitions for entertainment purposes; organization of entertainment competitions; organisation of fan clubs; operating websites on the Internet in connection with entertainment and competitions; advisory and information services relating to all the aforesaid.</p>	
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72) Lastly, I turn to consider the class 43 services applied for by the applicant. The opponent's class 43 specifications for its marks 3059018, 3060183, 3100332, 3054830 & 3060182 are identical and so a single comparison test is required.

Applicant's services	Opponent's services	Result
<p>Services for providing food and drink; preparation and provision of food and drink; coffee shop services; coffee bar services; coffee house and snack bar services; restaurant and café services; takeaway food and drink services; catering services;</p>	<p>Services for providing food and drink; restaurant, bar and catering services.</p>	<p>Identical</p>

information, advisory and consultancy services in relation to all of the aforesaid.	Services for providing food and drink; restaurant, bar and catering services.	Highly similar
temporary accommodation; information, advisory and consultancy services in relation to all of the aforesaid.	Services for providing food and drink; restaurant, bar and catering services.	Not similar

### Comparison of trade marks

73) It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by them, bearing in mind their distinctive and dominant components. The CJEU stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

“.....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion.”

74) It would be wrong, therefore, to artificially dissect the trade marks, although it is necessary to take into account their distinctive and dominant components and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by them. The trade marks to be compared are:

Opponent's trade mark	Applicant's trade mark
3059018: <b>Piccadilly Grind</b>	<b>GRINDSMITH</b>
3060183: <b>London Grind</b>	
3100332: <b>GRIND / GRIND</b>	
3054830: <b>GRIND</b>	
3060182: <b>Holborn Grind</b>	

75) I note that in *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97, the CJEU found that:

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51)”.

76) Mr Muir Wood accepted that GRIC’s strongest case was under marks 3100332 & 3054830 both for the word GRIND solus. He submitted:

“96. Focussing on the 332 Mark and the 830 Mark, it is trite law to note that the average consumer will focus on the start of a sign. Visually and aurally, therefore, the sign ‘GRINDSMITH’ starts with the 332 Mark and the 830 Mark. There is no change in the way it will be pronounced. They are therefore similar to relatively high degree visually and aurally.

97. Conceptually, the 332 Mark and the 830 Mark convey the dictionary meaning of the common English word ‘GRIND’. The sign conveys the idea of somebody who is knowledgeable about grinding things, in the way that a wordsmith is an expert with words, a gunsmith is a gun expert, a locksmith is a lock expert etc. Accordingly, the sign ‘GRINDSMITH’ has a conceptual overlap with the 332 Mark and the 830 Mark.

98. The remaining Earlier Marks, which all incorporate a geographical indicator are slightly further away. That said, whilst those geographical indicators are present, they are all well-known London locations, such that the distinctive element of each of them is the word ‘GRIND’.

99. Furthermore, when referring to, say, the SOHO GRIND outlet, the average consumer is liable to drop the word SOHO and refer to it simply as GRIND.

100. Additionally, the other marks will be considered a family, along with the various unregistered signs. Whilst the sign 'GRINDSMITH' does not replicate the exact formula used across the family, the SMITH element is liable to be ignored and, in light of the low distinctiveness of the geographical indicators, the existence of a family is liable to increase the similarity of the signs and thus the likelihood of confusion.

101. Finally, the presence of SMITH will simply allude to the expertise referred to above.

102. Accordingly, the visual and aural similarity is slightly reduced for the Earlier Marks containing a geographical indicator.

103. Similarly, the conceptual similarity will be slightly lower.”

77) For the applicant Mr Carter contended:

“51. The stylisation of the GRIND (stylised) mark is not particularly striking, and does nothing to increase the level of similarity between the Application and the GRIND Mark alone. The Local Marks are less similar to the Application than the GRIND Mark alone. The Opponent’s best case is therefore on the basis of the GRIND Mark.

52. Visually, the GRINDSMITH Application is twice the length of the GRIND Mark (10 letters, not 5). Whilst it begins with the same 5 letters, consumers would also notice the presence of the SMITH element, particularly since GRINDSMITH is presented as a single (made up, portmanteau) word. It is submitted that visually there is a low degree of similarity between the respective marks.

53. Aurally, similar considerations apply – the first syllables of GRIND and GRINDSMITH are the same, but the GRINDSMITH Mark includes the second syllable SMITH (and is again twice the length – 2 syllables, not 1). It is submitted that aurally there is a low degree of similarity between the respective marks.

54. Conceptually, as addressed above in relation to the descriptiveness/non-distinctiveness of the GRIND Mark, the word GRIND means “to reduce something to small particles or powder by crushing it” (often in a ‘grinder’). The GRIND Mark therefore has a clear and well-established meaning, and would be readily understood by UK consumers.

55. The Opponent contends (1/8) that a SMITH is “a craftsman who makes things, whilst usually of metal, the ordinary consumer will simply think GRINDSMITH is a craftsman working for the Applicant”. It is agreed that the word SMITH is used to describe various types of metalworker (rather than any craftsman), but denied that consumers would think of it as a normal suffix to the word GRIND, or that it described a craftsman working for the Applicant. Coffee ‘craftsmen’ (let alone ‘smiths’) do not exist – the well-established term is ‘barista’. The word GRINDSMITH is an unusual portmanteau term, not in common parlance. Whilst consumers might recognise that it could be separated into the components GRIND and SMITH, these are not words that are ordinarily used together, and the combination is striking and would be noted as such by consumers.

56. It is therefore submitted that the degree of conceptual similarity is very low.”

78) Turning first to the opponent’s marks 3100332 & 3054830 which both consist of the word GRIND (albeit as a series of two in 3100332). There is a very slight degree of stylisation to mark 3100332 but it is so slight that most consumers will not be aware of it. Similarly, the fact that one mark is in red will not particularly register with the average consumer, and given the other mark in the series is in black GRIC can use either colour. There is an obvious visual and aural similarity between the opponent’s marks and the mark in suit as the mark in suit has the word GRIND at the start of it. However, the mark in suit also has the word “SMITH” concatenated whilst the earlier marks have no second part, and so there are visual and aural differences. I agree that normally the first part of a mark is the most important, but this is where the elements of a mark remain independent rather than forming a whole with a changed meaning. In the instant case the opponent’s mark refers to part of the process that a coffee bean goes through to become usable coffee, just as seed is put through a grinder to form flour. So, the opponent’s mark refers to a process of reducing something into a much finer state with far smaller particles. In contrast the mark in suit would be viewed as a reference to the individual who is an expert in grinding. There is therefore a medium degree of visual and aural similarity but complete dissimilarity in conceptual terms.

79) Moving onto the geographical marks, clearly these all start with an indication of location, followed by the word GRIND. Visually and aurally these are similar to the mark in suit to a low degree, and are dissimilar conceptually.

## **Distinctive character of the earlier trade mark**

80) In *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV*, Case C-342/97 the CJEU stated that:

“22. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, the national court must make an overall assessment of the greater or lesser capacity of the mark to identify the goods or services for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods or services from those of other undertakings (see, to that effect, judgment of 4 May 1999 in Joined Cases C-108/97 and C-109/97 *Windsurfing Chiemsee v Huber and Attenberger* [1999] ECR I-0000, paragraph 49).

23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51).”

81) The opponent contended

“The sign ‘GRIND’ is allusive to but not descriptive of coffee (and possibly salt and spices). Beyond that, it is unrelated to the goods and services for which each of the Earlier Marks is registered. Accordingly, it has a moderate degree of inherent distinctive character for coffee (and possibly salt and spices) and a high degree of inherent distinctive character for the remaining goods and services. The addition of a geographical indicator increases the inherent distinctive character, particularly because none of the geographical locations is associated particularly with coffee (or salt or spices). Accordingly, the Earlier Marks containing a geographical indicator have a high degree of inherent distinctive character for all of the goods and services for which they are registered.”

82) The applicant submitted:

“Insofar as the PICCADILLY GRIND, HOLBORN GRIND, LONDON GRIND, and GRIND and GRIND (stylised) Marks are not (contrary to the Applicant’s primary position) cancelled in relation to the Coffee Goods/Services, such marks are in any event highly descriptive and non-distinctive in relation to such goods/services, which reduces any likelihood of confusion in relation to them. It is conceded that the Earlier Marks have an average degree of inherent distinctive character in relation to the other goods/services covered under them; such distinctive character will reside primarily in the GRIND element of such marks (rather than the indication of geographical origin preceding it). There is no allegation that the distinctiveness of any of the Earlier Marks has been enhanced through use.”

83) The opponent’s marks consist of an allusive and/or semi-descriptive term (grind) and, in some instances, a geographically indicative term (Soho, Holborn etc). When either version is used on items such as coffee, spices, flour and preparations made from cereals, coffee houses then the marks have **a very low level of inherent distinctiveness**. When used on all the other goods and services the marks have **an average degree of inherent distinctiveness**. Although the opponent has provided turnover figures, given the range of marks which it claims to have used and the vast array of goods and services for which they are registered, and in the absence of any form of breakdown in relation to the marks or goods and services **the opponent cannot benefit from an enhanced degree of distinctives through use**.

### **Likelihood of confusion**

84) In determining whether there is a likelihood of confusion, a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and services and vice versa. As I mentioned above, it is also necessary for me to keep in mind the distinctive character of the opponent’s trade mark as the more distinctive the trade mark is, the greater the likelihood of confusion. I must also keep in mind the average consumer for the goods and services, the nature of the purchasing process and the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he has retained in his mind. Earlier in this decision, I concluded that:

- the average consumer for the goods and services is a member of the general public including businesses albeit insofar as those goods which have an alcoholic content in excess of 0.5% are concerned, the average consumer will be over the age of 18. They will select the goods and services by predominantly visual means, although I do not discount aural considerations. The level of attention paid will vary with class 16 goods being only average, classes 21, 29 & 30 being above average, class 35 being high and class 43 covering all three levels from average to high.
- Comparing GRIC's marks 3100332 & 3054830 GRIND, to GCR's mark GRINDSMITH there is therefore a medium degree of visual and aural similarity but complete dissimilarity in conceptual terms. Moving onto the geographical marks, Piccadilly / London / Holborn Grind (3059018, 3060183 and 3060182 respectively) clearly these all start with an indication of location, followed by the word GRIND. Visually and aurally these are similar to the mark in suit to a low degree and are dissimilar conceptually.
- When any of the opponent's five marks are used on items such as coffee, spices, flour and preparations made from cereals and coffee houses then the marks have a very low level of inherent distinctiveness. When used on all the other goods and services for which they are registered the marks have an average degree of inherent distinctiveness. None of the opponent's mark can benefit from an enhanced degree of distinctives through use.
- The goods and services applied for in classes 16, 21 and 35 are not similar to the Class 43 services for which all of GRIC's marks are registered. The services applied for in Class 35 are also not similar to the class 41 services registered under GRIC's marks 3100332 & 3054830. All the goods applied for in class 29 by GCR are identical to the class 29 goods registered under GRIC's 3100332 & 3054830 marks with the exception of "processed nuts; prepared nuts; processed seeds; prepared seeds" which are similar to a medium degree to GRIC's registered goods. The goods applied for in Class 30 are identical to the class 30 goods for which all of GRIC's marks are registered. Turning to the Class 43 services sought to be registered, when compared to the class 43 services for which all of GRIC's marks are registered, fall into three categories. The following are identical "Services for providing food and drink; preparation and provision of food and drink; coffee shop services; coffee bar services; coffee house and snack bar services; restaurant and café services; takeaway food and drink services; catering services". The next services are highly similar to GRIC's services



“information, advisory and consultancy services in relation to all of the aforesaid”. Lastly there are the services sought to be registered which are not similar to the registered services of GRIC; “temporary accommodation; information, advisory and consultancy services in relation to all of the aforesaid”.

85) I take into account the views expressed in *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10, where Mr Iain Purvis Q.C., as the Appointed Person, explained that:

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: “The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark.

17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

(a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right (“26 RED TESCO” would no doubt be such a case).

(b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as “LITE”, “EXPRESS”, “WORLDWIDE”, “MINI” etc.).

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension (“FAT FACE” to “BRAT FACE” for example).”

86) I note that in *Sutaria v. Cheeky Italian Ltd (O/219/16)*, the Appointed Person expanded on the decision in *L.A. Sugar* at 16, noting:

“16.1. First, a finding of a likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion. It should be kept in mind that the differences which mean that one mark would not be mistaken for the other might well dispel indirect confusion as well.

16.2. Second, if (as here) the differences between the marks are such that there is no likelihood of direct confusion, one needs a reasonably special set of circumstances for a finding of a likelihood of indirect confusion. This is what Mr Purvis was pointing out in those paragraphs in *LA Sugar* .

16.3. Third, when making a finding of a likelihood of indirect confusion, in my view it is necessary to be specific as to the mental process involved on the part of the average consumer. Whilst the categories of case where indirect confusion may be found is not closed, Mr Purvis' three categories are distinct, each reflecting a slightly different thought process on the part of the average consumer.”

87) In *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17, Mr James Mellor Q.C., as the Appointed Person, stressed that a finding of indirect confusion should not be made merely because the two marks share a common element. In this connection, he pointed out that it is not sufficient that a mark merely calls to mind another mark. This is mere association not indirect confusion, and that one must take account of the common element in the context of the later mark as a whole.

88) The above approaches were approved by the Court of Appeal in its judgment in *Liverpool Gin Distillery Limited v Sazerac Brands LLC*, [2021] EWCA Civ 1207. Although, Arnold LJ, whilst approving *LA Sugar*, said in *Liverpool Gin* at [12]:

“This is a helpful explanation of the concept of indirect confusion, which has frequently been cited subsequently, but as Mr Purvis made clear it was not intended to be an exhaustive definition. For example, one category of indirect confusion which is not mentioned is where the sign complained of incorporates the trade mark (or a similar sign) in such a way as to lead consumers to believe that the goods or services have been co-branded and thus that there is an economic link between the proprietor of the sign and the proprietor of the trade mark (such as through merger, acquisition or licensing).”

89) I also note that a degree of similarity in the goods/services of the two parties is essential. This was stated in *Waterford Wedgwood plc v OHIM* – C-398/07 P (CJEU) and also in *eSure Insurance v Direct Line Insurance*, [2008] ETMR 77 CA, where Lady Justice Arden stated that:

“49..... I do not find any threshold condition in the jurisprudence of the Court of Justice cited to us. Moreover, I consider that no useful purpose is served by holding that there is some minimum threshold level of similarity that has to be shown. If there is no similarity at all, there is no likelihood of confusion to be considered. If there is some similarity, then the likelihood of confusion has to be considered but it is unnecessary to interpose a need to find a minimum level of similarity.”

90) I also note that in *The Picasso Estate v OHIM*, Case C-361/04 P, the Court of Justice of the European Union found that:

“20. By stating in paragraph 56 of the judgment under appeal that, where the meaning of at least one of the two signs at issue is clear and specific so that it can be grasped immediately by the relevant public, the conceptual differences observed between those signs may counteract the visual and phonetic similarities between them, and by subsequently holding that that applies in the present case, the Court of First Instance did not in any way err in law.”

91) Clearly, paragraph 89 above means that the oppositions in relation to the goods and services in classes 16, 21 and 35 must fail completely. They also fail in relation to the following services in class 43: “temporary accommodation; information, advisory and consultancy services in relation to all of the aforesaid”.

92) The opponent’s strongest case is under its two marks 3100332 & 3054830, and the opponent accepted that if it failed under these marks then its other marks could not succeed. Taking into account all of the factors I have identified earlier in this decision, and allowing for the concept of imperfect recollection, there is no likelihood of consumers being directly or indirectly confused into believing that the goods and services applied for and provided by the applicant, even where they are identical to the opponent’s goods and services, are those of the opponent or provided by an undertaking linked to it. To my mind, the conceptual differences between the marks is such that the average consumer will view the marks as totally unconnected. **The opposition under Section 5(2) (b) therefore fails in respect of all the goods in classes 29 and 30 and the services in class 43, in all the cases.**

93) The opponent also relies upon its “family of marks”. In *Il Ponte Finanziaria SpA v OHIM*, Case C-234/06, the Court of Justice of the European Union stated that:

“62. While it is true that, in the case of opposition to an application for registration of a Community trade mark based on the existence of only one earlier trade mark that is not yet subject to an obligation of use, the assessment of the likelihood of confusion is to be carried by comparing the two marks as they were registered, the same does not apply where the opposition is based on the existence of several trade marks possessing common characteristics which make it possible for them to be regarded as part of a ‘family’ or ‘series’ of marks.

63 The risk that the public might believe that the goods or services in question come from the same undertaking or, as the case may be, from economically-linked undertakings, constitutes a likelihood of confusion within the meaning of Article 8(1)(b) of Regulation No 40/94 (see *Alcon v OHIM*, paragraph 55, and, to that effect, *Canon*, paragraph 29). Where there is a ‘family’ or ‘series’ of trade marks, the likelihood of confusion results more specifically from the possibility that the consumer may be mistaken as to the provenance or origin of goods or services covered by the trade mark applied for or considers erroneously that that trade mark is part of that family or series of marks.

64 As the Advocate General stated at paragraph 101 of her Opinion, no consumer can be expected, in the absence of use of a sufficient number of trade marks capable of constituting a family or a series, to detect a common element in such a family or series and/or to associate with that family or series another trade mark containing the same common element. Accordingly, in order for there to be a likelihood that the public may be mistaken as to whether the trade mark applied for belongs to a ‘family’ or ‘series’, the earlier trade marks which are part of that ‘family’ or ‘series’ must be present on the market.

65 Thus, contrary to what the appellant maintains, the Court of First Instance did not require proof of use as such of the earlier trade marks but only of use of a sufficient number of them as to be capable of constituting a family or series of trade marks and therefore of demonstrating that such a family or series exists for the purposes of the assessment of the likelihood of confusion.

66 It follows that, having found that there was no such use, the Court of First Instance was properly able to conclude that the Board of Appeal was entitled to disregard the arguments by which the appellant claimed the protection that could be due to ‘marks in a series’.”

94) Firstly, I am far from convinced that the five marks listed are indeed a family of marks, although I am aware of other “geographical location” marks used by GRIC. Even if I were to accept that the marks listed formed a family and accepted that the turnover figures related to this family of marks my view regarding how the average consumer would regard the marks of both parties remains the same. GCR’s mark is so different to those of GRIC that the average consumer would view them as unconnected. The opposition under the “family of marks “ground also fails.

95) I next turn to the ground of opposition under section 5(3) which 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 a European Union trade mark or international trade mark (EC), in the European Union) 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.”

96) The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, [1999] ETMR 950, Case 252/07, *Intel*, [2009] ETMR 13, Case C-408/01, *Adidas-Salomon*, [2004] ETMR 10 and C-487/07, *L’Oreal v Bellure* [2009] ETMR 55 and Case C-323/09, *Marks and Spencer v Interflora*. The law appears to be as follows:

a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors, paragraph 24*.

(b) The trade mark for which protection is sought must be known by a significant part of that relevant public; *General Motors, paragraph 26*.

(c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Saloman, paragraph 29* and *Intel, paragraph 63*.

(d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark's reputation and distinctiveness; *Intel, paragraph 42*

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel, paragraph 68*; whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel, paragraph 79*.

(f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; *Intel, paragraphs 76 and 77*.

(g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel, paragraph 74*.

(h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact of the earlier mark; *L'Oreal v Bellure NV, paragraph 40*.

(i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior

mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and Spencer v Interflora*, paragraph 74 and the court's answer to question 1 in *L'Oreal v Bellure*).

97) The first hurdle is the issue of reputation as set out at points (a) and (b) above. I must determine, if at the relevant date for the opposition (12 June 2019) the opponent had a reputation in relation to its five marks shown previously in this decision and if so in what goods and services. The test for 'reputation' was set out by the CJEU in *General Motors*. The earlier mark must be known by 'a significant part' of the relevant public.

98) The relevant public has been identified earlier in this decision as being the UK public, including businesses. In the instant case, the opponent has filed evidence that shows that, prior to the relevant date, it operated a number of establishments selling food and drink (including alcohol) and also running an international standard recording studio. In addition its various marks are registered for food and drink items including alcoholic beverages which could be sold via other retail outlets such as supermarkets as well as services in the music, television, radio and entertainment industry such as the staging of musical events, shows, concerts, festivals etc. However, it has filed a single turnover figure for each year of operation with no breakdown between either the marks or the activities. All of the physical buildings it runs as restaurants / coffee bars / cocktail lounges and the music studio are all based in London. Whilst it has received attention in local and national press the evidence is somewhat sparse. In my view it is not enough to show that it was known to a commercially significant part of the relevant public. **The ground of opposition under section 5(3) fails at the first hurdle.**

99) In case I am wrong regarding the reputation I shall consider the issue of the existence of the requisite "link". GRIC's strongest case is served by simply considering its activities as a coffee bar which is identical to the activities carried out by GCR. Earlier in this decision I consider the similarity of the marks of the two parties. I am aware that the level of similarity required for the public to make a link between the marks for the purposes of 5(3) may be less than the level of similarity required to

create a likelihood of confusion. In *Intra-Press SAS v OHIM*, Joined cases C-581/13P & C-582/13P, the Court of Justice of the European Union stated (at paragraph 72 of its judgment) that:

“The Court has consistently held that the degree of similarity required under Article 8(1)(b) of Regulation No 40/94, on the one hand, and Article 8(5) of that regulation, on the other, is different. Whereas the implementation of the protection provided for under Article 8(1)(b) of Regulation No 40/94 is conditional upon a finding of a degree of similarity between the marks at issue so that there exists a likelihood of confusion between them on the part of the relevant section of the public, the existence of such a likelihood is not necessary for the protection conferred by Article 8(5) of that regulation. Accordingly, the types of injury referred to in Article 8(5) of Regulation No 40/94 may be the consequence of a lesser degree of similarity between the earlier and the later marks, provided that it is sufficient for the relevant section of the public to make a connection between those marks, that is to say, to establish a link between them (see judgment in *Ferrero v OHMI*, C-552/09 P, EU:C:2011:177, paragraph 53 and the case-law cited).”

100) In deciding this issue I also take into account the comments of Mr Geoffrey Hobbs Q.C. (sitting as a Deputy Judge) in *Electrocoin Automatics Limited and Coinworld Limited and Others* [2005] FSR 7:

“102. I think it is clear that in order to be productive of advantage or detriment of the kind prescribed, ‘the link’ established in the minds of people in the market place needs to have an effect on their economic behaviour. The presence in the market place of marks and signs which call each other to mind is not, of itself, sufficient for that purpose.”

101) Earlier in this decision when comparing the marks of the two parties I concluded “To my mind, the conceptual differences between the marks is such that the average consumer will view the marks as totally unconnected.” As such I believe that the relevant public in this section will not form a link between the activities of the two parties. **The ground of opposition under section 5(3) fails.**

102) I next turn to the ground of opposition under Section 5(4)(a). The wording of the Act and the relevant law and authorities have previously been set out in this decision at paragraphs 33-44 and so I do not propose to repeat them here. I first have to determine the relevant date which is the date of application, 21 June 2019. I then have to consider the issue of goodwill. To my mind, GRIC has not shown that it has goodwill in either its GRIND marks or its geographical location and GRIND marks,



and even if I consider the marks to be use of the term GRIND the evidence of turnover and marketing is problematical due to the lack of breakdown as stated earlier in this decision. The ground of opposition under section 5(4)(a) therefore fails due to a lack of goodwill.

103) In case I am wrong in this view I will go onto consider the issue of misrepresentation. Earlier in this decision I found that use of the mark in suit, actual or on a fair and notional basis would not result in confusion with the opponent's marks. Accordingly, it seems to me that the necessary misrepresentation required by the tort of passing off will not occur. The opposition under Section 5(4)(a) of the Act must fail.

## **CONCLUSION**

104) The invalidity actions all failed under all grounds. The opposition also failed under all the grounds pleaded. As a result, Trade marks 3060182, 3054830, 3100332, 3059018 & 3060183 remain on the Register with their specifications unaltered. Also application 3408601 will proceed to Registration for all of the goods and services applied for in the application.

## **COSTS**

105) As both sides have achieved a measure of success I do not propose to favour either side with an award of costs.

**Dated this 25<sup>th</sup> day of November 2021**

**George W Salthouse**  
**For the Registrar,**  
**the Comptroller-General**