

O-052-06

TRADE MARKS ACT 1994

**IN THE MATTER OF AN APPLICATION
BY COMPASS GROUP HOLDINGS PLC
TO REGISTER A TRADE MARK No 2339224
IN CLASSES 29, 30, 32, 35 AND 43**

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BACKGROUND**

1. On 30 July 2003 Compass Group Holdings Plc of Compass House, Guildford Street, Chertsey, KT16 9BQ applied under the Trade Marks Act 1994 for registration of the trade mark gusto (and device) in classes 29, 30, 32, 35 and 43, shown below:

2339224:



2. The goods and services for which registration is sought are:

Class 29

Meat and meat products; fish and fish products; seafood and seafood products; poultry and poultry products; game and game products; ready prepared meals; preparations for making meals; sausages; burgers; hot dogs; preserved, dried, canned and cooked fruits and vegetables and preparations made therefrom; vegetarian foods; prepared vegetables; potatoes and foods made predominantly from potatoes; snack foods; prepared meals; salads; soups; pastes; pates; fillings and spreads; dairy products; cheese; yoghurts; yoghurt based products; milk; milk beverages; milk based products; soya milk; desserts; puddings; eggs; edible oils and fats; nuts; preparations for making meals from all the aforesaid goods.

Class 30

Prepared meals; hot and cold snacks; pizzas and pizza products; rice and rice products; pasta and pasta products; pasta dishes; noodles and noodle dishes; savoury pastries; cheese puffs; quiches; pies; flans; tarts; bakery products; bread; rolls; filled rolls; sandwiches; baguettes; filled baguettes; cakes; buns; pastries; biscuits; croissants; muffins; cookies; brownies; doughnuts; chocolate and chocolate confections; confectionery; ices; ice cream; ice cream products; sorbets; sherberts; frozen confections; puddings; desserts; cereals and cereal preparations; snack bars; crisps; chips; pretzels; preparations made from flour; whole and ground coffee; coffee beans; coffee extracts; coffee essences; mixtures of coffee and chicory; artificial coffee; coffee substitutes; syrups for making coffees; coffee flavourings; coffee based beverages; tea; cocoa; drinking chocolate; artificial drinking chocolate; artificial hot chocolate; salad dressings; mayonnaise; dips; spreads; sago; tapioca; spices; seasonings; honey; treacles; condiments and sauces; chewing gum; bubble gum.

Class 32

Non-alcoholic beverages; non-alcoholic drinks and preparations for making such drinks; fruit juices and vegetable juices; fruit flavoured beverages; mineral and aerated waters; water; spring water; flavoured water; soft drinks, sparkling drinks; concentrates for making such drinks.

Class 35

The bringing together, for the benefit of others, of a variety of goods, enabling customers to conveniently view and purchase those goods on board aircraft; information and advisory services relating to all the aforesaid.

Class 43

Catering services; provision of trolley services for food, snacks and drinks; restaurant, cafe, cafeteria, snack bar and coffee shop services; preparation of foodstuffs or meals or beverages; advice relating to food and drink.

3. Objection was taken under Section 5(2) of the Act in respect of registered mark numbers 914170, 1452381, 2060582 and a Community Trade Mark 1410430. Objection was also taken in respect of two further pending Community Trade Marks 1987684 and 2930303. These two marks have also since proceeded to registration. The objections related to Classes 29, 30, 32 and 43. No objection was raised in relation to Class 35 at the time of Examination, although I must now note that the specification submitted in respect of Class 35 is no longer acceptable under the terms of the Registrar's revised Examination and Classification Practice in respect of retail services (notified under Practice Amendment Notice 6/05, issued on 11 November 2005).

4. The objection based on 914170 was subsequently waived following the expiry of the earlier mark and I need make no further mention of it in this decision. The remaining citations are as follows:

1452381 – Proprietor at time of examination: Whole Earth Foods Limited, 2 Valentine Place, London SE1 8QH. Subsequently assigned to Craig Sams of 106 High Street, Hastings, East Sussex, TN34 3ES (Cited against Class 32):

GUSTO

Class 32

Mineral waters, aerated waters; non-alcoholic beverages; fruit drinks and fruit juices; syrups and preparations for making beverages; beverages containing not more than 1.2% alcohol by volume; all included in Class 32.

2060582 – Proprietor Giovanna Grassi of 14 Cranley Mews, London, SW7 3BX
(Cited against Classes 29 and 30):



Class 30

Bakery items such as savoury biscuits, breads, cookies, tarts and candy; ice creams; pasta and pasta sauces.

E1410430 – Proprietor CREMONINI S.p.A. of Via Modena, 53, Castelvetro (MO), Italy,
41014 (Cited against Class 43):



Class 42

Food services and providing of food and drink, catering, bar, snack-bar included in this class .

E1987684 – Proprietor LGB S.R.L., Piazza Augusto Imperatore 9, Roma, Italy, 00186
(Cited against Classes 29, 30 and 43):



Class 30

Coffee, tea, cocoa, sugar, rice, tapioca, sago, artificial coffee; flour and preparations made from cereals, bread, pastry and confectionery, ices; honey, treacle; yeast, baking-powder; salt, mustard; sauces (condiments); spices; ice.

Class 42

Providing of food and drink; hotels, saunas, beauty centres, computer software consultancy, catering.

E2930303 – Proprietor Davis-Lehrmitage LLC t/a Davis Family Vineyards, 2555 Laguna Road, Santa Rosa, California, United States, 95401 (Cited against Class 33)

GÛSTO

Class 33

Wines.

5. A hearing was held on 10 June 2005 at which the applicant was represented by Ms Alison Melling of Marks & Clerk, their trade mark attorney. At the hearing the objections under Section 5(2) of the Act were maintained and a Notice of Refusal was subsequently issued on 28 October 2005.

6. I am now asked under Section 76 of the Act and Rule 62(2) of the Trade Marks Rules 2000 to state in writing the grounds of my decision and the materials used in arriving at it.

7. No evidence has been put before me, therefore no claim under Section 7 of the Act has been made.

The case for registration

8. At the hearing Ms Melling made the following submissions in support of this application:

- (a) It was proposed that a likelihood of confusion may be overcome in respect of Community Trade Mark 2930303 by limiting “Non-alcoholic beverages; non-alcoholic drinks and preparations for making such drinks” in Class 32 of the application by the addition of “*none of the aforesaid being low or non-alcoholic wine*”. In my Hearing Report I confirmed that I was prepared to waive the earlier mark against Class 32 of the application provided that the limitation was extended to include the broad term “sparkling drinks” which I considered may include low or non-alcoholic wine.
- (b) Ms Melling submitted that when comparing the further cited marks consideration should be given to the fact that GUSTO is the Italian word for taste and therefore relatively low in terms of distinctive character for the specified goods and services. Ms Melling argued that where significant differences in presentation existed this would therefore be sufficient to prevent a likelihood of confusion arising.

9. I maintained the objections at the Hearing on the basis that GUSTO is a term with its own distinct meaning in the English language which is distinctive for the goods and services. I took the view that this meaning would predominate in the minds of average UK consumers encountering the marks. I therefore maintained that a likelihood of confusion exists where the marks cover identical or similar goods and services.

DECISION

The Law

10. Section 5(2) of the Act reads as follows:

“5.-(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.”

11. An earlier trade mark is defined in Section 6(1) 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,”

12. I take into account the guidance provided by the European Court of Justice (ECJ) in *Sabel BV v. Puma AG* [1998] R.P.C. 199, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc* [1999] E.T.M.R. 1 and *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V.* [2000] F.S.R. .

13. It is clear from these cases that:

(a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v. Puma AG*;

(b) the matter must be judged through the eyes of the average consumer of the goods/services in question; *Sabel BV v. Puma AG*; 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; *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel B.V.*;

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v. Puma AG*;

(d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel BV v. Puma AG*;

(e) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods or services, and vice versa; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*;

(f) 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; *Sabel BV v. Puma AG*;

(g) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v. Puma AG*;

(h) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc*.

Distinctive character of the earlier trade marks

14. It is clear from the ECJ's judgment in the case of *Sabel BV v Puma AG* that the likelihood of confusion may be increased where the earlier trade marks have a highly distinctive character.

15. The earlier trade mark numbers 1452381, 2060582 and Community Trade Marks 1410430, 1987684 and 2930303 are registered trade marks and are therefore deemed to be valid (Section 72 of the Act refers). The earlier trade marks do not consist solely of invented words so they cannot be accorded the very highest level of distinctive character. Trade Mark number 1452381 consists solely of the word GUSTO. The earlier trade mark number 2060582 is a composite mark consisting of the word GUSTO presented in a stylised form against an oval background with the phrase ITALIAN FOR TASTE beneath. Community Trade Mark 1410430 consists of the word GUSTO presented in a stylised form, with a device above the letter "u" with the word ITALIANO beneath. The mark is presented against an oval background contained within a rectangle. Community Trade Mark 1987684 consists of the word 'Gusto presented against a square background and Community Trade Mark 2930303 consists of the word only mark GÛSTO presented with a circumflex accent over the letter Û.

16. The agent submitted at the Hearing that the term GUSTO is relatively low in distinctive character as it is the Italian word for taste and that significant differences in presentation between the marks would therefore be sufficient to prevent a likelihood of confusion arising in relation to the goods and services at issue. I do not agree with this view. GUSTO is a word with its own distinct meaning in the English language. The Collins English Dictionary (5th Edition first published 2000) defines the word as a noun denoting "*vigorous enjoyment, zest, or relish, esp. in the performance of an action. e.g. the aria was sung with great gusto. [C17: from Spanish: taste, from Latin gustus a tasting; see] gestation*". This meaning of the term GUSTO is distinctive for all the goods and services detailed in relation to the marks. I consider that it is this English definition of the term which is liable to predominate in the minds of average UK consumers encountering the marks. I consider that this may also be the case even for those consumers within the UK who may be aware that the term GUSTO has a different meaning in the Italian or Spanish language.

17. In the event that this view is incorrect, it may be helpful to further consider the registrability of the term GUSTO when assessed as a non-English word. It is not the usual practice of the Registrar to object to a non-English word if the equivalent translation in English would be merely devoid of distinctive character under Section 3(1)(b) of the Act. I do not consider that the mark would be liable to objection under Section 3(1)(c) of the Act as the statement GUSTO, meaning taste in Italian or Spanish does not designate a characteristic of the goods or services covered by the specification of the application. Even if there is a basis for considering the English equivalent term taste to be objectionable under Section 3(1)(c), following the European Court of Justice's (ECJ) reasoned order in case C- 3/03, *Matratzen Concord GmbH v OHIM* and the decision of Geoffrey Hobbs QC as the Appointed Person in *GA Modefine S.A. v Di Gio Srl*, [BL 0-253-06], it appears that "there is no real room for refusing to register word marks on the grounds that they are relevantly descriptive in the languages of other Member States." Consequently, it is not appropriate for the

Registrar to object to the registration of word marks which are descriptive of characteristics of the goods or services in the application under section 3(1)(c) of the Act if the descriptive meaning of the word is unlikely to be understood by the relevant average UK consumer. That average consumer is deemed to be reasonably well informed and reasonably observant.

The relevant UK consumers are the persons who are likely to be customers or end users of the goods or services at issue. Whilst Italian and Spanish are amongst the most commonly understood languages in the UK, I do not consider that the term GUSTO is so commonly used in Italian or Spanish in the UK that it may be assumed that average consumers of goods and services such as foodstuffs, beverages and restaurant services would be aware of its meaning. Even if some UK consumers are aware that the term GUSTO has a different meaning in the Italian or Spanish language, it is liable to be perceived according to its meaning in English and will therefore be regarded as a distinctive sign in relation to the goods and services under consideration.

18. The English meaning of the word GUSTO does not serve as a natural description for the goods and services under consideration. Nor does the term serve as an allusion to the quality or nature of such goods and services. I therefore consider the term GUSTO to be highly distinctive when applied to the goods and services under consideration.

Similarity of the goods

19. I have considered the similarity of the goods and services contained within the applicant's specification with the goods and services contained within the specification of the earlier trade marks as follows:

Class 29: Goods contained within Class 30 of earlier trade mark numbers 2060582 and Community Trade Mark 1987684 are cited against this Class. I consider there to be a close similarity between the goods at issue. For example, mark number 2060582 specifies "pasta and pasta sauces", whilst 1987684 covers goods such as "flour and preparations made from cereals, bread, pastry...honey, treacle; yeast, baking-powder;...sauces (condiments); spices". I consider these goods to be closely similar to goods covered under applicant's specification such as "preparations for making meals...preserved, dried, canned and cooked fruits and vegetables and preparations made therefrom;...snack foods." When considering the similarity of the goods I have considered the relevant factors set out under *BRITISH SUGAR PLC v. JAMES ROBERTSON & SONS LTD.* [1996] R.P.C. 281, Mr Justice Jacob. I have concluded that the goods under consideration may be expected to: share the same end users (being average consumers of food products); be sold in close proximity in retail outlets or food halls; and be viewed as competing goods purchased for the same end purpose ie. the preparation of meals.

Class 30: Mark number 2060582 and Community Trade Mark 1987684 are cited against this Class. I consider that the applicant's specification contains identical goods to those contained within the Class 30 specification of earlier trade mark number 2060582 and identical and/or closely similar goods to those covered by 1987684.

Class 32: Mark number 1452381 and Community Trade Mark 2930303 are cited against this Class. I consider that the applicant's specification contains identical goods to those contained within the Class 32 specification of earlier trade mark number 1452381 and similar goods to those covered by the Class 33 specification of 2930303. (Proposals for limiting the specification of the applicant's mark to overcome a likelihood of confusion with 2930303 were discussed at the Hearing held on this application and are set out under paragraph 8 above.)

Class 43: Community Trade Mark numbers 1410430 and 1987684 are cited against this Class. I consider that the applicant's specification contains identical services to those contained within the Class 42 specification of the earlier trade marks.

Similarity of the marks

20. Since the trade mark of this application is not identical to the earlier trade marks the matter falls to be decided under sub-section (b) of Section 5(2) of the Act. The question, therefore, is whether the mark of this application is so similar to the earlier trade marks that there exists a likelihood of confusion which includes the likelihood of association on the part of the public.

21. The similarity of the marks must be assessed by reference to the visual, aural and conceptual similarities of the trade marks. It is clear from the judgment of the ECJ in the case of *Sabel BV v Puma AG* that I must assess the overall impressions created by the marks bearing in mind their distinctive and dominant components.

22. At the hearing Ms Melling submitted that GUSTO is the Italian word for taste and therefore relatively low in terms of distinctive character for the specified goods and services. Ms Melling argued that where significant differences in presentation existed this would therefore be sufficient to prevent a likelihood of confusion arising. I cannot agree with this interpretation of the earlier trade marks. I consider that the term GUSTO is distinctive in respect of the marks at issue for the reasons detailed in paragraphs 16 to 18, above. It is long established in case law that where a mark comprises a combination of a distinctive word and device it is the word element that is liable to be perceived as the dominant distinctive component by average consumers encountering the marks. In the case of mark number 1452381 the word GUSTO is the sole mark element. In the case of Community Trade Mark numbers 1987684 and 2930303 the marks each consist essentially of the word GUSTO with a minimal degree of presentation, as detailed in paragraph 15, above. The word GUSTO also predominates as the most distinctive and memorable element within mark number 2060582 and Community Trade Mark number 1410430. The oval border present in mark number 2060582 serves to add prominence to the word GUSTO, which predominates in the mark as the dominant distinctive component, with the words ITALIAN FOR TASTE appearing in a smaller script in upper case below. Mark number 1410430 consists of the word GUSTO presented prominently in a stylised form against an oval background contained within a rectangle. A small device appears above the letter "u" in the word GUSTO with the word ITALIANO appearing in a smaller script beneath.

23. The applicant's mark comprises the word GUSTO presented in lower case with a line beneath. A "+" device and a blue and green representation of a wing or leaf device appear at the end of the mark. (The applicant claims the colours dark blue (Pantone 7462), light blue (Pantone 299) and green (Pantone 7489) as an element of the mark.) Visually, while there are perceptible differences in the presentation of the term GUSTO in the applicant's mark when compared to the earlier registered marks, the word GUSTO nonetheless serves as the dominant distinctive element within the mark. I therefore consider the mark to be conceptually and aurally identical to the dominant GUSTO element of the earlier trade marks and visually very similar.

24. For the reasons set out above I consider that GUSTO is a distinctive term in relation to the goods and services under consideration. Given that the word GUSTO is the dominant distinctive component in each of the marks under consideration I have concluded that there is a high degree of similarity when comparing the applicant's mark to the earlier marks. Each of the marks is liable to be perceived and recalled by average consumers encountering the marks as indicating GUSTO as the source of origin for goods and/or services supplied under the marks.

Likelihood of confusion

25. I must bear in mind that a mere possibility of confusion is not sufficient (See e.g. *React Trade Mark* [2000] RPC 285 at page 290). The Act requires that there must be a likelihood of confusion. I have already found that the goods and services for which the earlier trade marks are registered are either identical or closely similar to the goods and services applied for. Furthermore, it is now well established that the matter must be determined by reference to the likely reaction of an average consumer of the goods and services in question, who is deemed to be reasonably well informed, reasonably observant and circumspect. In relation to these goods and services I consider the average consumer to be the general public. The goods at issue are everyday food and beverage consumables that are purchased with a limited degree of care and attention. The approach of an average consumer to the services at issue may vary according to the nature of the service. For example an average consumer of a food trolley service is liable to select the service out of convenience with a more limited degree of care accordingly being exercised than when compared to a restaurant service. Nonetheless, I do not consider that any of the services at issue could be considered to be those for which the highest degree of care and attention is exercised in selection.

26. I must further consider the likelihood of confusion by reference to the visual, aural and conceptual points of similarity in the marks. In my view the weight to be attached to all aspects of confusion is significant. As set out above, I consider the dominant distinctive component of the present applicant's mark and the earlier registered marks to be the term GUSTO. The average consumer generally relies upon the imperfect picture of the earlier trade mark that he or she has kept in his or her mind and must therefore rely upon the overall impression created by the trade marks in order to avoid confusion. I do not consider that the differences in presentation between the present mark and the earlier registered marks are such that they would avoid a likelihood of confusion, particularly given the limited degree of care that an

average consumer is liable to exercise when selecting the goods and services at issue. Where there is a lesser degree of similarity between the trade marks this may be offset by a greater degree of similarity between the goods and services (and vice versa) – see *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc.* Clearly, the likelihood of confusion is most strong in the case of the earlier mark number 1452381 which is registered as a word only mark and Community Trade Mark number 1987684 where a very limited degree of presentation exists and the goods and services under consideration are identical. In the case of Community Trade Mark number 2930303 a strong likelihood of confusion exists based on the limited degree of presentation present in the mark and similarity of goods. In the case of mark number 2060582 and Community trade Mark number 1410430 identical goods and services respectively exist in relation to the present application. I do not consider that the variation in presentation of the two marks is sufficient to alter the aural, visual and conceptual identities of the marks as essentially GUSTO marks. The similarities between the marks and the identical and similar goods and services which are in conflict are therefore likely to lead to both visual and aural confusion. (I consider aural confusion to be particularly likely in respect of restaurant and associated services in Class 43 which are commonly recommended by word of mouth.)

27. For the reasons set out above I consider that GUSTO is a distinctive term in relation to the goods and services under consideration and this is a factor that I have born in mind in concluding that there are also conceptual similarities between the marks. In my view there appears to be two ways in which confusion could occur between these marks. Firstly, consumers are liable to recollect the earlier marks as GUSTO marks because that is the sole or dominant impression created by the marks. Secondly, even where consumers may notice a difference between the marks, because of the prominence of GUSTO in the earlier marks, and the identity of the respective goods and services, they are likely to mistakenly believe that the applicant's mark is indicative of an economic connection between the applicant and the proprietor of the earlier mark.

28. I have therefore concluded that the identical and similar goods and services that I have identified coupled with the level of distinctive character of the marks and the similarity between them, is sufficient to give rise to a likelihood of confusion within the meaning of Section 5(2)(b) of the Act.

CONCLUSION

29. In this decision I have considered all of the documents filed by the applicant and all of the arguments submitted to me in relation to this application and, for the reasons given, it is refused under the terms of Section 37(4) of the Act because it fails to qualify under Section 5(2) of the Act.

Dated this 16th day of February 2006

**M J LAYTON
For the Registrar
The Comptroller-General**