

**BEFORE:  
MR SIMON THORLEY QC**

**IN THE MATTER OF THE TRADE MARKS ACT 1994**

**AND**

**IN THE MATTER OF TRADE MARK APPLICATION NO 20264366  
BY MR GANANATH WIMALAL EDIRIWIRA  
FOR THE REGISTRATION OF A TRADE MARK IN CLASS 42**

**AND**

**IN THE MATTER OF OPPOSITION THERETO UNDER  
OPPOSITION NO 44755 BY THE BAYWATCH PRODUCTION COMPANY**

**MR G EDIRIWIRA the Applicant appeared in person**

**MR R C ARNOLD QC (instructed by S J Berwin & Co)  
appeared as counsel on behalf of the Opponent**

**D E C I S I O N**

MR THORLEY: This is an appeal to the appointed person against a decision of Mr Allan James, acting on behalf of the Registrar, dated 12 November 1999.

The decision arose in opposition proceedings brought by the Baywatch Production Company of Los Angeles, California against the registration in class 42 of trade mark No 2026436  
5 consisting of the following capital letters BAYWATCH with the letters “B” and “W” being of a larger size than the other capital letters. It is set out in the decision of Mr James in precisely the form in which it was sought to be registered, and I shall attach to this decision a copy of the advertisement of the trade mark. I shall refer to it as the BAYWATCH mark. It was sought to be registered in Class 42 in respect of restaurant services.

10 A number of grounds of opposition were raised and, subsequent to the hearing which included the cross-examination of the applicant, Mr Ediriwira, Mr James found in favour of the opponents on two grounds, the first under Section 5(2) having regard to the earlier registration of a trade mark by the opponents in Class 30 with effect from 25 January 1995.  
15 That trade mark was in respect of the single word BAYWATCH, all in capitals of the same size. It was registered in respect of a large variety of snack foods and ice cream products including, in particular, pizzas.

20 The second ground on which Mr James found in favour of the opponents was on the basis of an opposition under Section 32(3) and Section 3(6), that there was no bona fide intention to use the mark in relation to restaurant services, so that the application was made in bad faith.

25 Subsequent to the decision the applicant wrote to the Registrar, inviting the Registrar to modify his application so that the application was in the form of two separate words all in the lower case, bay watch. The applicant was informed that the Registrar had no power to do this subsequent to the decision of Mr James, and he renewed the application before me today. Having heard both parties, I indicated that I was not prepared to allow that amendment and that I would give my reasoning in this decision.

30 My reasoning is simple. The power granted to the Registry to allow amendments to a trade

mark subsequent to application are contained in Section 39(2) which states: “In other respects, an application may be amended, at the request of the applicant, only by correcting - (a) the name or address of the applicant, (b) errors of wording or of copying, or (c) obvious mistakes, and then only where the correction does not substantially affect the identity of the trade mark or extend the goods or services covered by the application.” The power granted to the Registry is thus a discretionary power, once the Registry is satisfied that there is an obvious mistake and that the correction does not substantially affect the identity.

Mr Arnold submitted, and I agree, that I have the same powers on appeal as the Registrar would have in the course of opposition proceedings. None the less, I do not have power to go out with the wording of the statute, and I am not satisfied that the mark as applied for contained an obvious mistake. It is plain from the way in which the mark is written that there was a deliberate intention to have the letters “B” and “W” in larger type than the other capital letters. It was not therefore an obvious mistake and there is therefore no scope for me to allow the amendment that is sought.

I return then to consider the ground of objection under Section 5(2). Mr James dealt with this in paragraphs 33 to 42 of his decision as follows:

“33. I will first deal with the ground with the ground of opposition under Section 5(2). Before me, the opponent relied upon its registration of BAYWATCH under No 2009012 which includes Class 30. The mark was placed on the register on 23 February 1996, but by virtue of Section 40(3) of the Act it is registered as of 27 January 1995. The full specification in Class 30 is shown in paragraph 2 above.

34. This registration predates the application under opposition and it therefore constitutes an ‘earlier trade mark’ by virtue of Section 6(1)(a) of the Act.

35. Section 5(2)(b) is as follows:

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

a) it is identical to an earlier trade mark and is to be registered for goods or services similar to those for which the earlier trade mark is protected, or

b) it is similar to an earlier 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.

36. The proper approach to the matter has been set out by the European Court of Justice in a number of recent cases, include **CANON v MGM** [1999] ETMR 1). The following passage from that case is relevant:

‘17. A global assessment of the likelihood of confusion implies some interdependence between the relevant factors, and in particular a similarity between the trade marks and between the goods or services. Accordingly, a lesser degree of similarity between these goods or services may be offset by a greater degree of similarity between the marks, and vice versa. The interdependence of these facts is expressly mentioned in the tenth recital of the preamble to the Directive, which states that it is indispensable to given an interpretation of the concept of the likelihood of confusion, the appreciation of which depends, in particular, on the recognition of the trade mark on the market and the degree of similarity between the mark and the sign and between the goods or services identified.

18. Furthermore, according to the case law of the court, the more distinctive the earlier mark, the greater will be the risk of confusion (**SABEL**, paragraph 24). Since protection of a trade mark depends, in accordance with Article 4(1)(b) of the Directive, on there being a likelihood of confusion, marks with a

highly distinctive character, either per se or because of the reputation they possess on the market, enjoy broader protection than marks, with a less distinctive character.'

5 37. The applicant's mark is BayWatch whereas the opponent's is BAYWATCH. I do not think that whether a word is written in upper or lower case, or a combination of both, will normally have a bearing on whether the marks are identical. In my view they are identical. If I am wrong about this, the marks are virtually identical and therefore as similar as it is possible to be without being identical.

10 38. The opponent's mark is registered in Class 30 for, inter alia, 'snack food products' and 'pizza'. The applicant's mark is proposed to be registered for 'restaurant services'. In my view the mark BAYWATCH has a highly distinctive character per se in relation to these goods and services. Although Mr Ediriwira says that the name was meant to conjure up an image of a restaurant with views of a bay, I do not regard  
15 BayWatch as a natural use of the language for this purpose. There may have been more to say for this argument if the marks had been 'Bay View' or 'Buena Vista'. I do not understand Mr Ediriwira's explanation that BayWatch was chosen because these other names were too 'passive' for what he had in mind. I can see that a more positive term might be more appropriate to describe a lifeguard's duties, but I fail to see the inherent  
20 attraction of the word for restaurant services.

25 39. There is a degree of similarity between snack food products, such as pizza, and restaurant services, which can, of course, include pizza restaurants. Indeed although the possibility is already there within the services listed in his application, Mr Ediriwira indicated during cross-examination that he envisaged his restaurant actually selling vegetarian snack good such as pizzas and samosas.

30 40. Taking account of the identity (or near identity) of the marks, the distinctive character of the marks and the degree of similarity between the goods and services, I believe there is a likelihood of confusion with the earlier trade mark. In this

connection I note that the Court of Justice states in paragraph 29 of their decision in **Canon** that:-

5                   ‘..... the risk that the public might believe that the goods or services in question come from the same undertaking or, as the case may be, economically linked undertakings, constitutes a likelihood of confusion within the meaning of Article 4(1)(b) of the Directive.’

10                   41. Accordingly, it is enough if the trade marks would lead the public to believe that the applicant’s restaurant and the opponent’s snack good products are produced by undertaking connected in trade, perhaps by a trade mark licence. I believe that the name BAYWATCH is an inherently strong mark and if used concurrently by the parties in respect of these goods and services, there is a likelihood that the marks will bring about such an understanding.

15                   42. The fact that the applicant has owned a company with the name Baywatch Restaurants Ltd since 1994 can have no bearing on the matter under Section 5(2). Registration of a company name gives no right to register the name as a trade mark. I have therefore reached the clear view that the opposition under Section 5(2) of the Act succeeds.”

20                   As will be seen, he reached the clear view that the opposition under Section 5(2) of the Act succeeded.

25                   In his notice of appeal, and before me, the applicant raised two objections. First, in paragraph 1, he objected that Mr James was wrong to conclude that the trade mark applied for was a single word consisting of two parts, “Bay” and “Watch”, with an emphasis plainly on the initial and middle larger letters “B” and “W”. The applicant contended that the mark should be seen as two separate words, and contended that this distinction was fundamental and vital.

30                   He then contended in paragraph 3.B. of his notice of appeal that, properly considered as a

two-word mark, the marks were neither identical nor similar, and that the services in relation to which he sought to register his mark were distinct from and not similar to the goods in relation to which the prior trade mark was registered.

In paragraphs 5 and 7 he amplified this latter ground and particularly in paragraph 7 drew attention to the fact that he had a prior registration of a corporate name, BayWatch

5 Restaurants, again there being a dispute as to whether the word “Baywatch” was in one word or two, and said that that was material.

I deal with the first issue - is it a one-word mark with an accentuation on the “B” and the “W”, or is it a two-word mark? This is a matter of impression, looking at the mark. Like Mr  
10 James, I can only read it as being a one-word mark. There is no separation of greater magnitude between the “Y” and the “W” than between any other letters. When I first saw this mark it immediately impacted on me as being a single word mark with the accentuation I have indicated. I am therefore not satisfied that the mark should be considered as a two-word  
15 mark.

The next question that arises is whether, under Section 5(2), that mark is identical to the earlier mark BAYWATCH. Mr James held that it was, but when on to hold, if he were wrong on that, that it was virtually identical and therefore as similar as it is possible to be without  
20 being identical.

I am not satisfied that the marks are identical. I think it is important in the context of Section 5(2) that the word “identical” is given its normal English meaning, since under Section 5(2)(a), if the trade mark used is identical and is used in relation to identical goods or services, an absolute monopoly is granted. Just as there is an important distinction between anticipation  
25 and obviousness in patent law, so also there is an important distinction between identity and similarity for trade mark law. Here there is a plain difference. The earlier registered mark consists solely of capital letters in the same size. The mark opposed consists of capitals in different sizes. They are therefore not identical. However, I agree that they are virtually identical, certainly orally they are identical, and I cannot dissent from Mr James’s conclusion  
30 that they are as similar as it is possible to be without being identical.

I turn then to the second similarity between the goods and services. It was submitted by the applicant to me that there could not be similarity because one was for goods in Class 30 and the other was for services in Class 42, and that since they were in different classes there must be an acceptance that they were not sufficiently similar. That, in my judgement, does not follow either as a question of fact or of law. The question that has to be asked is whether a notional and fair use of the applicant's BAYWATCH mark in relation to a restaurant possibly selling pizzas is likely to lead to confusion with the notional and fair use of the opponent's mark BAYWATCH in relation to pizzas. Once one poses that question in that way - and I believe that in law that is the correct way to pose the question - the possibility of relevant confusion becomes manifest. Regard must be had to a notional and fair use of the marks. The mere fact that they are in different classes can make no difference.

On the evidence before him, I am wholly in agreement with Mr James's conclusion that the mark BAYWATCH is an inherently strong mark, regardless of whether it is in the form applied for by the applicants or as registered by the opponents. If used concurrently by the parties in respect of these goods and services, there is a likelihood that the marks will bring about such an understanding.

In my judgement, Mr James directed himself correctly in the law and did not make any error on the facts. Subject to my disagreement with him that the marks are identical, I fully agree with the remainder of his reasoning, and for those reasons would dismiss this appeal.

I should make it plain that I only heard argument on the Section 5(2) aspect. Having heard both sides, I did not consider it necessary to incur time and expense of hearing arguments on the remaining issues. Once I had reached the conclusion which I did, that Mr James was correct on Section 5(2), it became academic as to whether or not he was correct on the other matters.

For the reasons given therefore, this appeal will be dismissed.

MR ARNOLD: Sir, I do have an application for costs which will be on the usual basis.

5 THE HEARING OFFICER: Do you have anything to say to me on the subject of costs? I have power to make an award of costs against the unsuccessful party in relation to a contribution to the expenses that the other party have incurred. Do you have anything to say to me on that?

MR EDIRIWIRA: I do not know what are the things that I can say?

10 THE HEARING OFFICER: I think the factor that you would want to say is either that you feel the other side have unnecessarily incurred costs, or that in some respect they have brought costs upon themselves that they should not have done, or in some respects if you wish to address me on your ability to pay costs.

15 MR EDIRIWIRA: I think the first two reasons that you give are right, apart from the third thing, that they have unnecessarily brought this by themselves because if they were interested in restaurant services they should have applied for restaurant services. They did not apply for restaurant services, and thereby left room for anybody, even if they wanted to use the same word themselves, to apply, and it is wrong for them to ask for costs, to try to prevent anybody from having restaurant services as a trade mark, even if it was similar, which I still do not  
20 maintain that it is similar, but even if it was similar, because they had not applied for that category therefore it is wrong for them to ask for that. They brought it upon themselves by not applying for services which they now suggest that they want or intend to.

25 MR THORLEY: Thank you. Mr Arnold?

MR ARNOLD: I do not think I have really got much to say. The hearing officer gave a clear and well reasoned decision. The applicant chose to challenge it on appeal. That has consequences in costs and, in my submission, nothing that the opponent has done in respect of this appeal was unreasonable or should lead to any result other than which would normally  
30 follow.

MR THORLEY: I have an application for costs by Mr Arnold. He seeks a contribution towards his client's costs of this appeal. That application is opposed by the applicant on the basis that had the opponents by the applicant on the basis that had the opponents been truly interested in restaurant business under the mark Bay Watch they should have applied for that mark themselves, and that it was wrong therefore for them to ask for costs.

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I regret that I cannot accede to that submission. They have succeeded, both before Mr James on two grounds and before me on the only ground which I felt necessary to hear argument on. It must therefore be appropriate that an award of costs be made against the applicant.

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I do, however, take into account the fact that this hearing has been brief. There has been no cross-examination as there was down below, and there has been no full discussion of the issue of intention to use and the other issues that the opponents were intending to seek to raise on this appeal should it have been necessary under Section 5(3) and 5(4).

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Accordingly, I do not propose to make an order equivalent to that made by Mr James. I shall order the applicant to pay the opponent an additional sum of **£500** by way of contribution towards its costs of this appeal.