TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO 2105268 BY NEWSBROOK LIMITED TRADING AS BROWNS TO REGISTER THE MARK BROWNS IN CLASS 42

AND

IN THE MATTER OF OPPOSITION THERETO UNDER NO 47029 BY BROWNS RESTAURANTS LIMITED

TRADE MARKS ACT 1994

IN THE MATTER OF Application No 2105268 by Newsbrook Limited Trading As Browns to Register the Mark Browns in Class 42

And

IN THE MATTER OF Opposition Thereto Under No 47029 by Browns Restaurants Limited

DECISION

1. On 16 July 1996 Newsbrook Limited trading as Browns applied to register the mark BROWNS for a specification in Class 42 which reads "night club, bar, restaurant and catering services provided in the Greater London area ".

2. The application is numbered 2105268. I note that it was published in the Trade Marks Journal with the following clause "Honest concurrent use with Registration Nos 1283968 (5883, 4399), 1283969 (5883, 4399), 1417110 (6044, 6110) and 2103387".

3. On 18 June 1997 Browns Restaurants Limited filed notice of opposition to this application. They are the proprietors of the registrations details of which appear in the Annex to this decision. Objection is said to arise under Section 5(1), 5(2)(a), and 5(2)(b) or in the alternative under Section 5(3). Additionally the opponents refer to grounds under Section 5(4)(a) and (b) and the Registrar's discretion (the latter has no part to play in opposition proceedings under the 1994 Act).

4. The applicants filed a counterstatement in which they concede that the opponents' marks have earlier filing dates but refer to "the extended period of honest concurrent use which was taken into account by the Trade Marks Registry during prosecution of the application ....". They further comment as follows:-

> "It is denied that the applicant's mark is confusingly similar to the opponent's marks because, inter alia, it has acquired distinctiveness through extended use, unchallenged by the opponent, since at least 1986. Moreover, it is denied that the applicant's mark is applied for in respect of "the same or similar services". There is indeed an overlap between the respective specifications, but the applicant's specification includes some services that are neither the same as nor similar to any service contained in the specifications of the opponent's marks."

5. Only the opponents have filed evidence. Despite the fact that the applicants claim to have used their mark since 1986 they have not sought to file evidence to substantiate the claim. Nor it would seem have they asked to have the evidence filed at the ex parte stage adopted into these opposition proceedings. Both sides ask for an award of costs in their favour.

6. After a review of the case by a Hearing Officer the parties were informed that an oral hearing was considered appropriate. It would seem that prior to a hearing being appointed the opponents' professional representatives wrote to the Registry (Rouse & Co Internationals letter of 26 September 2001) notifying it of their understanding that a proposed restriction to the applicants' specification in pursuance of a settlement that the parties had been negotiating had not been put into effect. That is to say the applicants had not filed a Form TM21. Accordingly the opponents sought a formal decision in the opposition proceedings. At the same time they sought leave to adduce further evidence. A Registry Hearing Officer indicated that the further evidence should not be admitted and after a further review of the case indicated that a decision could now be taken from the papers filed. Neither side has taken issue with this proposed method of bringing matters to a conclusion. Acting on behalf of the Registrar and after a careful study of the papers I give this decision.

Opponents' Evidence

7. The opponents filed a statutory declaration by Gary Louis Strivens, their Operations Director. It is a lengthy document and details use of the mark BROWNS since 1972 in (primarily) London and towns and cities in the South East of England. Turnover over the last seven years (Mr Striven's declaration is dated 25 June 1998) is said to be in excess of £70 million. The restaurants have been extensively advertised, won numerous awards and been featured in a variety of town and restaurant guides. They have also featured or been referred to in many well known television programmes, national and local newspapers and magazines. Survey evidence is supplied to demonstrate that the restaurants have a nationwide reputation. Exhibits GLS 1 to 10 are supplied in support of the above claims. In addition Exhibits GLS 11 to 13 deal with the applicants' services. Mr Strivens also comments on the nature of these services and issues to do with the classification thereof. I will come to this in due course. For reasons which will become apparent I do not consider that a more detailed review of the opponents' evidence is called for.

8. The principal grounds of opposition, are under Section 5(1) and (2). These read as follows:-

> "5-(1) A trade mark shall not be registered if it is identical with an earlier trade mark and the goods or services for which the trade mark is applied for are identical with the goods or services for which the earlier trade mark is protected.
>
> (2) A trade mark shall not be registered if because -
>
> (a) it is identical with an earlier trade mark and is to be registered for goods or services similar to those for which the earlier trade mark is protected, or
>
> (b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark."

9. I propose to consider the matter on the basis of the opponents' earlier trade mark No 2103387, which unlike their other registrations, is not subject to any form of geographical limitation. On that basis the comparison is

Applicants' Mark	**Class**	**Specification**
BROWNS	42	Nightclub, bar, restaurant and catering services provided in the Greater London area
Opponents' Mark		
BROWNS	42	Catering services; restaurant, bar and cafeteria services

The marks are identical. The services are in part identical. Only the applicants' night club services are not specifically matched by the terms of the opponents' specification. The opponents can, therefore, rely on Section 5(1) of the Act save in so far as the application in suit covers night club services. The applicants appear to acknowledge that there is a large measure of overlap but refer in their counterstatement to a claim to honest concurrent use, that is to say under Section 7 of the Act.

10. The Registry set out its understanding of the position and resulting practice on honest concurrent use in a notice in Trade Marks Journal No 6171 following Road Tech Computer Systems Ltd v Unison Software (UK) Ltd [1996] FSR 813 (the ROAD RUNNER case). The notice also provides background information on the provision drawn from Lord Strathclyde's speech in the House of Lords in March 1994. Put briefly Section 7(1) and (2) provide a procedural mechanism whereby the Registrar need not refuse an application by reason of the existence of an earlier trade mark if he is satisfied that there has been honest concurrent use. However where opposition is filed the tribunal needs to consider whether the grounds of refusal are made out. In the case of Section 5(1), that is to say where identical marks and identical goods or services are involved, refusal becomes mandatory. When an opposition is based on Section 5(2) it is necessary to consider the effect of the honest concurrent use on the issue of likelihood of confusion.

11. In view of my finding that the marks and services (save for night club services) are identical it follows that I must refuse the application to that extent under Section 5(1) of the Act.

12. In relation to night club services the question arises as to whether they are similar to restaurant and bar services etc and whether there is a likelihood of confusion having regard to the composite nature of the test under Section 5(2). I bear in mind particularly the guidance from Canon Kabushiki Kaisha v MGM Inc [1999] ETMR 1 and Sabel v Puma [1998] ETMR 1 to the effect that a lesser degree of similarity between the marks may be offset by a

greater degree of similarity between the goods/services and vice versa and that there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character either per se or because of the use that has been made of it. As the applicants have filed no evidence in support of their claim to honest concurrent use no issue arises as to the effect of such use on my consideration of the likelihood of confusion.

13. Mr Strivens comments in some detail on the applicants' services. His comments are largely directed to the applicants' restaurant, bar and catering services. I infer that this is the area where use by the applicants would give the opponents most cause for concern. I do not need to review this part of the evidence because I have already found the opponents to be successful under Section 5(1). In relation to night club services Mr Strivens submits that they have been wrongly included by the applicants in Class 42 and should have been applied for in Class 41.

14. I do not think I can accept that night club services have necessarily been applied for in the wrong Class. It is perfectly true that such services are more commonly found in Class 41 where they sit with other forms of entertainment services. However, to the extent that night club services involve the provision of food, drink or accommodation,the Registry accepts that they can properly be placed in Class 42. It is for applicants to determine whether they require coverage in one or both classes. By seeking registration in Class 42 the applicants in this case are indicating that their interest lies in night club services involving the provision of food, drink or accommodation. In this context see the Court of Appeal's decision in Reliance Water Controls Ltd and Altecnic Ltd (unreported at the time of writing but the judgment is dated 12 December 2001) to the effect that "the Registrar is entitled to treat the Class number in the application as relevant to the interpretation of the scope of the application, for example, in the case of an ambiguity in the list of the specification of goods".

15. The significance of that is that in this case the applicants' night club services are likely to be similar to the opponents restaurant and bar services, rather more so in fact than night club entertainment services in Class 41. I should add that in a recent opposition case G1 Group Plc v Sajahtera Inc (SRIS O-463-01), the Registry Hearing Officer found that night club services in Class 41 were also similar to restaurant and bar services (his reasoning can be found in paragraphs 20 to 31 of the decision). It follows that the applicants would be unlikely to be more favourably placed had their application been in Class 41. The opposition, therefore succeeds under Section 5(2)(a) in respect of night club services. In the circumstances I do not need to consider the other grounds of opposition.

16. The opponents have been successful and are entitled to a contribution towards their costs. I order the applicants to pay them the sum of **£635**. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 14th Day of January 2002

M REYNOLDS
For the Registrar
The Comptroller General

ANNEX

OPPONENTS' EARLIER TRADE MARKS

No	Mark	Class	Services
1283968	BROWNS	42	Restaurant and catering services; all included in Class 42; all provided in the counties of Cambridgeshire, Oxfordshire, West Sussex and East Sussex
1417110	BROWNS	42	Catering services; restaurant, bar and cafeteria services; all provided in Greater London and the Counties of Kent, East Sussex, West Sussex, Surrey, Hampshire, Berkshire, Wiltshire, Gloucestershire, Hereford and Worcester, Oxfordshire, Warwickshire, Buckinghamshire, Northamptonshire, Leicestershire, Lincolnshire, Cambridgeshire, Bedfordshire, Hertfordshire, Essex, Suffolk and Norfolk; all included in Class 42
2103387	BROWNS	42	Catering services; restaurant, bar and cafeteria services
1283969		42	Restaurant and catering services; all included in Class 42; all provided in the counties of Cambridgeshire, Oxfordshire, West Sussex and East Sussex