

O-253-20

TRADE MARKS ACT 1994
IN THE MATTER OF
TRADE MARK APPLICATION NO. 3352579
BY KARAK CHAI LTD
TO REGISTER



AS A TRADE MARK IN CLASSES 16, 29, 30, 32, 43

AND

OPPOSITION THERETO
UNDER NO. 415578
BY YASER SALEEM

Background and pleadings

1. On 12 November 2018, Karak Chaii Ltd (“the applicant”) applied to register the trade mark shown below under number 3352579:



2. The application was published for opposition purposes on 23 November 2018 for the following goods and services:

Class 16 Paper, cardboard, rubber and plastic materials for packaging; printed matter; book binding material; photographs, stationery and office requisites (except furniture).

Class 29 Dried and cooked fruits, nuts and vegetables; jams, compotes, eggs, milk and milk products; edible oils and fats; prepared meals; soups and potato crisps; fruit bars.

Class 30 Indian and English coffees, Indian and English teas, cocoa and hot chocolate, Indian and English Lattes, malt drinks, rice, Indian masalas; flour and preparations made from cereals, bread, pastry and confectionery, ices, honey, treacle, hot and cold English desserts; sweet desserts including ice cream; prepared meals, pizzas, pies and pasta dishes, all vegetable and meat dishes.

Class 32 Mineral and aerated waters; all other non alcoholic drinks; smoothies, and milkshakes, fruit drinks and fruit juices; syrups for making beverages; iced drinks; de-alcoholised drinks, non alcoholic beers and wines.

Class 43 Cafés; Catering services for the provision of food and drink; Coffee shops; Providing food and beverages.

3. Yaser Saleem (“the opponent”) filed a notice of opposition on 25 February 2019. The opposition, which is based upon sections 5(1) and 5(2)(b) of the Trade Marks Act 1994 (“the Act”), is directed against all of the goods and services in the application. The opponent relies upon all of the goods and services in the following UK trade mark registration:

Mark:



UK registration no. 3305688

Filing date: 23 April 2018

Registration date: 27 July 2018

Goods and Services:

Class 16 Absorbent sheets of paper or plastic for foodstuff packaging; Cardboard boxes; Cardboard cake boxes; Cardboard cartons; Cardboard containers; Cardboard gift boxes; Cardboard hangtags; Cardboard labels; Cardboard packaging; Carrier bags.

Class 29 Chicken

Class 30 Caffeine-free coffee; Cake batter; Cake mixes; Cakes; Carbonated and non-carbonated tea based beverages; Chicken sandwiches; Chocolate based drinks; Cocoa beverages; Coffee; Coffee based beverages; Coffee based drinks.

Class 32 Aerated juices; Aerated water; Alcohol free beverages; Beverages (Non-alcoholic -); Coffee-flavoured soft drinks.

Class 43 Café services; Cafés; Cafeterias; Canteens; Carry-out restaurants; Catering (Food and drink -); Catering for the provision of food and beverages; Catering of food and drink; Catering of food and drinks; Cocktail lounges; Coffee bar services; Coffee shops.

4. The opponent argues that there is a likelihood of confusion, including the likelihood of association, because the respective marks are identical or highly similar, and the goods and services are similar. The applicant filed a counterstatement denying the grounds of opposition.

5. The opponent is a litigant in person and the applicant is represented by Wilson Gunn. Both parties filed evidence which I will mention to the extent I consider appropriate. Both parties filed written submissions in lieu of a hearing. I make this decision after a careful reading of all the papers filed by the parties.

Evidence

Opponent's evidence

6. This consists of the witness statement of Yaser Saleem. Mr Saleem states that he is a businessman. The witness statement contains only one exhibit and includes several submissions. Given that the exhibit contains only print outs of the applied-for mark and the earlier mark,¹ it is unclear how this evidence assists the opponent.

Applicant's evidence

¹ Exhibit YS1.

7. This consists of the witness statement of Javed Sughir, with nine exhibits. Mr Sughir states that he is a Director of the applicant company, a position he has held since the company's formation on 2 May 2018.²

8. Exhibit JS2 is a print out of an article from the website *khaleejesque.com*. It is dated September 2011. The article is titled "*Chai Karak: The Popular Drink That's Rapidly Spreading in the Gulf*". The article states that *karak chai* roughly translates to strong tea.

9. Exhibit JS3 is a print out from the website *www.findahalalrestaurant.co.uk*. It provides a list of four restaurants in London that serve "authentic *karak chai*". It is dated 20 May 2017.

10. Exhibit JS4 is an article from the website *birminghammail.co.uk*. It is dated 22 March 2017. The article is titled "*City's first Chaiiwala late night street food café opens*". Mr Sughir highlights the following quotes from the article:

"A spokesperson for Chaiiwala said: "The popularity of Karak Chaii has spread from its Indian heartland to the Gulf States, where it is now one of the most popular daily beverages and served in diners everywhere.

We're thrilled to be bringing this unique dining experience to Birmingham.

But the chai remains supreme. The most distinctive tea on the drink menu is the Karak Chaii – "a strong tea also known as masala chai" – a blend of black tea, milk, sugar and spices boiled in a pan on a low flame.

According to the company website, Chaiiwala 'use a 90 year old secret family recipe' for their Karak Chai."

² Exhibit JS1 to the witness statement consists of extracts from Companies House website which shows the Director's details and the date of incorporation of the company.

11. Exhibit JS5 is a print out from the website *cookstyle.co.uk*. dated 10 April 2019. This is a recipe for making *karak chai* at home. Mr Sughir acknowledges that this evidence post-dates the application filing date, but he claims that it is relevant for showing the generic and descriptive use of *karak chai*.

12. Exhibit JS6 consists of a print out of an article from *Canadian-fury.com* dated 1 October 2012. The article is titled “*Tea-making pro-tip of the day: The High Altitude Pour*”. The article not only mentions the process of brewing tea, it also explains the physics behind high altitude pour. Mr Sughir claims that this article was included as evidence to set out why tea is long poured.

13. Four images of men pouring tea from a height is provided as Exhibit JS7. Three of the images are titled “*Indian man making chai tea with a long pour in Tiruchirappalli or Trichy South India*” and the fourth image is titled “*chai wallah preparing traditional India Chai (milk tea) in Madhurai, India*”. Given that the applicant’s evidence does not relate to the UK, it is unclear how this evidence assists the applicant.

14. Exhibits JS8 and JS9 are copies of design briefs for the applied-for mark and screenshots showing a conversation on WhatsApp between the designer and Mr Sughir from 11 April 2018. Mr Sughir claims that the image of the man depicted in the device element is based on him.

15. That completes my summary of the evidence to the extent that I deem necessary.

DECISION

Sections 5(1) and 5(2)(b)

16. The opposition is based upon sections 5(1) and 5(2)(b) of the Act, which 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—

(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 of the part of the public, which includes the likelihood of association with the earlier trade mark”.

17. An earlier trade mark is defined in s. 6 of the Act, the relevant parts of which state:

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

(a) a registered trade mark, international trade mark (UK) or Community trade mark or international trade mark (EC) 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,

(2) References in this Act to an earlier trade mark include a trade mark in respect of which an application for registration has been made and which, if registered, would be an earlier trade mark by virtue of subsection (1)(a) or (b), subject to its being so registered”.

18. The trade mark upon which the opponent relies qualifies as an earlier trade mark under the above provisions. As this trade mark had not completed its registration process more than five years before the application date of the opposed application, it is not subject to the proof of use provisions under section 6A of the Act. The opponent can, as a consequence, rely upon all of the goods and services it has identified.

Sections 5(1)

19. In order to get an objection under the above section off the ground, the competing trade marks must be identical. In *S.A. Société LTJ Diffusion v Sadas Vertbaudet SA*, Case C-291/00, the Court of Justice of the European Union (“CJEU”) held, that:

“54 [...] a sign is identical with the trade mark where it reproduces, without any modification or addition, all the elements constituting the trade mark or where, viewed as a whole, it contains differences so insignificant that they may go unnoticed by an average consumer”.

20. Further, I take into account the ruling in *Reed Executive plc v Reed Business Information Ltd*, Court of Appeal [2004] RPC 767, where Jacob L.J. found that ‘Reed’ was not identical to ‘Reed Business Information’ even for information services. He stated that:

“40. It was over “Reed Business Information” that battle was joined. The composite is not the same as, for example, use of the word “Reed” in the sentence: “Get business information from Reed”. In the latter case the only “trade-marky” bit would be “Reed”. In the former, the name as a whole is “Reed Business Information”. The use of capital letters is of some visual significance – it conveys to the average user that “Business Information” is part of the name. If the added words had been wholly and specifically descriptive – really adding nothing at all (eg “Palmolive Soap” compared to “Palmolive”) the position might have been different. But “Business Information” is not so descriptive – it is too general for that.”

21. The applicant’s mark contains the words “Karak” and “Chaii”, and a device of a man pouring a beverage. A rectangular box in brown forms the background for the words and the device. The opponent’s mark contains the words “KARAK KING”, “CHAI & PARATHA”, “HOT & FRESH”, and “EVERYDAY”. The mark also contains a different device of a man pouring a beverage and a roundel device. The differences between the respective devices, the word “KING” in the earlier mark and the presentational differences between the competing marks are not so insignificant that they will go

unnoticed by the average consumer. As there is no identity between the competing marks, the opposition under section 5(1) is dismissed accordingly.

Section 5(2)(b) – case law

22. The following principles are gleaned from the judgments 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 C3/03, *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.

The principles:

- (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 the 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 greater 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 to mind the earlier mark, 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 act

23. 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.

24. 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”.

25. The applicant argues:

“The consumers of the goods and services are the same and are within the same industry. Therefore, the degree of attention is likely to be the same for consumers of both sets of goods and services. This degree of attention is that of the average consumer requiring food and drink.”³

26. The respective parties’ specifications cover a broad range of goods. The average consumer of the goods at issue in Class 16 includes both the general public and business users. These goods will be selected from retail premises or their online equivalents, where visual considerations will dominate. I do not, however, rule out an aural aspect to the selection process. The goods may vary in price, the cost being dependent on factors such as their quality and purpose. The frequency of the purchase may vary but the goods are likely to be purchased with a reasonable degree of frequency. To my mind, the average consumer will pay a medium degree of attention to the selection process to ensure that the goods are suitable for their needs. The remainder of the goods at issue are foodstuffs and non-alcoholic beverages, and I consider that the average consumer of such goods is a member of the general public. The selection process will also be dominated by visual aspects. The average consumer may pay attention to factors such as ingredients or price. However, these goods are relatively inexpensive and likely to be bought frequently. Nevertheless, the average consumer will pay a medium degree of attention to the selection process to ensure, for example, the correct type or flavour of product is bought.

³ The applicant’s written submissions, para 20.

27. The services at issue cover a range of services from cafés through carry-out restaurants to catering services. The average consumer is a member of the public, except for catering services, where there may also be professional users. The service providers are most likely to be chosen after perusal of the internet, from catalogues or brochures, or after viewing signage and the premises on, for example, a high street. Visual considerations are, therefore, also likely to dominate the selection process for the services. There may be aural considerations when the choice is made further to references or recommendations. The average consumer is likely to take into account factors such as the venue, type of cuisine or customer rating when selecting the services. Although there may be some variation in the level of attention (for example, a restaurant for an important event may be chosen with more care than the venue for a weekly meal), on the whole, the member of the public selecting services is likely to pay a medium degree of attention and that professionals purchasing those services would pay a higher than medium degree of attention.

Comparison of goods and services

28. When making the comparison, all relevant factors relating to the goods and services in the specification should be taken into account. In *Canon*, the CJEU stated at paragraph 23 of its judgment:

“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”.

29. Guidance on this issue has also come from Jacob J. (as he then was) in *British Sugar Plc v James Robertson & Sons Ltd* (the Treat case), [1996] R.P.C. 281, where he identified the factors for assessing similarity as:

- (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.

30. 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 General Court (“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”.

31. In *Sanco SA v OHIM*, Case T-249/11, the GC indicated that goods and services may be regarded as ‘complementary’ and therefore similar to a degree in circumstances where the nature and purpose of the respective goods and services are very different, i.e. chicken against transport services for chickens. The purpose of examining whether there is a complementary relationship between goods/services is to assess whether the relevant public are liable to believe that responsibility for the goods/services lies with the same undertaking or with economically connected undertakings. As Mr Daniel Alexander Q.C., sitting as the Appointed Person, noted in *Sandra Amelia Mary Elliot v LRC Holdings Limited* BL O/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”.

32. In *Gérard Meric v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* case T-133/05, the GC stated:

“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).”

33. The applicant accepts that the following goods and services are identical or similar to the opponent’s specification:⁴

Class 16: Paper, cardboard, rubber and plastic materials for packaging.

Class 29: Soups.

Class 30: Indian and English coffees, Indian and English teas, cocoa and hot chocolate, Indian and English Lattes, malt drinks; prepared meals, pizzas; pies and pasta dishes, all meat dishes.

⁴ See the applicant’s written submissions para 17.

Class 32: Mineral and aerated waters; all other non-alcoholic drinks; smoothies, and milkshakes, fruit drinks and fruit juices; syrups for making beverages; iced drinks; de-alcoholised drinks, non-alcoholic beers and wines.

Class 43: Cafés; catering services for the provision of food and drink; coffee shops; providing food and beverages.

34. In carrying out my own assessment of identity or similarity between the goods and services, where appropriate, I will group together the applicant's goods and services.⁵ Where goods and services are found to be similar, I will assess the level of similarity.

Contested goods in Class 16

Paper and plastic materials for packaging

35. Paper and plastic materials for packaging in the application would include absorbent sheets of paper or plastic for foodstuff packaging in the opponent's specification. Therefore, the competing goods are to be regarded as identical on the principles outlined in *Meric*.

Cardboard materials for packaging

36. Cardboard packaging in the opponent's specification is broad enough to include cardboard materials for packaging. Therefore, the competing goods are to be regarded as identical on the principles outlined in *Meric*.

Rubber materials for packaging

37. Although the term may have been misclassified⁶, it is sufficiently clear and precise and does not relate to items which would ordinarily be found in a number of different

⁵ See *Separode Trade Mark* BL O-399-10 para 5.

⁶ The term appears to be appropriate to Class 17.

classes (such as valves).⁷ Despite the difference in nature, the applicant's goods share purpose and method of use with cardboard packaging. The users may overlap, and the goods may reach the market through the same trade channels. They may compete as the consumer may choose rubber materials such as foam rubber instead of cardboard packaging. I can also see a potential complementarity between the respective goods as cardboard and rubber packaging goods may be used together, and the average consumer may expect the same provider to produce them. Considering these factors, I find that the goods are similar to a high degree.

Printed matter

38. Printed matter covers materials such as books or newspapers. They do not share nature, method of use or purpose with the opponent's goods in class 16. They are neither in competition, nor are they complementary. Nor is there any obvious similarity between these goods and any of the other goods and services in the earlier specification. Accordingly, I find that the applicant's goods are dissimilar to the opponent's goods and services.

Book binding material; photographs, stationery

39. There appears to be no similarity between these goods with any of the opponent's goods or services as they do not share nature, method of use, trade channels or purpose. They are neither in competition, nor are they complementary.

Office requisites

40. Office requisites include cardboard boxes used to store office files or documents. Accordingly, I find that the applicant's goods are identical to cardboard boxes in the opponent's specification on the principles outlined in *Meric*.

Contested goods in Class 29

⁷ See *Pathway IP Sarl (formerly Regus No. 2 Sarl) v Easygroup Ltd (formerly Easygroup IP Licensing Limited)*, [2018] EWHC 3608 (Ch).

Soups; prepared meals; cooked fruits and vegetables

41. These terms consist of prepared dishes which could be served as part of the opponent's cafeteria or carry-out restaurant services. The goods and services differ in nature, purpose and method of use. The users are the same, though that is at a very high level of generality and is not determinative on its own. However, not only are the above goods important for the opponent's services but these goods may also be perceived by the average consumer as coming from the same undertaking as the services. The goods are complementary. Channels of trade may overlap. The goods and services may be in competition, as the applicant's goods could be purchased instead of the opponent's services being used. There is a medium degree of similarity.

Milk and milk products

42. These goods may be served as part of the opponent's café services: for example, "milk" includes flavoured milk. The goods and services differ in nature, purpose and method of use, as is usually the case with goods on the one hand and services on the other. The users are the same. Not only are the above goods important for the opponent's services, but they may also be perceived by the average consumer as coming from the same undertaking. The goods are complementary. Channels of trade may overlap, and the goods and services may be in competition. There is a medium degree of similarity.

Fruit bars

43. There is an intrinsic difference between the nature and method of use of the applicant's goods and the opponent's café services. As these goods may be consumed as snacks, the goods and services may compete. The average consumer may either use the opponent's café services to obtain the applicant's goods or buy them from a shop. I can also see potential complementarity between the goods and services. The applicant's goods may be considered important for a café service, and the average consumer who encounters those goods at a café may expect the same service provider to produce them. Considering all these factors, I conclude that the opponent's services are similar to a medium degree to the applicant's goods.

Potato crisps

44. These goods may be served as a snack. The users may overlap. They may be in competition. However, I do not consider that the goods are complementary to the opponent's services as it is not the normal expectation of the average consumer that a provider of such services would also sell own-branded goods of the type mentioned above. Accordingly, I find that the goods and services are similar to a low degree.

Jams, compotes

45. These goods have an affinity with the opponent's café services as they may be served as accompaniments to the foodstuffs provided and there may be some overlap in channels of trade. However, they are not in competition with the opponent's services, and I do not consider that there is complementarity in a sense defined in the case law. They are similar to a low degree.

Dried and cooked nuts; dried fruits and vegetables; edible oils and fats; eggs

46. The purpose, nature and method of use are all different from the services in the opponent's specification. The goods are individual ingredients which will be used in the preparation of a dish. The goods are not in competition with the opponent's services, nor is there any real complementarity, as it would be unusual for the responsibility for such goods to lie with the providers of such services. The average consumer is, therefore, unlikely to assume that there is a connection between the respective undertakings. There is also no obvious similarity between these goods and any of the goods in the earlier specification. Accordingly, I find that the applicant's goods are dissimilar to the opponent's goods and services.

Contested goods in Class 30

Indian and English coffees, and Indian and English Lattes

47. The above goods are included in the term coffee in the opponent's specification. The competing goods are therefore identical on the *Meric* principle.

Indian and English teas

48. Even though nature of these goods is slightly different from non-carbonated tea-based beverages in the opponent's specification, they share purpose and method of use. The users may overlap and may reach the market through the same trade channels. They may be in competition. Accordingly, I find that the competing goods are highly similar.

Cocoa and hot chocolate

49. These terms are included in cocoa beverages and chocolate-based drinks in the opponent's specification. The competing goods are identical on the *Merit* principle.

Malt drink

50. These goods share purpose and method of use with cocoa beverages in the opponent's specification. The users may overlap. They may be sold through the same distribution channels. There will be a competitive relationship but no complementarity. These goods are highly similar.

Prepared meals, pizzas, pies and pasta dishes, all vegetable and meat dishes

51. The goods inherently differ in their nature, intended purpose and method of use from carry-out restaurant services in the opponent's specification. The goods and services may compete because the average consumer may go to a carry-out restaurant to buy foodstuffs listed in the applicant's specification or may buy them from a shop. I consider that the applicant's goods are complementary to the extent that the applicant's goods may be considered indispensable for carry-out restaurants such that the average consumer would expect them to originate from the same source. Considering these factors, I find that the competing goods and services are similar to a medium degree.

Rice, Indian Masalas

52. The terms are wide enough to include prepared rice dishes or dishes flavoured with masala.⁸ Therefore, I consider that the same reasoning as above applies to these goods. The applicant's goods are similar to the opponent's services to a medium degree.

Preparations made from cereals, bread, pastry and confectionery, ices, hot and cold English desserts; sweet desserts including ice cream

53. These goods all differ from the opponent's café or cafeteria/carry-out restaurant services in nature, intended purpose and method of use. However, all of these terms include goods which would be bought as alternatives to using the opponent's services. There may be a complementary relationship between the respective goods and services. Overall, they are similar to a medium degree.

Flour

54. Cake mixes in the opponent's specification are all-inclusive dry powders that contain flour as one of the ingredients. The competing goods share nature and purpose. Their method of use, however, may differ. Unlike flour used in baking, cake mixes may only require the addition of water. The users may overlap, and the goods may reach the market through the same trade channels. They may be in competition. However, there is no complementarity in the sense defined in the case law. Considering these factors, I find that the competing goods are highly similar.

Honey, treacle

55. These are added to food and drinks to sweeten them. I cannot see that there is any meaningful similarity between these goods and the goods or services of the opponent's specification. They differ in nature, purpose and method of use, nor is there any competition between the respective goods and services. They are not complementary in the sense defined in the case law. They are not similar.

⁸ <https://www.lexico.com/definition/masala> [Accessed 9 April 2020].

Contested goods in Class 32

Aerated water

56. The term is identical to aerated water in the opponent's specification.

Mineral water

57. Aerated water in the opponent's specification is broad enough to include aerated mineral water, or vice versa, and therefore the competing goods are identical on the *Meric* principle.

Smoothies, and milkshakes, fruit drinks and fruit juices; iced drinks; all other non alcoholic drinks; De-alcoholised drinks, non alcoholic beers and wines

58. These goods are included in the term alcohol-free beverages in the opponent's specification. Accordingly, I find that the competing goods are identical on the principle outlined in *Meric*.

Syrups for making beverages

59. These goods strike me as ingredients which would be mixed with other products to make a drink. These goods may not be in direct competition with the opponent's alcohol-free beverages. However, these goods may be considered important to prepare alcohol-free beverages such as flavoured drinks and the average consumer may expect the goods to originate from the same undertaking. Considering these factors, I find that the applicant's goods are similar to the opponent's good to a low degree.

Contested services in Class 43

Café, Catering services for the provision of food and drink, Coffee shops

60. The applicant's services have counterparts in the opponent's specification, therefore, they are identical.

Providing food and beverages

61. Services for providing food and beverages is a wide term which encompasses all of the services listed in the opponent's specification in Class 43. Accordingly, I find that the services are identical under the *Meric* principle.

Distinctiveness of the earlier mark

62. The distinctive character of the earlier mark must be considered. The more distinctive it is, either inherently or through use, the greater the likelihood of confusion (*Sabel BV v Puma AG*). 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).”

63. Invented words usually have the highest degree of distinctive character, while words which are allusive of the goods/services have the lowest. Distinctiveness can also be enhanced through use of the mark. The opponent has not filed any evidence of use of the mark. Therefore, I have only the inherent position to consider.

64. The mark contains the word “KARAK”. I bear in mind that there is some evidence that *karak* chai originated in India/Pakistan.⁹ With regard to the word *karak*, the applicant states:

“The understanding and perception of *karak chai* is as the name for a type of tea and as such it is generic and descriptive and does not carry any trade mark significance. With regard to goods and services in relation to tea, *karak* on its own is also generic and descriptive and does not carry any trade mark significance.”¹⁰

65. I note the opponent’s submission that “karak chai or tea is a specific type of tea and the name suggests a specific product served by us and not a general tea.”¹¹ However, it is unclear that this is a concession by the unrepresented opponent that the average consumer in the UK will know that “karak chai” has this meaning.

66. In this respect, I turn to the decision of Ms Amanda Michaels in *Topy Trademarks Limited v Cofra Holding AG*, BL O/092/11:

“25. Secondly, the evidence goes to the question of how Topy’s sign might be pronounced by Germans, Poles, etc resident in the UK and whether Yessica would be recognised as a name. However, again, it does not seem to me that this would have been a relevant point for the Hearing Officer to consider. What the Hearing Officer had to consider was how the mark would be perceived by the average UK consumer. Whilst of course there are many persons whose mother tongue is not English who live and work in the UK, such persons are not

⁹ Exhibit JS2

¹⁰ Applicant’s witness statement para 9.

¹¹ See notice of opposition and statement of grounds.

the average UK consumer for the purposes of considering the pronunciation or meaning of a word.”

67. Whilst I accept that some UK consumers may recognise *karak* chai as a type of tea, I do not consider that that the applicant’s evidence¹² shows that the word will be understood in this way by the average UK consumer. Accordingly, neither from the evidence provided, nor from the opponent’s statement, I am in a position to assume that the meaning of the word *karak* will be known to the average UK consumer. In my view, the average consumer will perceive it as a made-up word or a foreign word with whose meaning or significance he/she is unfamiliar. Accordingly, I find that the word “KARAK” possesses a high degree of distinctive character.

68. Regarding the device of a man pouring beverage from one container to another from a height, the applicant states:

“The Device Element has no trade mark significance insofar as it depicts the long pouring of tea, being a well-known method of tea pouring used to provide certain qualities to the finished beverage. On this basis, this aspect of the Device Element is generic and descriptive of goods and services in relation to tea (or any hot beverage)”.¹³

69. Whilst it may be true that the long pouring of beverage is a known method of pouring beverage overseas,¹⁴ there is nothing in the applicant’s evidence to indicate that this method is well-known in the UK. Whilst I am not in a position to find that the device lacks trade mark significance, given that the opponent’s mark also contains the word *chai*, in my view, it is plausible that the average consumer may make an association between the beverage in the device and tea. I consider that the device possesses limited distinctive character for goods and services related to beverages.

70. The word “KING” in the mark appears to have a laudatory connotation suggesting to the average consumer that the opponent’s goods and services are the best of their

¹² Exhibit JS3 and Exhibits JS4

¹³ Witness Statement para 13.

¹⁴ Exhibit JS7

kind. "CHAI & PARATHA" possesses little or no distinctiveness for goods and services related to food and beverages, and the words "HOT & FRESH" and "EVERYDAY", given their descriptive nature, are unlikely to be given any trade mark significance for goods and services related to food/beverages.

71. It follows from my findings that the word "KARAK" is highly distinctive. The presence of other elements in the mark with less or no distinctive character would not weaken the distinctiveness of the word "KARAK". Accordingly, I find that the opponent's trade mark as a whole possesses a high degree of inherent distinctive character. My conclusion applies equally to goods and services related to food and beverages as well as to the remainder of the goods in the opponent's specification.

Comparison of marks

72. It is clear from *Sabel BV v Puma AG* (particularly paragraph 23) that the average consumer normally perceives a trade 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 the marks, 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."

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

74. The trade marks to be compared are as follows:

Opponent's trade mark	Applicants' trade mark
	

75. The opponent's trade mark contains a number of components, (i) a circular device presented in black upon which appears a device of a man pouring a beverage from one container to the other from a height, (ii) a circular device presented in gold upon which appear (a) the words "KARAK KING" presented in bold capital letters at the top, (b) the words "CHAI & PARATHA" presented in smaller bold capital letters at the bottom and (c) the words "HOT & FRESH" and "EVERYDAY" presented in small capital letters in white on either side.

76. I have already concluded that the word "KARAK" possesses a high degree of distinctive character. Given its size and position, I consider that the words "KARAK KING", which are likely to be read together, and the device of a man dominates the overall impression of the mark. A much weaker role is played by the words "CHAI & PARATHA", "HOT & FRESH" and "EVERYDAY". The coloured circular devices act primarily as backgrounds and therefore, will make only a limited contribution to the overall impression conveyed.

77. The applicant's mark consists of the words "Karak" and "Chaii" presented in an unremarkable font in black, with the dots above the letter "i" in brown. A device of a man pouring a beverage from a height is placed between the two words. A rectangular box in brown serves as the background for the words and device. Despite the misspelling, the word "Chaii" in the applicant's mark would be understood as "chai" and therefore descriptive or non-distinctive of goods and services related to beverages. The combination "Karak Chaii" is, however, likely to be read as a phrase,

with “Karak” qualifying “Chaii”. Given their size and presentation, I find that the words “Karak” and “Chaii”, and the device of a man make roughly an equal contribution to the overall impression of the mark.

78. Visually both marks contain the word “Karak” and a device of a man pouring a beverage. The applicant states that the device element is unique insofar as the representation of the character pouring the tea is concerned.¹⁵ In my view, whilst there are presentational differences in the appearance of the characters, there are also similarities given that their hand gestures are identical. Both marks also contain the word “Chai/Chaii”, though the word “Chaii” in the applicant’s mark ends in double letters. However, the opponent’s mark also contains additional wording. The background elements used in the opponent’s mark differ entirely from the applicant’s mark, as do the colours used. Bearing in mind my assessment of the overall impression of the mark and weighing up the similarities and differences, I find that the marks are visually similar to a low degree.

79. In an aural comparison, it is well-established that when a trade mark consists of a combination of words and figurative components, the trade mark is most likely to be referred to by the words. The applicant states:

“Aurally, the signs are dissimilar. The Later Mark only has the words KARAK CHAI, whereas the Earlier Mark has the name KARAK KING, followed by CHAI & PARATHA, with the additional wording HOT & FRESH and EVERYDAY. The inclusion of the word KING in between CHAI & PARATHA does not detract from the clear descriptive meaning of KARAK CHAI but makes a clear difference to the aural perception of the Earlier Mark.”¹⁶

80. Bearing in mind my assessment of the overall impression of the mark, the word elements that are likely to be vocalised in the opponent’s mark are “KARAK KING”; the limited (at best) distinctiveness of the other words in the earlier mark makes it unlikely that they will be articulated. The word “KING” in the opponent’s mark will be

¹⁵ See witness statement para 14, and Exhibits JS8 and JS9.

¹⁶ The applicant’s written submissions, para 29.

pronounced entirely conventionally. Despite the misspelling, the word “Chaii” in the applicant’s mark will be pronounced “Chai”. The marks, therefore, coincide in the pronunciation of the word “KARAK”. In terms of differences, the word “KING” in the opponent’s mark does not have a counterpart in the applicant’s mark. Weighing the similarities and differences, I find that the marks are aurally similar to a medium degree.

81. Even though the marks coincide in the word “KARAK”, the word has no meaning for the average consumer and, therefore, it will be seen only as an invented word with no concept. The opponent’s mark also contains the concept of “KING” which has a laudatory connotation and a concept of “PARATHA” or bread. Both concepts do not have counterparts in the applicant’s mark. However, the device of a man pouring a beverage in the respective marks creates identical conceptual imagery in the mind of the average consumer. An identical concept of “CHAI” is also present in the respective marks. Therefore, compared as wholes, I find that there is a degree of conceptual similarity.

Likelihood of confusion

82. In *Waterford Wedgwood plc v OHIM – C-398/07 P* (CJEU), it was held that some similarity of goods is essential to establish a likelihood of confusion.

83. Having concluded that there is no degree of similarity between the opponent’s goods and the following goods in the application:

Class 16: Printed matter; book binding material; photographs, stationery

Class 29: Dried and cooked nuts; dried fruits and vegetables; edible oils and fats; eggs

Class 30: Honey, treacle

there can be no likelihood of confusion. The opposition against these goods fails.

84. I must now consider the matter in relation to those goods and services in the application where I have found identity or similarity with the opponent's goods and services.

85. In determining whether there is a likelihood of confusion, I need to bear in mind several factors. The first is the interdependency principle, i.e. a lesser degree of similarity between the respective goods and services may be offset by a greater degree of similarity between the trade marks (Canon at [17]). It is also necessary for me to bear in mind the distinctive character of the opponent's trade marks, as the more distinctive those trade marks are, the greater the likelihood of confusion (Sabel at [24]). 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, relying instead upon the imperfect picture of them he has retained in his mind (Lloyd Schuhfabrik at [26]).

86. Confusion can be direct (which occurs when the average consumer mistakes one mark for the other) or indirect (where the average consumer realises the marks are not the same but puts the similarity that exists between the marks and the goods/services down to the responsible undertaking being the same or related).

87. The difference between direct and indirect confusion was explained in *L.A. Sugar Limited v By Back Beat Inc*, Case BL O/375/10, by Iain Purvis Q.C., sitting as the Appointed Person, where he 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”.

88. In *Duebros Limited v Heirler Cenovis GmbH*, BL O/547/17, James Mellor Q.C., sitting 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 another mark to mind. This is mere association not indirect confusion.

89. In my view, the non-coinciding components of the competing marks are sufficiently prominent to avoid direct confusion. That leaves only indirect confusion to be considered.

90. In *Kurt Geiger v A-List Corporate Limited*, BL O-075-13, Mr Iain Purvis Q.C. as the Appointed Person pointed out that the level of ‘distinctive character’ is only likely to increase the likelihood of confusion to the extent that it resides in the element(s) of the marks that are identical or similar. He said:

“38. The Hearing Officer cited *Sabel v Puma* at paragraph 50 of her decision for the proposition that ‘the more distinctive it is, either by inherent nature or by use, the greater the likelihood of confusion’. This is indeed what was said in *Sabel*. However, it is a far from complete statement which can lead to error if applied simplistically.

39. It is always important to bear in mind what it is about the earlier mark which gives it distinctive character. In particular, if distinctiveness is provided by an aspect of the mark which has no counterpart in the mark alleged to be confusingly similar, then the distinctiveness will not increase the likelihood of confusion at all. If anything it will reduce it.”

91. In other words, simply considering the level of distinctive character possessed by the earlier mark is not enough. It is important to ask, ‘in what does the distinctive character of the earlier mark lie?’ Only after that has been done can a proper assessment of the likelihood of confusion be carried out.

92. I have found the respective marks to be visually similar to a low degree and aurally similar to a medium degree. I also found that there is a degree of conceptual similarity between the marks. The goods will be selected primarily by visual means, with a medium degree of attention by both the general public and the professional users. The services will be selected with a medium degree of attention by the general public and an above medium degree of attention by the professional users. The goods and services are either identical or have varying degrees of similarity. I also concluded that the shared component “KARAK” is highly distinctive and the earlier mark as a whole also possesses a high level of distinctive character.

93. With those conclusions in mind, I find that the visual and aural similarities between the marks arising from the common invented word is enough to cause indirect confusion. Notwithstanding the low degree of visual similarity and the aural differences between the competing trade marks, the high degree of distinctive character of the shared component and the important role this shared component plays in the overall impression the trade marks convey will, in my view, lead the average consumer in both groups to think that the marks are variant marks used by the same undertaking or economically linked undertakings to provide either identical or similar goods and services. Confusion is still likely even where the goods are similar only to a low degree. When factoring in the high degree of distinctive character of the earlier mark, the distance between the goods is not sufficient to avoid the consumer thinking that the respective marks are being used by the same or a connected undertaking. There is a likelihood of confusion.

Conclusion

94. The application will be refused in relation to:

Class 16 Paper, cardboard, rubber and plastic materials for packaging; office requisites (except furniture).

Class 29 Cooked fruits and vegetables; jams, compotes, milk and milk products; prepared meals; soups and potato crisps; fruit bars.

Class 30 Indian and English coffees, Indian and English teas, cocoa and hot chocolate, Indian and English Lattes, malt drinks, rice, Indian Masala; flour and preparations made from cereals, bread, pastry and confectionery, ices, hot and cold English desserts; sweet desserts including ice cream; prepared meals, pizzas, pies and pasta dishes, all vegetable and meat dishes.

Class 32 Mineral and aerated waters; all other non alcoholic drinks; smoothies, and milkshakes, fruit drinks and fruit juices; syrups for making beverages; iced drinks; de-alcoholised drinks, non alcoholic beers and wines.

Class 43 Cafés; catering services for the provision of food and drink; Coffee shops; Providing food and beverages.

95. The application will proceed to registration for the following goods:

Class 16: Printed matter; book binding material; photographs, stationery.

Class 29: Dried and cooked nuts; dried fruits and vegetables; edible oils and fats; eggs.

Class 30: Honey, treacle.

Costs

96. As both parties have achieved a measure of success, I order that they bear their own costs.

Dated this 23rd April 2020

Karol Thomas

For the Registrar

The Comptroller-General