

O-355-10

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO 2497461
BY & GUSTO LIMITED
TO REGISTER THE TRADE MARK**

gusto!
TRATTORIA

IN CLASS 43

AND

**THE OPPOSITION THERETO
UNDER NO 98718
BY
CAFFE GUSTO LIMITED**

Trade Marks Act 1994

**In the matter of application 2497461
by & Gusto Limited
to register the trade mark:**



**in class 43
and the opposition thereto
under no 98718
by Caffe Gusto Limited**

1. On 12 September 2008, & Gusto Limited applied to register the above trade mark in class 43 of the Nice Classification system¹. Following publication of the application in the *Trade Marks Journal* on 14 November 2008, Caffe Gusto Limited filed notice of opposition against the application which is for *restaurant services*.

2. The sole ground of opposition is brought under section 5(2)(b) of the Trade Marks Act 1994 (the Act), which 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.”

3. To support this ground, the opponent relies upon the class 43 services of its earlier registered trade mark:

2354210 (UK)

Caffe Gusto

¹ International Classification of Goods and Services for the Purposes of the Registration of Marks under the Nice Agreement (15 June 1957, as revised and amended).

Services for providing food and drink including restaurant, bar, catering and café services.

This earlier mark completed its registration procedure on 15 June 2007, less than five years before the publication date of the application. There is therefore no requirement for the opponent to prove use of its mark².

4. The applicant filed a counterstatement denying a likelihood of confusion but giving no reasons. Both sides filed a mixture of written submissions and evidence. Neither side requested a hearing, both being content for a decision to be made from the papers on file. Neither side filed submissions in lieu of a hearing.

Evidence

Opponent's evidence

5. This consists of witness statements, dated 19 November 2009 and 5 May 2010, and exhibits from Michael Berger, a director of the opponent. Exhibit D1 is a print from the opponent's website which shows that the opponent's business has twelve restaurant/café outlets in Bristol, two in Birmingham and a franchise in Staines. Mr Berger states that the opponent's mark was filed in 2004, registered in 2007 and "has been used continuously since then in conjunction with the specified services." There is no indication from the webpage as to how many of these outlets were trading at the relevant date (12 September 2008). Mr Berger gives advertising figures for the period 1 January 2009 to May 2010. These, though, are well after the relevant date and shed no light on the position as of 12 September 2008. He states that each food outlet sells various CAFFE GUSTO-branded products, such as water bottles, ground coffee, flapjacks etc for consumption off the premises.

6. Mr Berger states that in 2009 the opponent won the 'Coffee Bar Sandwich Retailer of the Year' award by the British Sandwich Industry Association (this could relate to the previous year's trading, but it is not clear). Exhibit D3 (undated) shows a promotional offer and lists the food and drink provided by the opponent: paninis, full English breakfasts, yoghurts, milkshakes, smoothies, juices, coffee, omelettes and jacket potatoes. Exhibit D5 is an edition dated April 2009 of a trade publication called "International Sandwich & Snack news". It contains an article about the opponent which states that it has opened twelve units in the previous seven years. The article shows that the opponent operates as a sandwich/coffee outlet. A similar piece appears in exhibit D6, an edition dated October 2009 of a trade publication called "FMCG The Magazine for the Food and Drink Industry".

² See section 6A of the Act (added by virtue of the Trade Marks (Proof of Use, etc.) Regulations) 2004 (SI 2004/946) which came into force on 5th May 2004.

Applicant's evidence

7. The applicant has filed a witness statement from Matthew Gardiner, its trade mark attorney in these proceedings. Most of this witness statement consists of submission rather than fact, so I will not record it here but bear the submissions in mind in making my decision. Mr Gardiner has exhibited a number of prints from the UK trade marks register to support his submission that GUSTO is used widely within the UK in relation to the provision of food and drink.

Decision

8. The leading authorities which guide me in this ground are from the Court of Justice of the European Union: *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77, *Marca Mode CV v Adidas AG & Adidas Benelux BV* [2000] E.T.M.R. 723, *Medion AG v Thomson Multimedia Sales Germany & Austria GmbH* C-120/04 and *Shaker di L. Laudato & C. Sas v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* C-334/05 P (LIMONCELLO). It is clear from these cases that:

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

(b) the matter must be judged through the eyes of the average consumer for the goods/services in question; *Sabel BV v Puma AG*, who is deemed to be reasonably well informed and reasonably circumspect and observant - but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind; *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel B.V.*,

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

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

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

(f) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either per se or because of the use that has been made of it; *Sabel BV v Puma AG*,

(g) in determining whether similarity between the goods or services covered by two trade marks is sufficient to give rise to the likelihood of confusion, the distinctive character and reputation of the earlier mark must be taken into account; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*,

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

(i) further, 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; *Marca Mode CV v Adidas AG and Adidas Benelux BV*,

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

k) 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; the comparison must be made by examining each of the marks in question as a whole, which does not mean that the overall impression conveyed to the relevant public by a composite trade mark may not, in certain circumstances, be dominated by one or more of its components; *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*

l) it is only when all other components of a complex mark are negligible that it is permissible to make the comparison on the basis of the dominant element; *Shaker di L. Laudato & C. Sas v OHIM*.

Comparison of services

9. Mr Gardiner states in his witness statement:

“Firstly, it should be stated at this early stage that there is no question that the services covered by the opposed application and services covered by the Opponents earlier mark are identical and similar.”

Since the earlier mark includes *restaurant services* which form the entirety of the application identical services are clearly in play.

Average consumer and the purchasing process

10. The average consumer for food and drink services is the general public. Depending on the nature of the food and drink establishment, the type of food sold and the prices charged, the attention of the consumer will vary. For example, a quick dash into a sandwich bar for a takeout sandwich and a drink

will not cause the same level of attention to be paid as choosing to dine at a Michelin-starred restaurant. Those are the two extremes of a wide variety of types of food and drink provision. In the main, the purchaser will pay a reasonable amount but not the highest amount of attention, although brand loyalty and dietary requirements may be components in the purchasing process which will increase the level of attention. The purchasing process will be primarily visual, but oral use of the mark will also play a part.

Comparison of trade marks

11. The authorities direct that, in making a comparison between the marks, I must have regard to each mark's visual, aural and conceptual characteristics. I have to decide which, if any, of their components I consider to be distinctive and dominant, without engaging in an artificial dissection of the marks, because the average consumer normally perceives a mark as a whole and does not analyse its details.

12. The marks to be compared are:

Opponent's mark	Applicant's mark
Caffe Gusto	

Both marks contain the word 'gusto'. In the applicant's mark it is by far the dominant element on account of it being much bolder and larger than 'trattoria'. I also consider it to be the dominant and distinctive element in the opponent's mark, even though it is the second of the two words in that mark. This is because the first word, Caffe, will be seen as 'café' or a variant spelling of café in connection with the services provided.

13. The point of similarity from a visual and aural point of view is the word 'gusto', spelt the same way. The addition of the exclamation mark makes little difference visually. The size of gusto in the application overwhelms the 'trattoria' element. As it occupies the position of second word in the earlier mark, it means that there is a certain distance visually; although beginnings of marks are important, if it is a descriptive element, the importance may be reduced³. There is a good deal of visual similarity between the marks.

14. The words 'caffè' and 'trattoria' are not present in both marks, and gusto will be spoken secondly in the opponent's mark and firstly in the applicant's mark.

³ *Castellani SpA v Office for Harmonization in the Internal Market (OHIM)*, T-149/06 and *Spa Monopole, compagnie fermière de Spa SA/NV v OHIM*, Case T-438/07.

This means that, aurally, there is also a certain distance between the marks. The gusto element will be pronounced the same way. Although the marks are not highly similar aurally, on account of the additional words *caffè* and *trattoria*, there is a good deal of aural similarity.

15. The applicant has submitted that the differences in typefaces, colours and stylisation all contribute to distancing the marks; the opponent says that its registration is for a word mark and, consequently, style and colour are not relevant. The General Court (GC) has recently said in *adp Gauselmann GmbH v OHIM*, Case T-106/09, when comparing a stylised application with an earlier word-only mark, that there was no requirement to take into account the stylisation since the earlier mark could be used in difference scripts, even to the point of a form which is comparable to the application. The average consumer will be unlikely to register anything in particular as regards the script or font of the applicant's 'gusto'. Although I take into account the arrangement of the elements of the applicant's mark, it is still a word mark. As to colour, I note that the application is unlimited as to colour: the applicant has not claimed that colour is a feature of the mark. Likewise, the opponent has made no claim that colour is a feature of its earlier mark. Therefore, colour is not relevant in the comparison between the marks (see *Mary Quant Cosmetics Japan Ltd v. Able C&C Co Ltd*, O-246-08, Mr Geoffrey Hobbs QC, sitting as the appointed person, and the recent judgment of Mr Justice Mann in *Specsavers International Healthcare Limited & Others v Asda Stores Limited* [2010] EWHC 2035 (Ch)).

16. My conclusion is that there is a good deal of visual and aural similarity. Turning to a conceptual comparison, the word 'caffè' is likely to be seen as 'café', evocative of café, or a variant spelling of café in connection with the services by the average consumer in the UK. The mark therefore signifies a café called 'Gusto'. The opponent submits that the term 'trattoria' is an example of an eating establishment. The applicant submits that trattoria is unlikely to be understood by the average UK consumer. The 2000 edition of Collins English Dictionary gives a definition as "an Italian restaurant"⁴. If the average consumer is aware of this meaning, the applicant's mark signifies a trattoria called 'Gusto'. If, however, the average consumer is not aware of the meaning of trattoria, i.e. it has no meaning, the primary concept of the applicant's mark is still 'Gusto' as it is the dominant and distinctive element.

Collins gives the following definition for 'gusto':

"Vigorous enjoyment, zest, or relish, especially in the performance of an action: *the aria was sung with great gusto.*"

The applicant also states that the dictionary definition of 'gusto' is 'vigorous enjoyment' but adds that it is also the Spanish for 'taste'. I am unconvinced the

⁴ The Tribunal may consult a standard English dictionary for the meaning and use of words, as per *FOREX BL O/100/09*, Mr Geoffrey Hobbs Q.C., sitting as the Appointed Person.

average consumer in the UK would know of the Spanish definition. There is a high degree of conceptual similarity, even if *trattoria* has no meaning, between the marks, which is 'vigorous enjoyment'.

Distinctive character of the earlier mark

17. A factor in the global comparison is a consideration of the distinctive character of the opponent's trade mark because the more distinctive the earlier trade mark (either by nature or nurture) the greater the likelihood of confusion⁵. The opponent's evidence falls a long way short of establishing use which would entitle it to an enhanced level of distinctive character so I have only its inherent distinctiveness to consider. The applicant has filed 'state of the register evidence' to demonstrate that 'gusto' is so commonly used in trade marks in respect of the provision of food and drink that, in combination with 'caffè', it has a lesser degree of distinctive character. The applicant also submits that the prevalence of 'gusto' on the register in respect to food and drink can be explained by the dictionary definition of *gusto*, which is vigorous enjoyment: "he downed a pint with gusto". The opponent submits that 'gusto' is a noun and that 'café vigorous enjoyment' is nonsensical. *Gusto* is a fairly common English word, although perhaps not one used everyday. There is something in what the opponent says regarding how it fits with 'caffè', but I do not go as far as to say it would be nonsensical. I consider the mark will be evocative of *gusto* without being as lacking in distinctive character as the applicant suggests, with its primary signification being a café called *gusto*. It therefore has a reasonable level of distinctiveness.

Likelihood of confusion

18. According to the interdependency principle (as per *Canon*), a lesser degree of similarity between trade marks may be offset by a greater degree of similarity between goods and services, and vice versa. The position here is one of identical services and a good deal of visual and aural similarity which, overall, is strengthened by a highly similar concept. The applicant's state of the register evidence tells me nothing about whether confusion is present or absent in the actual market place⁶. Factoring in the potential for imperfect recollection, there is a likelihood of direct confusion. If I am wrong about that and that the average consumer was able to recall the differences between the marks, then I must have regard to a scenario where the global comparison reveals characteristics which would give rise to indirect confusion. In other words, I consider that the similarities between the marks are such that the average consumer would still assume that there was an economic connection between the undertakings responsible for the marks: a chain of outlets providing food and drink of varying kinds, all branded 'Gusto'.

⁵ *Sabel BV v Puma AG* [1998] RPC 199.

⁶ See Tribunal Practice Notice 4/2009.

19. The opposition succeeds.

Costs

20. The opponent has been successful and is entitled to a contribution towards its costs. I award these on the following basis:

Preparing a statement and considering the other side's statement:	£200
Official fee:	£200
Evidence and submissions and considering the other side's evidence and submissions:	£600
Total:	£1000

21. I order & Gusto Limited to pay Caffe Gusto Limited the sum of £1000. 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 18 day of October 2010

**Judi Pike
For the Registrar,
the Comptroller-General**