

O-126-04

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATIONS No. 2237024A AND No. 2237024B BY
HYPERAMA PLC TO REGISTER TRADE MARKS IN CLASS 42**

AND

**IN THE MATTER OF OPPOSITIONS THERETO UNDER No. 52841 AND
No. 52842 BY COLIN T LOFTUS AND KEITH SKINKIS –LOFTUS
TRADING AS JAVA BAR ESPRESSO**

DECISION

Introduction

1. These are appeals to an Appointed Person against decisions of Mr. MacGillivray, the Hearing Officer acting for the Registrar, dated 26th June 2003.
2. On 23rd June 2000 Hyperama Plc (“the Applicants”) applied to register the trade mark JAVA EXPRESS under application no. 2237024A and a device mark comprising the words JAVA EXPRESS under application no. 2237024B. Each application was made in class 42 of the register in respect of the following services: “Restaurant services; café and bar services; catering for the provision of foods and drink”. The device mark the subject of application no. 2237024B is depicted below:



3. On the 13 July 2001 Mr. Colin T. Loftus and Mr. Keith Skinkis-Loftus, trading together as Java Bar Espresso (“the Opponents”) filed a notice of opposition to the application raising grounds of objection under section 5(2)(b) and section 5(4)(a) of the Trade Marks Act 1994 (“the Act”).
4. The objection under section 5(2)(b) of the Act was based upon the earlier registration of the following trade marks:
 - (i) registered trade mark no. 21351111 registered as of the 5th June 1997;
 - (ii) registered trade mark no. 2235987 comprising a series of two marks and registered as of the 14th June 2000.

Each of the trade marks was registered in respect of the following services in class 42, namely: “Provision of bar, restaurant and catering services”. The marks are depicted below:

Registration no. 21351111:



J A V A

B A R

E S P R E S S O

Registration no. 2235987:



A series of two – the colours purple and rust being claimed as an element in the first mark in the series.

5. The objection under section 5(4)(a) of the Act was based on the contention that the use of the marks applied for would result in passing off.
6. In his decision the Hearing Officer dismissed the oppositions and ordered the Opponents to pay to the Applicant the sum of £1,750 in respect of each opposition as a contribution to its costs.
7. On the 24th July 2003 the Opponents filed a notice of appeal to an Appointed Person under section 76 of the Act. By agreement between the parties, the date for the hearing of the appeal was fixed for the 11th February 2004. On the day before the hearing I received a letter from Mr. Keith Skinkis-Loftus indicating that he would no longer be able to attend the appeal hearing due to the fact that, as he put it, “the partnership has been adjudged bankrupt”. The Applicant did appear before me on the 11th February and submitted that the appeal should be dismissed. In the light of the letter which I had received, I notified the parties that I would defer giving judgment for a period of six

weeks to give the Opponents or any other interested party, such as a trustee, an opportunity to make such submissions or applications that they might consider appropriate and that, in the absence of any such submissions or applications, I proposed to give judgment thereafter. Subsequently I received a letter dated the 11th March 2004 from a Mr. Crossley, an Insolvency Examiner at the Official Receiver's Office. He confirmed that bankruptcy orders had made against the Opponents, indicated that a meeting of creditors was to take place on the 1st April 2004 and requested that I consider a further deferment in order for the duly appointed trustee to give consideration to the matter. In the light of his letter I notified the parties that I proposed to defer my final determination until after the expiry of a further period of four weeks from the 1st April 2004. That period has now elapsed and I have received no further request for any deferment or indeed any other application or submissions. In these circumstances it seems to me that the Applicant is now entitled to a resolution of these appeals and that I must therefore give my decision.

The decisions of the Hearing Officer

8. The Hearing Officer gave a written decision in respect of each opposition. They are in almost identical terms. He first considered the objection raised to each of the applications under s.5(2) of the Act. He set out the relevant statutory test and then well known aspects of the guidance provided by the European Court of Justice in *Sabel BV v. Puma AG* [1997] ECR I-6191, *Canon Kabushiki Kaisha v. Metro-Goldwyn-Mayer Inc* [1998] ECR I-5507 ; *Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel BV* [1999] ECR I-3819 and *Marca Mode CV v. Adidas AG* [2000] ECR I-4861.

9. In the light of that guidance the Hearing Officer noted that it must be considered that there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character because of the use which has been made of it. Nevertheless, he concluded on the basis of the evidence filed before him, the use of the earlier trade marks had not been carried out on a scale sufficient to enhance their distinctiveness beyond their inherent characteristics.

10. The Hearing Officer proceeded to assess the likelihood of confusion on the basis of a global appreciation and taking into account the degree of visual, aural and conceptual similarities between the marks and the degree of similarity between the services in issue. In reaching his conclusion that the objection failed, he took into account the following findings and matters:
- (i) The services the subject of the earlier trade marks and the applications were identical.
 - (ii) Evidence filed by the Applicant established conclusively that the word JAVA was at all relevant dates descriptive of a type and source of coffee.
 - (iii) The respective marks had a visual similarity in that they all contained the descriptive word JAVA. In addition, the marks the subject of the applications contained the word EXPRESS, whereas the earlier trade marks contained in each case a stylised coffee bean device and in the case of earlier trade mark No. 21351111, the additional words BAR and ESPRESSO. The Hearing Officer noted that while the words EXPRESS and ESPRESSO might look superficially similar, they each had their own strong and separate meanings in relation to coffee and coffee bar services. Given the non distinctive nature of the words within the marks, he considered that the impact of the device element within the earlier trade marks was likely to serve to differentiate the marks in a visual context.
 - (iv) In the light of the services in issue, the degree of visual similarity between the marks was of primary importance.
 - (v) From an aural perspective, there was a great degree of similarity between the marks but that similarity was essentially attributable to the non distinctive word JAVA.

- (vi) From a conceptual perspective, the primary similarity between the marks was again the non distinctive word JAVA.
 - (vii) There was no evidence of actual confusion as to trade origin arising from the parallel use of the marks in issue.
11. In all the circumstances the Hearing Officer concluded as follows, in paragraph 58 of the decisions:

"On a global appreciation taking into account all the relevant factors I have come to the conclusion that while some people encountering the applicant's mark may think it reminiscent of the opponents' marks, it does not follow that a likelihood of confusion exists among the average customer for the services. While the respective specifications cover identical services, the overall differences in the marks (bearing in mind the non-distinctive nature of the word JAVA in respect of the relevant services) and the category of services, which are usually experienced by the customer in person at the service provider's premises means that the possibility of confusion amongst the relevant customers cannot be regarded as a likelihood."

12. As to the objection under section 5(4) of the Act, the Hearing Officer dismissed this in the case of each application for like reasons. He concluded that it was not established that the marks the subject of the applications and the earlier trade marks were confusingly similar. Accordingly he rejected the oppositions.

The appeals

13. An appeal to an Appointed Person is by way of review. As the Court of Appeal explained in the case of REEF Trade Mark [2003] RPC 5, this tribunal should show a real reluctance, if not the very highest degree of reluctance, to interfere with a decision of a Hearing Officer in the absence of a distinct and material error of principle.

14. In their Notices of Appeal, the Opponents contend that the Hearing Officer fell into error in three principal respects. These all emerge from the Grounds of Appeal.
15. First, it was contended that the Hearing Officer fell into error in failing to find that the earlier trade marks had a significant reputation at the relevant date and that he ought to have taken this into account in assessing the likelihood of confusion. I reject this contention. The Hearing Officer recognised that there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character because of the use that has been made of it but, as I have indicated, found on the evidence that the earlier trade marks in issue in these proceedings had not been used to such a degree that they had established a highly distinctive character by the date of the applications in issue. In my judgment he was entirely justified in coming to that conclusion. The relevant date for these purposes is the 23rd June 2000. By this time the earlier trade marks had been used in Greater Manchester since 1997 and that by 1999 the turnover under the marks was slightly in excess of £211,000. To my mind this does not establish that the earlier trade marks had the highly distinctive character contemplated in the *Sabel* case.
16. Secondly it was contended that the Hearing Officer fell into error in his assessment of the degree of similarity between the marks the subject of the applications and the earlier registered trade mark No. 21351111 and, in particular, the Hearing Officer failed to take into account the similarity between the word EXPRESS in the marks applied for and the word ESPRESSO in this earlier trade mark.
17. I have to say that my initial impression on seeing the marks in issue was that the word JAVA was the distinctive and dominant component of each of them. But the Hearing Officer has made a clear finding on the evidence that the word was descriptive of a type and source of coffee. I think that this was a finding that he was entitled to make on the evidence before him. Accordingly I think he was also right to conclude that the word JAVA was not a distinctive or

dominant component of each of the marks when used in relation to the relevant services. Further, EXPRESS and ESPRESSO are both descriptive words with a superficial similarity, but they clearly have very different meanings in connection with coffee and coffee bar services. The word EXPRESS does not denote a type of coffee but rather something about the speed of the service. Conversely, ESPRESSO denotes a particular type of coffee. I think this difference in conceptual meaning remains even in cases, of which there have evidently been a number, where ESPRESSO has been wrongly spelt as EXPRESSO. Moreover, and importantly in my view, the Hearing Officer proceeded to note that bearing in mind the generally rather non distinctive nature of the particular words contained in the marks in issue and further, taking into account the nature of the particular services, the visual impact of the device element in the earlier trade marks took on a greater importance. In the circumstances he was, in my judgment, entitled to come to the conclusion that it served adequately to differentiate the earlier trade marks from those of the Applicant.

18. Thirdly, the Opponents contended that the finding of the Hearing Officer that JAVA was descriptive of a type and source of coffee was inconsistent with his finding that the word JAVA was non distinctive. I reject this contention. The Hearing Officer was bound to take account of the inherent characteristics of the marks in issue, including the fact that they did not contain an element descriptive of the services in issue. His finding of the word JAVA denoted a type and source of coffee was clearly material to this consideration. In particular the fact that the word JAVA was found to be descriptive diminished its ability to distinguish services as coming from any one particular source.
19. I have carefully considered the decisions of the Hearing Officer and I do not believe that he has made any error of principle; nor do I believe that his decisions are plainly wrong in any respect. He identified the correct principles and carefully considered the evidence. He made findings of fact as to the degree of distinctiveness of the earlier trade marks and applied the relevant principles entirely properly in carrying out a global assessment of the likelihood of confusion.

20. In all the circumstances the appeals must be dismissed. The Applicants are entitled to a contribution to their costs and I direct that the Opponents pay the Applicant the sum of £1,750 in respect of each appeal.

David Kitchin QC

10th May 2004