

O/195/12

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO 2526714

BY

LORRAINE PASCALE LIMITED

TO REGISTER THE TRADE MARK:



IN CLASSES 21, 25 AND 30

AND

THE OPPOSITION THERETO

UNDER NO 100371

BY

ELLA'S KITCHEN (IP) LIMITED

1) On 18 September 2009 Lorraine Pascale Limited (Pascale) filed an application to register the trade mark:



The application is for goods in classes 21, 25 and 30 of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended. This opposition only relates to the class 30 goods:

flour and preparations made from cereals, bread, pastry and confectionery; baked goods; cakes; edible decorations for cakes.

2) The application was published on 1 January 2010. On 1 April 2010 Ella's Kitchen (IP) Limited (Kitchen) filed a notice of opposition to the application. It relies on sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (the Act). In relation to sections 5(2)(b) and 5(3) of the Act, Kitchen relies upon two trade mark registrations. It is only necessary to consider the section 5(2)(b) ground of opposition and one of the trade mark registrations: Community trade mark no 6259055 of the trade mark ELLA'S ORGANIC. The registration includes goods in classes 5, 29, 30 and 32 but it is only necessary to consider the opposition on the basis of the following goods:

coffee, tea, cocoa, sugar, rice, tapioca, sago, artificial coffee; flour and preparations made from cereals, bread, pastry and confectionery, ices; honey, treacle; yeast, baking-powder; salt, mustard; vinegar, sauces (condiments); spices; ice; ice-cream; chocolate; biscuits; cookies; pies; pizzas; pasta; pasta sauces; ice-cream bars; cooking sauces; maize, corn and rice snacks; prepared meals and snacks containing any of the aforesaid goods.

The above goods are in class 30 of the Nice Agreement concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks of 15 June 1957, as revised and amended. The application for registration was filed on 6 September 2007 and the registration procedure was completed on 8 August 2008. Consequently, the registration is an earlier right and is not subject to proof of use.

3) Section 5(2)(b) of the Act states:

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

.....

(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.”

4) In written submissions Pascale comments on what it perceives it does and what it perceives Kitchen does. It submits that Kitchen’s business relates to children’s food and baby food whilst its business relates solely to cakes. This is without pertinence in relation to a trade mark that is not subject to proof of use. The specification of the earlier registration must be compared to the specification of the application. This is a matter that has been considered on a number of occasions by the General Court (GC)ⁱ.

Average consumer, nature of purchasing decision and standard for likelihood of confusion

5) The average consumer “is deemed to be reasonably well informed and reasonably circumspect and observant”ⁱⁱ. The average consumer for the goods is the public at large, which will include children. The respective goods could be of low cost. The goods are often bought upon the spur of the moment as a snack. The purchasing process will not be particularly careful or educated; increasing the effects of imperfect recollection. The respective goods are likely to be bought from the shelves of shops and so visual similarity will have more effect on the likelihood of confusion than aural similarityⁱⁱⁱ. If the products are purchased from stand-alone shops, such as Greggs, the signage of the shop will be of importance; again a visual consideration.

Comparison of goods

6) In “construing a word used in a trade mark specification, one is concerned with how the product is, as a practical matter, regarded for the purposes of trade^{iv}”. Words should be given their natural meaning within the context in which they are used, they cannot be given an unnaturally narrow meaning^v. Consideration should be given as to how the average consumer would view the goods^{vi}. In assessing the similarity of services it is necessary to take into account, inter alia, their nature, their intended purpose, their method of use and whether they are in competition with each other or are complementary^{vii}. In *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281, Jacob J also gave guidance as to how similarity should be assessed^{viii}.

7) *Flour and preparations made from cereals, bread, pastry and confectionery* are rehearsed in the specification of the earlier registration and so are identical goods. Goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by the trade mark application^{ix}. *Baked goods* will include such goods as *biscuits, cookies* and *snacks* and so these are considered identical to the goods of the earlier registration. *Cakes* includes such goods as oat cakes which are covered by the terms *biscuits* and so the goods are identical. *Biscuits and cookies* of the earlier registration are sweet confections like *cakes*; they have the same nature. They are foodstuffs that will be purchased to temporarily satiate the hunger or as a treat and so have the same purpose and will be bought by the same purchaser. The respective goods may be in the same areas of shops, especially the larger more expensive types of cookies. *Cookies and biscuits* may be bought as an alternative to *cakes*; the goods are fungible and so are in competition. It is common as part of brand expansion for cake forms of various biscuits to be supplied; consequently, there is a common channel of trade. There is sometimes only the finest of lines between *cakes* and *biscuits*; hence, the case bought by McVities to establish that Jaffa cakes are cakes, and so not liable to VAT, and not biscuits^x. Consequently, if *cakes* of the application were not identical to the goods of the earlier registration, they are similar to a very high degree. *Edible decorations for cakes* includes chocolate decorations, sugar decorations and the like, which will be included in *confectionery* of the earlier registration; the respective goods must be considered identical. **The respective goods are identical or, in the alternative, in relation to cakes, similar to a very high degree.**

Comparison of trade marks

8) The trade marks to be compared are:

ELLA'S ORGANIC



9) The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details^{xi}. 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^{xii}. Consequently, there cannot be an artificial dissection of the trade

marks, although it is necessary to take into account any distinctive and dominant components. The average consumer rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he/she has kept in his/her mind and he/she is deemed to be reasonably well informed and reasonably circumspect and observant^{xiii}. The assessment of the similarity of the trade marks must be made by reference to the perception of the relevant public^{xiv}.

10) Pascale has submitted that ELLA'S lacks distinctive character as it is a common female forename and forenames are often used in relation to food. If the latter is the case it is not possible to see why a particular female forename lacks distinctiveness in relation to food products. ELLA'S is in neither descriptive nor allusive of the goods. The public are used to identifying goods by reference to the names of persons. Pascale also argues that the device of a cake with a cherry upon it is "extremely distinctive". ORGANIC in relation to foodstuffs indicates the nature of the products, even if they are not limited to organic products in the specification. The distinctive and dominant component of Kitchen's trade mark is ELLA'S. In terms of size and position the slightly stylised Ella's of Pascale's trade mark is dominant. A device of a cake with a cherry upon it, for foodstuffs, is not particularly distinctive; for cakes it lacks any distinctive character. The oval will be seen as a border and so have minimal effect upon the perception of the average consumer. The two dots will have the most minimal of effect. Bakehouse indicates an undertaking that bakes, a word that lacks distinctiveness for many of the goods of the application. The dominant and distinctive character of Pascale's trade mark is the stylised Ella's. The ELLA'S elements of the trade marks are phonetically and conceptually identical. Conceptually they are both the genitive form of a female name. The stylisation of Pascale's Ella's means that this element is not visually identical. However, the stylisation is not particularly pronounced; the average consumer will remember the possessive form of ELLA and not the particular style of lettering used in relation to it. Consequently, there is a high degree of visual similarity between ELLA'S and the stylised Ella's of the application.

11) The trade marks must be compared in their entireties. The device elements and the word bakehouse are alien to the earlier trade mark and ORGANIC is alien to the later trade mark. The different elements of the later trade mark are not negligible. **Taking into account the dominant and distinctive components of the respective trade marks and their effect upon the perception of the average consumer, the respective trade marks are highly similar.**

Conclusion

12) In considering whether there is a likelihood of confusion various factors have to be taken into account. There is the interdependency principle – a lesser degree of similarity between trade marks may be offset by a greater degree of

similarity between goods, and vice versa^{xv}. In this case the respective goods are identical or similar to the highest degree. (Kitchen's trade mark includes ORGANIC and so, as per *Comité Andaluz de Agricultura Ecológica v Administración General del Estado and Comité Aragónés de Agricultura Ecológica* Case C-107/04, must be used in relation to organic products. However, there is nothing to stop the products of the application being organic and, even if they were limited to being non-organic, that would just mean that they would be similar to the highest degree rather than identical.) Added to this the respective trade marks are similar to a high degree. They both have the conceptual hook of ELLA'S.

13) It is necessary to consider the distinctive character of the earlier trade mark; the more distinctive the earlier trade mark the greater the likelihood of confusion^{xvi}. The distinctive character of a trade mark can be appraised only, first, by reference to the goods in respect of which registration is sought and, secondly, by reference to the way it is perceived by the relevant public^{xvii}. In determining the distinctive character of a mark and, accordingly, in assessing whether it is highly distinctive, it is necessary to make an overall assessment of the greater or lesser capacity of the mark to identify the goods for which it has been registered as coming from a particular undertaking, and thus to distinguish those goods from those of other undertakings^{xviii}. As noted above, Pascale has argued that ELLA'S lacks distinctive character, an argument that has been rejected. As a name that can be readily remembered, that has no relationship to the goods, the ELLA's component of the earlier trade mark enjoys a good degree of inherent distinctiveness. The trade mark of Kitchen, as a whole, enjoys a good degree of inherent distinctive character.

14) In *Aceites del Sur-Coosur SA v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case C-498/07 P the Court of Justice of the European Union (CJEU) considered the approach to be taken in relation to composite trade marks:

“61 In particular, the Court has held that in the context of examination of the likelihood of confusion, assessment of the similarity between two marks means more than taking just one component of a composite trade mark and comparing it with another mark. On the contrary, the comparison must be made by examining each of the marks in question as a whole (see order in *Matratzen Concord v OHIM*, paragraph 32; *Medion*, paragraph 29; and *OHIM v Shaker*, paragraph 41).

62 In that regard, the Court has also held that, according to established case-law, the overall impression created in the mind of the relevant public by a complex trade mark may, in certain circumstances, be dominated by one or more of its components. However, it is only if all the other components of the mark are negligible that the assessment of the similarity can be carried out solely on the basis of the dominant element

(*OHIM v Shaker*, paragraphs 41 and 42, and Case C-193/06 P *Nestlé v OHIM* [2007] ECR I-114, paragraphs 42 and 43 and the case-law cited)."

There are differences between the trade marks but, taking into account the degree of similarity between the dominant and distinctive components of the respective trade marks, these differences do not militate against a finding of likelihood of confusion.

15) In its evidence Kitchen refers to an example of confusion, in the form of a tweet (ES1). This limited evidence is not indicative, even less determinative, of the findings in this case. An absence of confusion would also not be indicative or a likelihood of confusion, as the parties are in different markets. The matter has to be judged on the basis of notional and fair use of the earlier registration for all of the goods covered by the registration. If Pascale limited its goods to cakes this would not affect the outcome of the proceedings, owing to the continuing identity or high degree of similarity between the respective goods.

16) This is a case where it is difficult to see how confusion could not arise. There is no doubt that there is a likelihood of confusion and the application is to be refused in respect of the class 30 goods.

Costs

17) Kitchen, having been successful, is entitled to a contribution towards its costs. It has not been necessary to take into account the evidence filed by the parties; owing to the strength of the case under section 5(2)(b) of the Act. However, owing to Pascale's denials of the case of Kitchen, Kitchen took the reasonable step of filing evidence in relation to the claims that it made. Consequently, Kitchen will be compensated in relation to this evidence.

Costs are awarded on the following basis:

Opposition fee	£200
Preparing a statement and considering the statement of Pascale	£500
Preparing evidence and considering evidence of Pascale:	£1,000
Written submissions:	£300
Total	£2,000

Lorraine Pascale Limited is to pay Ella's Kitchen (IP) Limited the sum of £2,000. 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 11th day of May 2012

David Landau
For the Registrar
the Comptroller-General

ⁱ In *Oakley, Inc v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-116/06, the GC stated:

“76 Consideration of the objective circumstances in which the goods and services covered by the marks in dispute are marketed is fully justified. The examination of the likelihood of confusion which the OHIM authorities are called on to carry out is prospective. Since the particular circumstances in which the goods covered by the marks are marketed may vary in time, and depending on the wishes of the proprietors of the trade marks, the prospective analysis of the likelihood of confusion between two marks, which pursues an aim in the general interest, that is, that the relevant public may not be exposed to the risk of being misled as to the commercial origin of the goods in question, cannot be dependent on the commercial intentions, whether carried out or not – and which are naturally subjective – of the trade mark proprietors (*QUANTUM*, paragraph 75 above, paragraph 104, and *T.I.M.E. ART/Devinlec v OHIM*, paragraph 75 above, paragraph 59).”

The issue was also covered by the GC in *NHL Enterprises BV v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-414/05:

“71 The Court considers, first, that that assessment by the Board of Appeal is not called in question by the particular conditions in which the applicant's goods are marketed, since only the objective marketing conditions of the goods in question are to be taken into account when determining the respective importance to be given to visual, phonetic or conceptual aspects of the marks at issue. Since the particular circumstances in which the goods covered by the marks at issue are marketed may vary in time and depending on the wishes of the proprietors of those marks, the prospective analysis of the likelihood of confusion between two marks, which pursues an aim in the general interest, namely that the relevant public may not be exposed to the risk of being misled as to the commercial origin of the goods in question, cannot be dependent on the commercial intentions of the trade mark proprietors – whether carried out or not – which are naturally subjective (see, to that effect, *NLSPORT, NLJEANS, NLACTIVE and NLCollection*, cited at paragraph 61 above, paragraph 49, and Case T-147/03 *Devinlec v OHIM – TIME ART (QUANTUM)* [2006] ECR II-11, paragraphs 103 to 105, upheld on appeal by the Court by judgment of 15 March 2007 in Case C-171/06 P *TIME ART v OHIM*, not published in the ECR, paragraph 59).”

In *Devinlec Développement Innovation Leclerc SA v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T- 147/03, the GC stated:

“104 Consideration of the objective circumstances in which the goods covered by the marks are marketed is fully justified. The examination of the likelihood of confusion which

the OHIM authorities are called on to carry out is a prospective examination. Since the particular circumstances in which the goods covered by the marks are marketed may vary in time and depending on the wishes of the proprietors of the trade marks, the prospective analysis of the likelihood of confusion between two marks, which pursues an aim in the general interest, that is, the aim that the relevant public may not be exposed to the risk of being misled as to the commercial origin of the goods in question, cannot be dependent on the commercial intentions, whether carried out or not, and naturally subjective, of the trade mark proprietors.

107 It follows that by taking into consideration in the assessment of the likelihood of confusion between the marks the particular circumstances in which the goods covered by the earlier mark are marketed, the temporal effect of which is bound to be limited and necessarily dependent solely on the business strategy of the proprietor of the mark, the Board of Appeal erred in law.”

ⁱⁱ *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV* Case C-342/97.

ⁱⁱⁱ In *New Look Ltd v Office for the Harmonization in the Internal Market (Trade Marks and Designs)* GC stated:

“49 However, it should be noted that in the global assessment of the likelihood of confusion, the visual, aural or conceptual aspects of the opposing signs do not always have the same weight. It is appropriate to examine the objective conditions under which the marks may be present on the market (*BUDMEN*, paragraph 57). The extent of the similarity or difference between the signs may depend, in particular, on the inherent qualities of the signs or the conditions under which the goods or services covered by the opposing signs are marketed. If the goods covered by the mark in question are usually sold in self-service stores where consumer choose the product themselves and must therefore rely primarily on the image of the trade mark applied to the product, the visual similarity between the signs will as a general rule be more important. If on the other hand the product covered is primarily sold orally, greater weight will usually be attributed to any aural similarity between the signs.”

^{iv} *British Sugar Plc v James Robertson & Sons Limited* [1996] RPC 281.

^v *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another* [2000] FSR 267.

^{vi} *Thomson Holidays Ltd v Norwegian Cruise Lines Ltd* [2003] RPC 32 dealt with a non-use issue but are still pertinent to the consideration of the meaning and effect of specifications:

“In my view that task should be carried out so as to limit the specification so that it reflects the circumstances of the particular trade and the way that the public would perceive the use. The court, when deciding whether there is confusion under section 10(2), adopts the attitude of the average reasonably informed consumer of the products. If the test of infringement is to be applied by the court having adopted the attitude of such a person, then I believe it appropriate that the court should do the same when deciding what is the fair way to describe the use that a proprietor has made of his mark. Thus, the court should inform itself of the nature of trade and then decide how the notional consumer would describe such use”

^{vii} *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* Case C-39/97.

^{viii} He considered that the following should be taken into account when assessing the similarity of goods and/or services:

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- “(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.”

^{ix} See *Gérard Meric v Office for Harmonization in the Internal Market (Trade Marks and Designs) (OHIM)* Case T-133/05 paragraph 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 the trade mark application (Case T-388/00 *Institut für Lernsysteme v OHIM – Educational Services (ELS)* [2002] ECR II-4301, paragraph 53) or when the goods designated by the trade mark application are included in a more general category designated by the earlier mark (Case T-104/01 *Oberhauser v OHIM – Petit Liberto (Fifties)* [2002] ECR II-4359, paragraphs 32 and 33; Case T-110/01 *Vedial v OHIM – France Distribution (HUBERT)* [2002] ECR II-5275, paragraphs 43 and 44; and Case T-10/03 *Koubi v OHIM – Flabesa (CONFORFLEX)* [2004] ECR II-719, paragraphs 41 and 42).”

^x HMRC give information on the cake biscuit borderline in VFOOD6260 – “Excepted items: Confectionery: The bounds of confectionery, sweets, chocolates, chocolate biscuits, cakes and biscuits: The borderline between cakes and biscuits:

The significance of the borderline between cakes and biscuits is that a cake is zero-rated even if it is covered in chocolate, whereas a biscuit is standard-rated if wholly or partly covered in chocolate or some product similar in taste and appearance. As set out in the paragraphs above, there is no generally accepted definition of either cake or biscuit, but the distinction is usually clear in practice.

The leading case on the borderline is that concerning **Jaffa cakes**: United Biscuits(LON/91/0160). Customs and Excise had accepted since the start of VAT that Jaffa cakes were zero-rated as cakes, but always had misgivings about whether this was correct. Following a review, the department reversed its view of the liability. Jaffa cakes were then ruled to be biscuits partly covered in chocolate and standard-rated: United Biscuits (as McVities, one of the largest manufacturers of Jaffa cakes) appealed against this decision. The Tribunal listed the factors it considered in coming to a decision as follows.

- The product's **name** was a minor consideration.
- **Ingredients**: Cake can be made of widely differing ingredients, but Jaffa cakes were made of an egg, flour, and sugar mixture which was aerated on cooking and was the same as a traditional sponge cake. It was a thin batter rather than the thicker dough expected for a biscuit texture.
- Cake would be expected to be soft and friable; biscuit would be expected to be crisp and able to be snapped. Jaffa cakes had the **texture** of sponge cake.
- **Size**: Jaffa cakes were in size more like biscuits than cakes.
- **Packaging**: Jaffa cakes were sold in packages more similar to biscuits than cakes.
- **Marketing**: Jaffa cakes were generally displayed for sale with biscuits rather than cakes.
- On going **stale**, a Jaffa cake goes hard like a cake rather than soft like a biscuit.

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- Jaffa cakes are presented as a **snack, eaten with the fingers**, whereas a cake may be more often expected to be eaten with a fork. They also appeal to children, who could eat one in a few mouthfuls rather like a sweet.
 - The **sponge** part of a Jaffa cake is a **substantial part** of the product in terms of bulk and texture when eaten.

Taking all these factors into account, Jaffa cakes had characteristics of both cakes and biscuits, but the tribunal thought they had enough characteristics of cakes to be accepted as such, and they were therefore zero-rated.

An earlier case, that of Adams Foods Ltd (MAN/83/0062) which concerned Chocolate Dundees, a traditional type of shortcake with a chocolate base and individually wrapped for sale, came to the opposite conclusion. The decision contains a useful, if technical, table of comparative differences between cakes and biscuits, provided by an expert witness, and the tribunal was unable to see any factors supporting a view of the product as cake. It was ruled to be a biscuit partly covered in chocolate and accordingly standard-rated.”

^{xi} *Sabel BV v Puma AG* Case C-251/95.

^{xii} *Sabel BV v Puma AG* Case C-251/95.

^{xiii} *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel BV* Case C-342/97.

^{xiv} *Succession Picasso v OHIM - DaimlerChrysler (PICARO)* Case T-185/02.

^{xv} *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* Case C-39/97.

^{xvi} *Sabel BV v Puma AG* Case C-251/95.

^{xvii} *Rewe Zentral AG v OHIM (LITE)* Case T-79/00.

^{xviii} *Windsurfing Chiemsee v Huber and Attenberger* Joined Cases C-108/97 and C-109/97.