

O/814/18

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION NO. UK00003247085 BY
THE ORIGINAL COFFEE COMPANY LIMITED
TO REGISTER THE FOLLOWING MARK:**

The Daily Grind

IN CLASSES 38 AND 43

AND

**IN THE MATTER OF OPPOSITION THERETO
UNDER NO. 410921 BY
GRIND & CO LTD**

BACKGROUND AND PLEADINGS

1. On 30 July 2017, The Original Coffee Company Limited (“the applicant”) applied to register the mark shown on the cover page of this decision in the UK. The application was published for opposition purposes on 1 September 2017 and is for the following services (as amended):

Class 38 Providing telecommunications connections to the Internet in a cafe environment.

Class 43 Bar services; Catering; Providing of food and drink via a mobile truck; Providing restaurant services; Provision of food and beverages.

2. The application was opposed by Grind & Co Ltd (“the opponent”). The opposition is based upon sections 5(2)(b), 5(3) and 5(4)(a) of the Trade Marks Act 1994 (“the Act”). The opponent relies on 8 earlier marks for its opposition under section 5(2)(b):

SHOREDITCH GRIND/Shoreditch Grind (series of two)

(UK registration no. 2599037)

Filing date of 25 October 2011; registration date of 4 May 2012

(“the First Earlier Mark”)

The opponent relies on the goods and services in classes 30 and 43 for which the First Earlier Mark is registered:

Class 30 Coffee, tea, cocoa, sugar, artificial coffee; flour and preparations made from cereals, bread, pastry and confectionery, ices; honey, treacle; yeast, baking-powder; salt, mustard; vinegar, sauces (condiments); spices; ice; sandwiches; prepared meals; pizzas, pies and pasta dishes.

Class 43 Services for providing food and drink; restaurant, bar and catering services.

Soho Grind

(UK registration no. 3029754)

Filing date of 7 November 2013; registration date of 7 February 2014

("the Second Earlier Mark")

The opponent relies on all goods and services for which the Second Earlier Mark is registered:

Class 30 Coffee, tea, cocoa, sugar, artificial coffee; flour and preparations made from cereals, bread, pastry and confectionery, ices; honey, treacle; yeast, baking-powder; salt, mustard; vinegar, sauces (condiments); spices; ice; sandwiches; prepared meals; pizzas, pies and pasta dishes.

Class 32 Minerals and aerated waters; non-alcoholic drinks; fruit drinks and fruit juices; syrups for making beverages.

Class 43 Services for providing food and drink; restaurant, bar and catering services.

Hoxton Grind

(UK registration no. 3029755)

Filing date of 7 November 2013; registration date of 7 February 2014

("the Third Earlier Mark")

The opponent relies on all goods and services for which the Third Earlier Mark is registered:

Class 30 Coffee, tea, cocoa, sugar, artificial coffee; flour and preparations made from cereals, bread, pastry and confectionery, ices; honey, treacle; yeast, baking-powder; salt, mustard; vinegar, sauces (condiments); spices; ice; sandwiches; prepared meals; pizzas, pies and pasta dishes.

Class 32 Minerals and aerated waters; non-alcoholic drinks; fruit drinks and fruit juices; syrups for making beverages.

Class 43 Services for providing food and drink; restaurant, bar and catering services.

GRIND

(UK registration no. 3054830)

Filing date of 8 May 2014; registration date of 17 April 2015

("the Fourth Earlier Mark")

The opponent relies on all goods and services for which the Fourth Earlier Mark is registered:

Class 29 Meat, fish, poultry and game; meat extracts; preserved, dried and cooked fruits and vegetables; jellies, jams, fruit sauces, eggs, milk and milk products; edible oils and fats.

Class 30 Coffee, tea, cocoa, sugar, artificial coffee; flour and preparations made from cereals, bread, pastry and confectionery, ices; honey, treacle; yeast, baking-powder; salt, mustard; vinegar, sauces (condiments); spices; ice; sandwiches; prepared meals; pizzas, pies and pasta dishes.

Class 32 Beers; mineral and aerated waters; non-alcoholic drinks; fruit drinks and fruit juices; syrups for making beverages.

Class 33 Alcoholic beverages (except beers); none being liqueurs.

Class 41 Production and distribution services in the field of sound and/or visual recordings and entertainment; music publishing services; artist management, recording studio services; production of masters of sound and/or visual recordings; remastering of sound

and/or visual recordings; enhancement of sound and/or visual recordings; information services relating to the mixing, enhancement and recordal of sound and/or images; nightclub and discotheque services; dj and compere services; dance club services; hosting of musical events; production, distribution and publishing of music; production of television and radio programs; distribution of television and radio programs for others; providing online entertainment, namely providing sound and video recordings in the field of music and music based entertainment; entertainment services, namely providing online non-downloadable prerecorded musical sound and video recordings via a global computer network; fan clubs; entertainment in the nature of live concerts and performances by dj's, musical artists and groups; entertainment services, namely personal appearances by dj's, musical groups, musical artists and celebrities; organising, arranging, managing and staging musical events, shows, concerts, festivals, gigs and live band performances; arranging of competitions for entertainment purposes; organization of entertainment competitions; organisation of fan clubs; operating websites on the Internet in connection with entertainment and competitions; advisory and information services relating to all the aforesaid.

Class 43 Services for providing food and drink; restaurant, bar and catering services.

Piccadilly Grind

(UK registration no. 3059018)

Filing date of 9 June 2014; registration date of 19 September 2014

("the Fifth Earlier Mark")

The opponent relies on all of the goods and services for which the Fifth Earlier Mark is registered:

- Class 30 Coffee, tea, cocoa, sugar, artificial coffee; flour and preparations made from cereals, bread, pastry and confectionery, ices; honey, treacle; yeast, baking-powder; salt, mustard; vinegar, sauces (condiments); spices; ice; sandwiches; prepared meals; pizzas, pies and pasta dishes.
- Class 32 Minerals and aerated waters; non-alcoholic drinks; fruit drinks and fruit juices; syrups for making beverages.
- Class 43 Services for providing food and drink; restaurant, bar and catering services.

Holborn Grind

(UK registration no. 3060182)

Filing date of 17 June 2014; registration date of 21 November 2014

("the Sixth Earlier Mark")

The opponent relies on all goods and services for which the Sixth Earlier Mark is registered:

- Class 30 Coffee, tea, cocoa, sugar, artificial coffee; flour and preparations made from cereals, bread, pastry and confectionery, ices; honey, treacle; yeast, baking-powder; salt, mustard; vinegar, sauces (condiments); spices; ice; sandwiches; prepared meals; pizzas, pies and pasta dishes.
- Class 32 Minerals and aerated waters; non-alcoholic drinks; fruit drinks and fruit juices; syrups for making beverages.
- Class 33 Alcoholic beverages (except beers); none being liqueurs.
- Class 43 Services for providing food and drink; restaurant, bar and catering services.

London Grind

(UK registration no. 3060183)

Filing date of 17 June 2014; registration date of 19 September 2014

("the Seventh Earlier Mark")

The opponent relies on all goods and services for which the earlier mark is registered:

Class 30 Coffee, tea, cocoa, sugar, artificial coffee; flour and preparations made from cereals, bread, pastry and confectionery, ices; honey, treacle; yeast, baking-powder; salt, mustard; vinegar, sauces (condiments); spices; ice; sandwiches; prepared meals; pizzas, pies and pasta dishes.

Class 32 Beers; mineral and aerated waters; non-alcoholic drinks; fruit drinks and fruit juices; syrups for making beverages.

Class 33 Alcoholic beverages (except beers); none being liqueurs.

Class 43 Services for providing food and drink; restaurant, bar and catering services.

GRIND / GRIND (series of two)

(UK registration no. 3100332)

Filing date of 20 March 2015; registration date of 7 August 2015

("the Eighth Earlier Mark")

The opponent relies on all goods and services for which the Eighth Earlier Mark is registered:

- Class 29 Meat, fish, poultry and game; meat extracts; preserved, dried and cooked fruits and vegetables; jellies, jams, fruit sauces, eggs, milk and milk products; edible oils and fats.
- Class 30 Coffee, tea, cocoa, sugar, artificial coffee; flour and preparations made from cereals, bread, pastry and confectionery, ices; honey, treacle; yeast, baking-powder; salt, mustard; vinegar, sauces (condiments); spices; ice; sandwiches; prepared meals; pizzas, pies and pasta dishes.
- Class 32 Beers; mineral and aerated waters; non-alcoholic drinks; fruit drinks and fruit juices; syrups for making beverages.
- Class 33 Alcoholic beverages (except beers); none being liqueurs.
- Class 41 Production and distribution services in the field of sound and/or visual recordings and entertainment; music publishing services; recording studio services; production of masters of sound and/or visual recordings; remastering of sound and/or visual recordings; enhancement of sound and/or visual recordings; information services relating to the mixing, enhancement and recording of sound and/or images; nightclub and discotheque services; dj and compere services; dance club services; hosting of musical events; production, distribution and publishing of music; production of television and radio programs; distribution of television and radio programs for others; providing online entertainment, namely providing sound and video recordings in the field of music and music based entertainment; entertainment services, namely providing online non-downloadable prerecorded musical sound and video recordings via a global computer network; fan clubs; entertainment in the nature of live concerts and performances by dj's, musical artists and groups; entertainment services, namely personal appearances by dj's,

musical groups, musical artists and celebrities; organising, arranging, managing and staging musical events, shows, concerts, festivals, gigs and live band performances; arranging of competitions for entertainment purposes; organization of entertainment competitions; organisation of fan clubs; operating websites on the Internet in connection with entertainment and competitions; advisory and information services relating to all the aforesaid.

Class 43 Services for providing food and drink; restaurant, bar and catering services.

3. The opponent relies on the Fourth Earlier Mark only for its opposition under section 5(3) of the Act. The opponent claims that the Fourth Earlier Mark has a reputation in respect of all goods and services for which it is registered.

4. The opponent further relies on section 5(4)(a) of the Act and claims that the sign **GRIND** has been used “originally in Shoreditch, now across London and more recently in Edinburgh” in respect of the same goods and services for which the Fourth Earlier Mark is registered.

5. The applicant has filed a counterstatement denying the grounds of opposition (and requesting that the opponent prove use of the First Earlier Mark).

6. The opponent is represented by Lewis Silkin LLP and the applicant is represented by Hiddleston Trade Marks. The opponent filed evidence in the form of the witness statement of David Abrahamovitch dated 27 April 2018. This was accompanied by written submissions also dated 27 April 2018. The applicant filed evidence in the form of the witness statements of Richard Mark Hiddleston dated 29 June 2018 and Russell William Old dated 14 July 2018. These were accompanied by written submissions also dated 14 July 2018. No hearing was requested and both parties filed submissions in lieu. This decision is taken following a careful perusal of the papers.

EVIDENCE

The Opponent's Evidence

7. As noted above, the opponent's evidence consists of the witness statement of David Abrahamovitch dated 27 April 2018, with 22 exhibits. Mr Abrahamovitch is the CEO and founder of the "GRIND brand" and a Director of the opponent.

8. Mr Abrahamovitch states that GRIND is a group of six café-bars and four restaurants across London which all serve coffee. The GRIND business was first launched in Shoreditch in 2011 and each of the premises now uses a different prefix to denote their geographical location (e.g. SOHO GRIND).

9. Mr Abrahamovitch states that despite this, the word GRIND is how customers refer to the business, with www.grind.co.uk being used as the website address and @Grind being used as the opponent's handle on Instagram and Twitter. Mr Abrahamovitch states that the same packaging, menus, loyalty cards, iPhone app and branded products are used across all sites and all display the mark GRIND. Mr Abrahamovitch states that the opponent is due to launch 'travel sites' at train stations and airports this year which will be called GRIND, but as this is due to take place at some point in the future (and is therefore after the relevant date) it is not relevant to these proceedings.

10. Exhibit DA1 tab 1 provides examples of the opponent's branding. The first shows the Eighth Earlier Mark as registered. The First Earlier Mark, Second Earlier Mark, Sixth Earlier Mark and Seventh Earlier Mark are also shown, with the word GRIND in each appearing in the same font as used in the Eighth Earlier Mark. The place name in each mark is displayed in a stylised font and they are all presented on different backgrounds. Exhibit DA1 tab 1 also shows examples of other marks which are not relied upon in this opposition.

11. GRIND branded coffee can be purchased online from the website www.grind.co.uk. Exhibit DA1 tab 2 consists of examples of products sold by the opponent including a tote bag, coffee and gift cards, all of which display the Eighth Earlier Mark. Exhibit DA1 tab 2 also refers to other products which do not display any

of the marks relied upon by the opponent. It also shows that the Eighth Earlier Mark is used on the opponent's mobile application.

12. Mr Abrahamovitch states that the GRIND business has been backed by various successful investors and details of the senior management team are provided at Exhibit DA1 tab 3.

13. Exhibit DA1 tab 4 consists of print-outs showing details of the trade mark registrations owned by the opponent.

14. Mr Abrahamovitch states that the GRIND brand is considered "very cool with its own brand of décor, music and drinks." He states that the premises are all located in well-known locations and have been visited by celebrities. Mr Abrahamovitch states that "many brands and companies want to associate themselves with this ethos". Mr Abrahamovitch states that its premises have been used as locations for parties and events for Nike, Airbnb, Universal Records and Silicon Drinkabout.

15. The first six pages of Exhibit DA1 tab 5 confirm that the opponent's premises can be booked for events and provides some details about food and drink offerings as well as capacity. These pages are all undated. The next five pages consist of an article from urbanjunkies.com dated 15 July 2013 which confirms that a "NIKEFUEL DJ LAB" event took place at Shoreditch Grind. The next two pages appear to be an article about a Gabrielle Alpin event which took place at Shoreditch Grind. It is dated 26 April 2013, but no information is available as to where (or if) this article was published. The next page is a photograph of a bottle of Baileys Irish Cream alongside what appears to be a coffee and a selection of chocolate brownies which are topped with a flag displaying the Eighth Earlier Mark. Mr Abrahamovitch states that this is a still from a video produced by Baileys to promote a collaboration that they have been working on with the opponent over the last 18 months. No information is provided as to whether this has now been launched and no date is displayed on the image. The next page shows the Shoreditch Grind advertising "CHEAP MONDAY X CLASH BLACK HONEY LIVE". No date is provided for this image. The next pages are entitled "SOME OF THE BRANDS WE'VE PARTNERED WITH" and "Grind Select Client List". It is not clear whether these lists have been produced specifically for the purpose of these

proceedings or for another purpose and they are both undated. The next four pages are an article from www.londoncoffeefestival.com advertising that Grind would be hosting a pop-up restaurant at the festival. Although the date at the start of the print out is dated April 2018, the date given in the text is 6 April 2017 to 9 April 2017. The article itself is undated save for a print date of 2 June 2017. The next page shows the Eighth Earlier Mark presented at what appears to be some sort of talk, although no information is given about this and no date is provided. The rest of the tab consists of invoices which provide the following information:

	Date	Addressee	Description of services	Total amount (£)
1	16.12.2016	Redacted	Christmas party at Clerkenwell Grind	4,383.13
2	13.12.2016	Redacted	Christmas party at London Grind	7,803.00
3	13.02.2017	Redacted	Beverages, Service Charge, DJ full set and staff costs	15,307.81
4	12.12.2016	Redacted	Christmas party at Clerkenwell Grind	7,157.50
5	29.01.2016	Grind & Co	Advertising in V&E Guide 2016 – Shoreditch Grind	3,000.00
6	14.07.2015	Grind & Co	Advertising in V&E Summer 2015 Magazine	3,000.00
7	31.03.2016	Baileys	London Coffee Week, Baileys event	4,800.00

16. Invoices 1, 2, 3, 4 and 7 are all tax invoices issued by the opponent in respect of events at their premises. Invoices 5 and 6 are invoices issued by Monomax Limited for advertising.

17. Mr Abrahamovitch states that the opponent offers a recording studio facility at its Shoreditch Grind premises. Exhibit DA1 tab 6 shows various print-outs which relate to this including what appears to be promotional material which is undated save for a copyright date of 2014, invoices relating to studio use and information regarding Wowcher and Groupon deals for recording studio time. Tab 7 is provided by Mr Abrahamovitch to illustrate the partnership between Soho Grind and Soho Radio (a community radio station) which took place in 2015.

18. Mr Abrahamovitch provides a description of each venue owned by the opponent and has provided pictures of these and samples of their menus as tab 8 and 9 to exhibit DA1. Mr Abrahamovitch goes on to provide some information about the opponent's plans to expand the business (including future outlets in the style shown at tab 10). However, as this relates to future activities, it is not relevant to the present proceedings.

19. Mr Abrahamovitch explains that investment in the opponent has been raised through crowd-funding. A 2015 investment campaign was accompanied by "a sizeable marketing campaign across London Railway stations". Tab 11 to Exhibit DA1 shows various pictures of electronic bulletin boards at railway stations which read "put your money where your mouth is" and display the Eighth Earlier Mark. It also shows various articles which refer to the investment campaign being run by the opponent (all of which are dated 15 June 2015). In relation to the campaign, Mr Abrahamovitch states "We spent £62,776 on marketing and advisory fees alone (outside of actual media spend)". Tab 12 to Exhibit DA1 consists of three invoices which are dated 15 June 2015, 12 June 2015 and 1 June 2015. The first is issued by crowdcube.com for "50% offline advertising marketing fee" in the sum of £42,000.00. The second is issued by Innovation Advisors Limited for "Assistance on capital raising" in the sum of £10,000.00. The third is issued by Warren Johnson Ltd and is for "PR support services" and "fees for Bond release Activity May-June 2015" in the sum of £10,776.00. These invoices appear to relate to advertising for the purpose of raising capital rather than advertising for the purpose of increasing sales. Mr Abrahamovitch states that a second round of crowd-funding took place in December 2017 and £2.1million was raised in just 5.5 days. These investments were made based on a company valuation in excess of £20million.

20. Tab 13 to Exhibit DA1 was produced in December 2017 and consists of information about the planned expansion of the business for potential investors. This confirms that 'Grind' was a finalist for the Emerging Concept award at the Retailers' Retailer Awards 2017 and that it has nearly 100,000 followers on Instagram. It also notes that loyalty cards are offered and over 22,000 of these are registered. There are also over 100,000 email subscribers. The awards won by the opponent are listed as follows:

- a) Restaurant and Bar Design Awards (Shortlisted 2015, 2016 and 2017);
- b) The London Coffee Festival Favourite Food Experience 2017 (Winner);
- c) Melbourne Design Awards Gold Award 2017;
- d) Bloomberg Business Innovators 2016;
- e) Retailers' Retailer Awards 2017 (Finalist); and
- f) Restaurant and Design Awards (Winner) (Undated).

The explanation provided suggests that the second award listed above was won by 'Grind' and the third and final awards were won by Clerkenwell Grind. Mr Abrahamovitch states that the first award for 2017 relates to Holborn Grind. The fourth award relates to the business run by the opponent. There is no information about what the other awards relate to. Tab 18 and tab 19 also provide more information about some of these awards.

21. Mr Abrahamovitch states:

"28. We employ around 200 people and the Grind Group sales turnover for the past five completed financial years is set out below:

- (i) 2017 - £8,500,000
- (ii) 2016 - £5,894,000
- (iii) 2015 - £3,774,000
- (iv) 2014 - £1,868,000
- (v) 2013 - £813,000

29. Our advertising and Marketing spend over the past five years has totalled in excess of £400,000, broken down as follows:

- (i) 2017 - £90,000
- (ii) 2016 - £92,641
- (iii) 2015 - £124,348
- (iv) 2014 - £64,534
- (v) 2013 - £39,731.

30. The last three sets of filed company accounts for Grind & Co Limited can be found at DA1 Tab 14. The latest (30 April 2017) show net current assets of £940,933 with £214,398 cash at bank and in hand, with total assets less current liabilities of £2,690,841.”

22. Tab 15 to Exhibit DA1 consists of various press articles referring to the opponent and its marks. The first page shows pictures of the Telegraph and the Evening Standard which reference Shoreditch Grind and London Grind but neither have a date visible. The second is a screen shot of the website www.emeraldstreet.com which refers to the Espresso Martinis offered at Clerkenwell Grind but, again, there is no date shown. The third is a screen shot of the Evening Standard website dated 24 April 2015 which lists Soho Grind as one of the locations for “the best espresso martinis in London”. The next two articles relate to the Exmouth Market Grind. The next five pages are print-outs from the Trip Advisor website showing the pages for various premises of the opponent. The final article is from the www.wallpaper.com website dated 7 March 2017 which references the Clerkenwell Grind. Mr Abrahamovitch states that the Evening Standard has a daily distribution of 756,458. Tab 16 of Exhibit DA1 is an article from the Evening Standard dated 14 March 2016 which discusses the opponent’s progression and refers to the mark ‘Grind’.

23. Mr Abrahamovitch states that the opponent has 106,000 followers on social media with 80,000 of these on Instagram. Tab 17 to Exhibit DA1 consists of print-outs from the opponent’s Instagram and Twitter accounts. They are both undated, save for the visible Twitter posts being dated “May 16” and “May 15”, although the year is not given. These both display the Eighth Earlier Mark.

24. Mr Abrahamovitch states that there are over 6,000 Black Card holders (loyalty cards). It is not clear how this relates to the figure provided for loyalty card holders earlier in the evidence. A picture of the Black Card is shown at tab 21 to Exhibit DA1.

25. Mr Abrahamovitch goes on to provide some information about the applicant, including details about its intended customers and the overlap with the opponent's customers. Companies House details for the applicant are provided at tab 22 to Exhibit DA1.

26. This evidence was accompanied by written submissions dated 27 April 2018. The opponent also filed written submissions in lieu of a hearing. Whilst I do not propose to reproduce those here, I have taken them into account and will refer to them below as appropriate.

The Applicant's Evidence

27. As noted above, the applicant's evidence consists of the witness statements of Richard Mark Hiddleston dated 29 June 2018, with 1 exhibit, and Russell William Old dated 14 July 2018, with 5 exhibits.

28. Mr Hiddleston is a Trade Mark Attorney representing the applicant. His statement introduced into evidence 8 print-outs at Exhibit RMH1 which show various registrations for marks containing the word "GRIND" in class 43. I will not summarise these any further at this point.

29. Mr Old is a Café Manager employed by applicant, a role he has held since June 2017. He states that the applicant has been trading from a unit in Ebbsfleet, Kent since February 2017. The applicant subsequently opened a coffee shop in Rutland in June 2017.

30. Exhibit RWO 1 to Mr Old's statement consists of extracts from the applicant's website (www.daily-grind.co.uk). These are dated 2018.

31. Exhibit RWO 2 to Mr Old's statement consists of various print-outs relating to the meaning of the word 'grind', specifically:

a) An extract from the Collins English Dictionary. Mr Old refers to the definition which states "a specific grade of pulverization, as of coffee beans: coarse grind".

b) An extract from the Oxford English Dictionary which Mr Old makes no specific reference to, but which states "hard dull work: relief from the daily grind". This definition is repeated in the extract from the Concise Oxford English Dictionary.

c) Mr Old refers to the extract from the website Wikipedia which states:

"the type of grind is often named after the brewing method for which it is generally used. Turkish grind is the finest grind, while coffee peculator or French press are the coarsest grinds. The most common grinds are between these two extremes: a medium grind is used in most home coffee-brewing machines."

d) An extract from the website www.uk.jura.com is provided. This states "the grind setting determines how finely or coarsely the coffee beans are ground... if it tastes too strong or too bitter, select a coarser grind...".

e) An extract from the website of Whittards of Chelsea, which is entitled "CHOOSING A GRIND". It discusses the different types of 'grind' available.

f) An extract from the website www.avoca.com offers for sale a product called "CAFETIERE GRIND COFFEE".

g) An extract from the Jones Brothers Coffee blog dated 9 January 2018 is provided which is entitled "The Grind; just as important as the coffee". It goes on to state that "When it comes to making the perfect coffee, the grind plays a starring role."

h) An extract dated 23 April 2018 taken from the website www.theknow.guide which displays an article entitled “Coffee of the week: fine grind”.

i) An extract dated 27 February 2017 from the website www.darkwoodcoffee.co.uk which states:

“WHAT IS GRIND?

When we talk about grind we are referring to the size of the coffee particles we are using for our brewing. Using the appropriate grind is one of the best ways of ensuring that we brew delicious coffee and being able to control it is probably the most useful tool in our brewing arsenal.”

j) An extract from the website www.coffeecare.co.uk dated 18 May 2016 entitled “Why is the GRIND so important?”. The article states “selecting the right grind for your chosen brew is crucial if you want to make the perfect drink”.

k) An extract from the website www.ineedcoffee.com dated 7 September 2015 which is entitled “Coffee Grind Chart”. It goes on to discuss different types of ‘grind’.

l) An extract from the website All Recipes which is undated save for the print date of 23 June 2018 entitled “Match the Right Coffee Grind to the Coffee-Making Method”. This makes reference to “The Daily Grind” but it is not clear whether this relates to the applicant’s mark.

32. Mr Old makes reference to various other marks which contain the word GRIND and has provided examples of these at Exhibit RWO 3, RWO 4 and RWO 5.

33. This evidence was accompanied by written submissions dated 14 July 2018. The applicant also filed written submissions in lieu of a hearing. Whilst I do not propose to reproduce those here, I have taken them into account and will refer to them below as appropriate.

PRELIMINARY ISSUES

34. The applicant has made reference to other trade marks which are already on the register and which contain the word 'GRIND'. For the avoidance of doubt, the existence of other trade marks on the register (or those which are unregistered) are not relevant to the decision I must make¹.

35. In its written submissions dated 27 April 2018, the opponent states:

“8. Under sections 5(2)(b) and 5(3), the Opponent relies upon all its registrations. It relies upon its registrations as a family of marks, all containing the word 'GRIND', as well as upon each of them individually.

9. Under section 5(4)(a), the Opponent relies upon goodwill in all its registrations along with goodwill accrued through use of the signs 'CLERKENWELL GRIND', 'COVENT GARDEN GRIND', 'EXMOUTH MARKET GRIND', 'ROYAL EXCHANGE GRIND' and 'WHITECHAPEL GRIND'...”

36. The opponent has relied upon the eight earlier marks referred to above in relation to its opposition under section 5(2)(b) only. In its Notice of Opposition, the opponent only sought to rely on the word mark **GRIND** (the Fourth Earlier Mark) under section 5(3) and on unregistered rights in the same word under section 5(4)(a). The opponent is only permitted to rely on the mark/sign pleaded in its Notice of Opposition. It will only be permitted to rely on variant use of that mark to the extent that it does not alter its distinctive character.

37. In his witness statement, Mr Abrahamovitch makes reference to other disputes in which the opponent has successfully prevented third parties from using marks which include the word GRIND. For example, Mr Abrahamovitch makes reference to a dispute before the Registry regarding the mark GRINDHOUSE. However, the marks in issue in those proceedings were different to the mark in issue in these proceedings and I must consider this case on its own merits.

¹ *Zero Industry Srl v OHIM*, Case T-400/06

38. Mr Abrahamovitch also makes reference to attempts between the parties to resolve this issue. In particular, he states:

“Despite Mr Old’s assurances that he would withdraw his application he has chosen instead to defend the opposition.”

Statements made during the course of genuine negotiations between the parties in an attempt to resolve a dispute are without prejudice and are not admissible before the Tribunal. In any event, parties are encouraged to seek to amicably resolve disputes before engaging in proceedings and attempts to do so do not ultimately prevent a party from deciding to defend an opposition in the event that negotiations are unsuccessful. I will, therefore, disregard these comments made by Mr Abrahamovitch.

PROOF OF USE

39. Only the First Earlier Mark is subject to proof of use pursuant to section 6A of the Act. The other marks had not completed their registration process more than 5 years before the publication date of the application in issue in these proceedings and are consequently not subject to proof of use (meaning the opponent can rely on the goods and services for which they are registered). Although the applicant has requested that the opponent prove use of the First Earlier Mark, I will proceed on the basis that it can rely on all of the goods and services for which the mark is registered as this will not affect the outcome of the opposition.

DECISION

40. Section 5(2)(b) of the Act reads as follows:

“5(2) A trade mark shall not be registered if because –

(a)...

(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.”

41. Section 5(3) of the Act states:

“5(3) A trade mark which -

(a) is identical with or similar to an earlier trade mark, shall not be registered if, or to the extent that, the earlier trade mark has a reputation in the United Kingdom (or, in the case of a European Union trade mark or international trade mark (EC), in the European Union) and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or repute of the earlier trade mark.”

42. An earlier trade mark is defined in section 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, an 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.”

43. The opponent’s marks qualify as earlier trade marks under the above provisions.

44. Section 5(4)(a) of the Act states:

“5(4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented -

a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or

b) ...

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of “an earlier right” in relation to the trade mark”.

Section 5(2)(b)

45. The following principles are gleaned from the decisions 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 C-3/03, *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 a 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 great 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.

Comparison of goods and services

46. The same class 43 services appear in each of the opponent’s earlier marks. In its written submissions dated 14 July 2018, the applicant admits that there is similarity between these services and its own class 43 services. I agree and consider that they are identical. However, the parties do not agree on whether there is any similarity between the applicant’s class 38 services and the opponent’s services. The opponent submits that its best case lies in the comparison between the applicant’s class 38 services and its own class 43 services. I have, therefore, only reproduced these competing services in the table below:

Opponent’s services	Applicant’s services
<u>Class 43</u> Services for providing food and drink; restaurant, bar and catering services.	<u>Class 38</u> Providing telecommunications connections to the Internet in a cafe environment.

47. When making the comparison, all relevant factors relating to the services in the specifications should be taken into account. In the judgment of the Court of Justice of the European Union (“CJEU”) in *Canon*, C-39/97, the court stated at paragraph 23 of its judgment that:

“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.”

48. Guidance on this issue has also come from Jacob J. (as he then was) in 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.

49. In *YouView TV Ltd v Total Ltd*, [2012] EWHC 3158 (Ch), Floyd J. (as he then was) stated that:

“... Trade mark registrations should not be allowed such a liberal interpretation that their limits become fuzzy and imprecise: see the observations of the CJEU in Case C-307/10 *The Chartered Institute of Patent Attorneys (Trademarks) (IP TRANSLATOR)* [2012] ETMR 42 at [47]-[49]. Nevertheless the principle should not be taken too far. *Treat* was decided the way it was because the ordinary and natural, or core, meaning of ‘dessert sauce’ did not include jam, or because the ordinary and natural description of jam was not ‘a dessert sauce’. Each

involved a straining of the relevant language, which is incorrect. Where words or phrases in their ordinary and natural meaning are apt to cover the category of goods in question, there is equally no justification for straining the language unnaturally so as to produce a narrow meaning which does not cover the goods in question.”

50. In *Beautimatic International Ltd v Mitchell International Pharmaceuticals Ltd and Another*, [2000] F.S.R. 267 (HC), Neuberger J. (as then was) stated that:

“I should add that I see no reason to give the word “cosmetics” and “toilet preparations”... anything other than their natural meaning, subject, of course, to the normal and necessary principle that the words must be construed by reference to their context.”

51. In *Avnet Incorporated v Isoact Limited*, [1998] F.S.R. 16, Jacob J. (as the then was) stated that:

“In my view, specifications for services should be scrutinised carefully and they should not be given a wide construction covering a vast range of activities. They should be confined to the substance, as it were, the core of the possible meanings attributable to the rather general phrase.”

52. 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 the responsibility for those goods lies with the same undertaking.”

53. 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. noted, as the Appointed Person, in *Sandra Amelia Mary Elliot v LRC Holdings Limited* BL-0-255-13:

“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.”

54. In *Gérard Meric v Office for Harmonisation in the Internal Market*, Case T- 133/05, the GC stated that:

“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 trade mark application (Case T-388/00 *Institut for Lernsysteme v OHIM – Educational Services* (ELS) [2002] ECR II-4301, paragraph 53) or where the goods designated by the trade mark application are included in a more general category designated by the earlier mark.”

55. For the purposes of considering the issue of similarity of services, it is permissible to consider groups of terms collectively where they are sufficiently comparable to be assessed in essentially the same way for the same reasons (see *Separode Trade Mark* BL O-399-10 and *BVBA Management, Training en Consultancy v Benelux-Merkenbureau* [2007] ETMR 35 at paragraphs [30] to [38]).

56. In its written submission dated 27 April 2018, the opponent states:

“46. The services for which registration is sought for the Sign in class 38, namely ‘providing telecommunications connections to the Internet in a café environment’ are highly similar to the Opponent’s registrations in class 43. In addition the Opponent offers internet services in its cafes and restaurants on registration for this service.

47. It is therefore submitted that the services for which registration is sought are all highly similar if not identical to those for which the trade marks are registered.”

57. In its written submissions dated 14 July 2018, the applicant states:

“...the Trade Mark Application in class 38 covers:

“Providing telecommunication connections to the internet in a café environment.”

The only possible connection between these services and the goods and services covered by the Opponent’s Section 5(2) Marks is that they are provided in a café environment. However, they are entirely different in terms of their nature and purpose. The nature of these services is telecommunication whereas the Opponent’s Goods and Services all relate to food. The purpose of these services is to provide communication whereas that of the Opponent’s Goods and Services is to provide sustenance and nutrition. As such, we submit that the services should not be considered similar to the goods/services covered by the Opponent’s Section 5(2) Marks.”

58. The fact that the opponent provides internet services in its restaurant is not of relevance to the comparison of the services in issue as this is not apparent from their specification. I agree with the applicant that the nature and purpose of these services are self-evidently different. There will, of course, be some overlap in the users of the services as they will be members of the general public. There is no competition between the services as you would not choose one as an alternative to the other.

However, there may be an element of complementarity. The applicant's services do specify that they are for use "in a café environment". These services, cannot, therefore stand alone without the provision of café services. Café services would fall within the opponent's "services for providing food and drink". Consequently, I consider these services to be complementary. However, this gives rise to no more than an average degree of similarity. For the avoidance of doubt, I do not consider that the applicant's class 38 services share a higher degree of similarity with any of the opponent's other services.

The average consumer and the nature of the purchasing act

59. As the case law above indicates, it is necessary for me to determine who the average consumer is for the respective parties' services. I must then determine the manner in which these services are likely to be selected by the average consumer. 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."

60. The parties accept that the average consumer for the services will be a member of the general public. Purchases of the services are likely to be fairly frequent and of relatively low cost. The level of attention paid during the purchasing process is likely to be average.

61. The services are likely to be purchased from retail premises. The purchasing process for the services is likely to be dominated by visual considerations, as the average consumer is likely to select the services at issue following inspection of the

premises' frontage on the high street, on websites and in advertisements (such as flyers, posters or online advertising). However, given that word-of-mouth recommendations may also play a part, I do not discount that there will be an aural component to the selection of the services.

Comparison of the trade marks

62. 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 trade marks must be assessed by reference to the overall impressions created by the trade marks, bearing in mind their distinctive and dominant components. The CJEU states 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.”

63. It would be wrong, therefore, to artificially 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.

64. The respective trade marks are shown below:

Applicant's trade mark	Opponent's trade marks
The Daily Grind	SHOREDITCH GRIND/ Shoreditch Grind

	<p>(the First Earlier Mark)</p> <p>Soho Grind (the Second Earlier Mark)</p> <p>Hoxton Grind (the Third Earlier Mark)</p> <p>GRIND (the Fourth Earlier Mark)</p> <p>Piccadilly Grind (the Fifth Earlier Mark)</p> <p>Holborn Grind (the Sixth Earlier Mark)</p> <p>London Grind (the Seventh Earlier Mark)</p> <p>GRIND / GRIND (the Eighth Earlier Mark)</p>
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65. I have lengthy submissions from both parties on the similarity of the marks. Whilst I do not propose to reproduce those here, I have taken them all into consideration in reaching my decision.

Overall Impression

The Applicant's Mark

66. The applicant's mark consists of the three ordinary dictionary words presented in lower case, with the first letter of each word capitalised. I consider that the overall impression is of the unit THE DAILY GRIND (as opposed to three separate and unrelated words), with none of the words dominating.

The First, Second, Third, Fifth, Sixth and Seventh Earlier Marks

67. These earlier marks all consist of a place name (either London or a place within the city) followed by the ordinary dictionary word GRIND. As notional and fair use means that the earlier marks could be used in any standard typeface, the differences created by the capitalisation are not relevant. I consider that the overall impression is of the unit of the place name and the word GRIND, with the place name playing a lesser role as it will be seen as descriptive of the location of the geographical origin of the goods and services.

The Fourth Earlier Mark

68. The Fourth Earlier Mark consists of the word GRIND, presented in capital letters. There are no other elements to contribute to the overall impression, which is contained in the word itself.

The Eighth Earlier Mark

69. The Eighth Earlier Mark also consists of the word GRIND, but presented in a slightly stylised font. The stylisation is minimal and will not contribute greatly to the overall impression of the mark. The second mark in the series is presented in red. In my view, it is the word GRIND itself which plays the greater role in the overall impression.

Visual Comparison

The Applicant's Mark and the First, Second, Third, Fifth, Sixth and Seventh Earlier Marks

70. As noted above, notional and fair use means that any differences created by the capitalisation in the marks are not relevant. Visually, all of the marks contain the word GRIND. However, in the applicant's mark the word GRIND follows the words THE DAILY. In the opponent's earlier marks, it follows various place names. As a general rule, the beginnings of marks tend to make more of an impact than the ends². The use of additional words in both marks creates a point of visual difference. I consider the marks to share a low degree of visual similarity.

The Applicant's Mark and The Fourth Earlier Mark

71. Visually, the opponent's mark (the word GRIND) appears entirely within the applicant's mark. However, the word GRIND in the applicant's mark follows the words THE and DAILY. As noted above, the case law confirms that generally the beginnings of marks will make more of an impact than the ends. This creates a point of visual difference. I consider the marks to share no more than a medium degree of visual similarity.

The Applicant's Mark and The Eighth Earlier Mark

72. The word element of the opponent's mark (GRIND), again, appears entirely within the applicant's mark. The stylisation and use of colour in the opponent's mark do not act as a significant point of difference between the marks because notional and fair use of the applicant's mark means that it could be used in any standard typeface and registration of a mark in black and white covers use in colour. However, the same point of difference applies as for the Fourth Earlier Mark. I consider the marks to share no more than a medium degree of visual similarity.

² *El Corte Ingles, SA v OHIM* Cases T-183/02 and T184/02

Aural Comparison

The Applicant's Mark and the First, Second, Third, Fifth, Sixth and Seventh Earlier Marks

73. Aurally, the word GRIND in all of the marks will be given its ordinary English pronunciation. Similarly, the place name in each of the earlier marks and the words THE and DAILY in the applicant's mark will be given their ordinary English pronunciation. There will, therefore, be a point of aural similarity between the marks in the identical pronunciation of the word GRIND. However, differences will again be created by the presence of additional words in the earlier marks (the place names) and in the applicant's marks (THE and DAILY). I consider that the marks share a low degree of aural similarity.

The Applicant's Mark and The Fourth Earlier Mark and The Eighth Earlier Mark

74. The word GRIND will be pronounced identically in all of the marks. This is the only element of the Fourth and Eighth Earlier Marks. The point of aural difference between the marks will be created by the presence of the additional words THE and DAILY in the applicant's mark. I consider that the marks share no more than a medium degree of aural similarity.

Conceptual Comparison

The Applicant's Mark and the First, Second, Third, Fifth, Sixth and Seventh Earlier Marks

75. Conceptually, the words THE DAILY GRIND in the applicant's mark will be understood to refer to the well-known phrase for work which is monotonous or repetitive. The word GRIND in the applicant's mark is a play on words because of the dual meaning of GRIND in this context and as the end product which results from the grinding of coffee beans. The presence of the word GRIND in the opponent's mark will be understood to mean the end product of the grinding of coffee beans or, alternatively, the more general action of grinding something. The use of place names

in the opponent's mark is likely to just be seen as a reference to the location of the particular premises or as a place of origin for any products sold. The use of the word GRIND in the applicant's mark forms part of a phrase which gives a different meaning to the word GRIND in the opponent's marks and acts as a play on words. Whilst I recognise that one of the meanings of the word GRIND in the applicant's mark which gives rise to the dual meaning overlaps with the meaning of the opponent's mark, the very existence of a play on words in the applicant's mark creates a point of conceptual difference. I consider that the marks share a low degree of conceptual similarity.

The Applicant's Mark and The Fourth Earlier Mark and The Eighth Earlier Mark

76. Conceptually, the meaning conveyed by the Fourth Earlier Mark and the Eighth Earlier Mark will be the same as for the use of the word GRIND in the opponent's other marks (as described above). I consider that the marks share a low degree of conceptual similarity.

Distinctive character of the earlier trade mark

77. 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-2779, 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).”

78. Registered trade marks possess varying degrees of inherent distinctive character ranging from the very low, because they are suggestive or allusive of a characteristic of the good or services, to those with high inherent distinctive character, such as invented words which have no allusive qualities.

79. I must consider the inherent distinctive character of the earlier marks as a whole. The First, Second, Third, Fifth, Sixth and Seventh Earlier Marks consist of the word GRIND and a place name. The Fourth Earlier Mark consists exclusively of the word GRIND. The Eighth Earlier Mark consists of the word GRIND in a slightly stylised font presented in either black or red. In the context of coffee, the word GRIND is descriptive. In the context of coffee shops or cafes, the word GRIND is allusive. However, the specification for the opponent’s marks is broader than just coffee and the provision of café services. The earlier marks cannot therefore be said to be allusive of all of the goods and services provided. The addition of the place names in the First, Second, Third, Fifth, Sixth and Seventh Earlier Marks is likely to be seen as purely indicative of location of the premises or geographical origin and will not be considered particularly distinctive. The stylisation and use of colour in the Eighth Earlier Mark does not materially affect its distinctiveness. Overall, I consider the marks to have no more than a medium degree of inherent distinctiveness.

80. The opponent has not pleaded that the distinctive character of its marks have been enhanced through use. In any event, whilst the opponent’s evidence demonstrates general use of its marks, it does not demonstrate use of its marks in relation to their full specifications. I note that the opponent has won awards, but it is not clear who (or how many people) voted as part of this process i.e. whether it was industry voters or members of the general public. The turnover figures provided by the opponent are not insignificant, but cannot be said to be substantial given the size of the market and no

breakdown is given as to which marks or goods/services these figures relate. The opponent has a fair number of followers on social media. Overall, in my view, the evidence falls short of demonstrating that the distinctiveness of the earlier marks has been enhanced through use.

Likelihood of confusion

81. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other, while indirect confusion is where the average consumer realises the marks are not the same but puts the similarity that exists between the marks and the goods and services down to the responsible undertakings being the same or related. There is no scientific formula to apply in determining whether there is a likelihood of confusion; rather, it is a global assessment where a number of factors need to be borne in mind. The first is the interdependency principle i.e. a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective goods and services and vice versa. As I mentioned above, it is necessary for me to keep in mind the distinctive character of the opponent's trade marks, the average consumer for the services and the nature of the purchasing process. In doing so, I must be alive to the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them that he has retained in his mind.

82. I will consider the likelihood of direct confusion in respect of the Fourth Earlier Mark. The opponent puts this forward as its best case in its written submissions dated 27 April 2018. For the reasons set out above, I agree that this represents the opponent's best case and if there is no direct confusion in respect of this mark then it follows that there will be no confusion in respect of the opponent's other marks. I have found the marks to be visually and aurally similar to no more than a medium degree and are conceptually similar to a low degree. I have identified the average consumer to be a member of the general public who will select the services primarily by visual means (although I do not discount an aural component). I have concluded that an average degree of attention will be paid during the purchasing process. I have found the parties' services to be identical or similar to no more than an average degree.

Taking all of these factors into account, I consider that the visual, aural and conceptual differences between the marks are sufficient to prevent consumers from mistaking one mark for the other. I am, therefore, satisfied that there is no likelihood of direct confusion. As there is no direct confusion in respect of the Fourth Earlier Mark it follows that there will be no direct confusion in respect of the opponent's other earlier marks.

83. I will now consider whether there is a likelihood of indirect confusion. Indirect confusion was described in the following terms by Iain Purvis Q.C., sitting as the Appointed Person, in *L.A. Sugar Limited v By Back Beat Inc*, Case BL-O/375/10:

“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.”

84. The focus of the opponent's case in this regard is that the applicant's mark will be mistaken for being a member of its family of -GRIND suffix marks. In *Il Ponte Finanziaria SpA v OHIM*, Case C-234/06, the CJEU stated:

“62. Whilst it is true that, in the case of opposition to an application for registration of a Community trade mark based on the existence of only one earlier trade mark that is not yet subject to an obligation to use, the assessment of the likelihood of confusion is to be carried by comparing the two marks as they were registered, the same does not apply where the opposition is based on the existence of several trade marks possessing common characteristics

which make it possible for them to be regarded as part of a 'family' or 'series' of marks.

63. 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, from economically-linked undertakings, constitutes a likelihood of confusion within the meaning of Article 8(1)(b) of Regulation No 40/94 (see *Alcon v OHIM*, paragraph 55, and, to that effect, *Canon*, paragraph 29). Where there is a 'family' or 'series' of trade marks, the likelihood of confusion results more specifically from the possibility that the consumer may be mistaken as to the provenance or origin of goods or services covered by the trade mark applied for or considers erroneously that that trade mark is part of that family or series of marks.

64. As the Advocate General stated at paragraph 101 of her Opinion, no consumer can be expected, in the absence of use of a sufficient number of trade marks capable of constituting a family or a series, to detect a common element in such a family or series and/or to associate with that family or series another trade mark containing the same common element. Accordingly, in order for there to be a likelihood that the public may be mistaken as to whether the trade mark applied for belongs to a 'family' or 'series', the earlier trade marks which are part of that 'family' or 'series' must be present on the market.”

85. I am not satisfied that the opponent has demonstrated that all of its marks were on the market at the relevant date. In any event, I do not consider that the opponent has established that the public would expect any mark with a -GRIND suffix to be connected to the opponent. The opponent's use of the -GRIND suffix in combination with a place name means that the applicant's mark would not fall within the same pattern. I do not consider there to be a likelihood of indirect confusion on the basis of the opponent's family of marks argument.

86. Taking this into account, as well as my conclusions summarised in paragraph 82 above, I can see no reason why, having recognised the differences between the marks, the average consumer would assume that the marks come from the same or economically linked undertakings. The visual, aural and conceptual differences are, in

my view, too significant for indirect confusion to arise. The common element – GRIND – has a dual meaning in the applicant’s mark which is absent from the opponent’s marks. It is, therefore, not likely to be seen as indicating linked businesses. I am, therefore, satisfied that there is no likelihood of indirect confusion.

87. For the avoidance of doubt, my finding would have been the same even if I am wrong and the distinctiveness of the opponent’s marks had been enhanced through use. The opposition under section 5(2)(b) fails.

Section 5(3)

88. The relevant case law can be found in the following judgments of the CJEU: Case C-375/97, *General Motors*, Case 252/07, *Intel*, Case C-408/01, *Addidas-Salomon*, Case C-487/07, *L’Oreal v Bellure* and Case C-323/09, *Marks and Spencer v Interflora*. The law appears to be as follows:

a) The reputation of a trade mark must be established in relation to the relevant section of the public as regards the goods or services for which the mark is registered; *General Motors*, paragraph 24.

(b) The trade mark for which protection is sought must be known by a significant part of that relevant public; *General Motors*, paragraph 26.

(c) It is necessary for the public when confronted with the later mark to make a link with the earlier reputed mark, which is the case where the public calls the earlier mark to mind; *Adidas Saloman*, paragraph 29 and *Intel*, paragraph 63.

(d) Whether such a link exists must be assessed globally taking account of all relevant factors, including the degree of similarity between the respective marks and between the goods/services, the extent of the overlap between the relevant consumers for those goods/services, and the strength of the earlier mark’s reputation and distinctiveness; *Intel*, paragraph 42

(e) Where a link is established, the owner of the earlier mark must also establish the existence of one or more of the types of injury set out in the section, or there is a serious likelihood that such an injury will occur in the future; *Intel, paragraph 68*; whether this is the case must also be assessed globally, taking account of all relevant factors; *Intel, paragraph 79*.

(f) Detriment to the distinctive character of the earlier mark occurs when the mark's ability to identify the goods/services for which it is registered is weakened as a result of the use of the later mark, and requires evidence of a change in the economic behaviour of the average consumer of the goods/services for which the earlier mark is registered, or a serious risk that this will happen in future; *Intel, paragraphs 76 and 77*.

(g) The more unique the earlier mark appears, the greater the likelihood that the use of a later identical or similar mark will be detrimental to its distinctive character; *Intel, paragraph 74*.

(h) Detriment to the reputation of the earlier mark is caused when goods or services for which the later mark is used may be perceived by the public in such a way that the power of attraction of the earlier mark is reduced, and occurs particularly where the goods or services offered under the later mark have a characteristic or quality which is liable to have a negative impact of the earlier mark; *L'Oreal v Bellure NV, paragraph 40*.

(i) The advantage arising from the use by a third party of a sign similar to a mark with a reputation is an unfair advantage where it seeks to ride on the coat-tails of the senior mark in order to benefit from the power of attraction, the reputation and the prestige of that mark and to exploit, without paying any financial compensation, the marketing effort expended by the proprietor of the mark in order to create and maintain the mark's image. This covers, in particular, cases where, by reason of a transfer of the image of the mark or of the characteristics which it projects to the goods identified by the identical or similar sign, there is clear exploitation on the coat-tails of the mark with a reputation (*Marks and*

Spencer v Interflora, paragraph 74 and the court's answer to question 1 in *L'Oreal v Bellure*).

89. The conditions of section 5(3) are cumulative. Firstly, the opponent must show that the earlier mark has achieved a level of knowledge/reputation amongst a significant part of the public. Secondly, it must be established that the level of reputation and the similarities between the marks will cause the public to make a link between them, in the sense of the earlier mark being brought to mind by the later mark. Thirdly, assuming that the first and second conditions have been met, section 5(3) requires that one or more of the types of damage claimed will occur and/or that the relevant public will believe that the marks are used by the same undertakings or that there is an economic connection between the users. It is unnecessary for the purposes of section 5(3) that the services be similar, although the relative distance between them is one of the factors which must be assessed in deciding whether the public will make a link between the marks. The relevant date for the assessment under section 5(3) is the date of application – 30 July 2017. As noted above, only the Fourth Earlier Mark is relied upon by the opponent for its opposition under section 5(3).

Reputation

90. In *General Motors*, Case C-375/97, the CJEU stated:

“25. It cannot be inferred from either the letter or the spirit of Article 5(2) of the Directive that the trade mark must be known by a given percentage of the public so defined.

26. The degree of knowledge required must be considered to be reached when the earlier mark is known by a significant part of the public concerned by the products or services covered by that trade mark.

27. In examining whether this condition is fulfilled, the national court must take into consideration all the relevant facts of the case, in particular the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertaking in promoting it.

28. Territorially, the condition is fulfilled when, in the terms of Article 5(2) of the Directive, the trade mark has a reputation 'in the Member State'. In the absence of any definition of the Community provision in this respect, a trade mark cannot be required to have a reputation 'throughout the territory of the Member State. It is sufficient for it to exist in a substantial part of it."

91. In determining whether the opponent has demonstrated a reputation for the services in issue, it is necessary for me to consider whether its mark will be known by a significant part of the public concerned with the services. In reaching this decision, I must take all of the evidence into account including "the market share held by the trade mark, the intensity, geographical extent and duration of its use, and the size of the investment made by the undertakings in promoting it."

92. The opponent's evidence shows, in particular:

a) The mark has been referenced in the press, including an article in the Evening Standard which the opponent states has a daily distribution rate of 756,458;

b) Various awards have been won by the opponent, although it is not clear whether these were voted for by consumers (for example, presumably the Retailers' Retail Award is voted for by other retailers).

c) It is not clear precisely what number of followers the opponent had on social media at the relevant date, but it appears that the number was not insignificant;

d) In 2016, the opponent had a turnover of £5,894,000 and in 2017 it had a turnover of £8,500,000. No breakdown is provided as to what proportion of the 2017 turnover relates to the period prior to the relevant date or what the breakdown is for the different goods and services;

e) All of the use of the opponent's mark is limited to the London area only.

93. In my view, the evidence falls short of demonstrating a reputation for the services in issue. The opposition under section 5(3) must, therefore, fail at the first hurdle. However, in the event that I am wrong in my finding that the opponent has not demonstrated a reputation, I will go on to consider whether there will be a link made by the consumer between the marks in circumstances in which the opponent has demonstrated a reasonable reputation in relation to restaurant and bar services.

Link

94. As I noted above, my assessment of whether the public will make the required mental 'link' between the marks must take account of all relevant factors. The factors identified in *Intel* are:

The degree of similarity between the conflicting marks

For the reasons set out earlier, I consider there to be no more than a medium degree of visual and aural similarity and a low degree of conceptual similarity between the marks.

The nature of the goods or services for which the conflicting marks are registered, or proposed to be registered, including the degree of closeness or dissimilarity between those goods or services, and the relevant section of the public

For the reasons set out earlier, the services are either identical or similar to no more than an average degree.

The strength of the earlier marks' reputation

If the opponent's mark does, in fact, have a reputation, then it will be only a reasonable reputation in the UK.

The degree of the earlier mark's distinctive character, whether inherent or acquired through use

As noted above, the earlier mark has no more than a medium degree of inherent distinctive character, which has not been enhanced through use.

Whether there is a likelihood of confusion

For the reasons set out above, I do not consider there to be a likelihood of confusion.

95. In my view, even if the opponent had a reasonable reputation in the UK, notwithstanding the fact that some of the services are identical, the visual, aural and conceptual differences and the fact that the distinctiveness of the earlier mark is no more than medium means that consumers will not make a link between the marks in use. There are significant conceptual differences between the marks which will prevent the consumer from making a link between them. The opposition under section 5(3) must, therefore, fail.

Section 5(4)(a)

96. In *Discount Outlet v Feel Good UK*, [2017] EWHC 1400 IPEC, Her Honour Judge Melissa Clarke, sitting as a deputy Judge of the High Court, conveniently summarised the essential requirements of the law of passing off as follows:

“55. The elements necessary to reach a finding of passing off are the ‘classical trinity’ of that tort as described by Lord Oliver in the Jif Lemon case (*Reckitt & Colman Product v Borden* [1990] 1 WLR 491 HL, [1990] RPC 341, HL), namely goodwill or reputation; misrepresentation leading to deception or a likelihood of deception; and damage resulting from the misrepresentation. The burden is on the Claimants to satisfy me of all three limbs.

56. In relation to deception, the court must assess whether “a substantial number” of the Claimants' customers or potential customers are deceived, but

it is not necessary to show that all or even most of them are deceived (per *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21).”

97. Whether there has been passing off must be judged at a particular point (or points) in time. In *Advanced Perimeter Systems Limited v Multisys Computers Limited*, BL O-410-11, Daniel Alexander QC, sitting as the Appointed Person, considered the relevant date for the purposes of section 5(4)(a) of the Act and concluded as follows:

“43. In *SWORDERS TM* O-212-06 Mr Alan James acting for the Registrar well summarised the position in s.5(4)(a) proceeding as follows:

“Strictly, the relevant date for assessing whether s.5(4)(a) applies is always the date of the application for registration or, if there is a priority date, that date: see Article 4 of Directive 89/104. However, where the applicant has used the mark before the date of the application it is necessary to consider what the position would have been at the date of the start of the behaviour complained about, and then to assess whether the position would have been any different at the later date when the application was made.””

98. The relevant date for assessing whether section 5(4)(a) applies is the date of the application which is the subject of these proceedings – 30 July 2017.

Goodwill

99. The House of Lords in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 (HOL) provided the following guidance regarding goodwill:

“What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in customers. It is the one thing which distinguishes an old-established business from a new business at its first start.”

100. In *South Cone Incorporated v Jack Bessant, Dominic Greensmith, Kenwyn House and Gary Stringer (a partnership)* [2002] RPC 19 (HC), Pumfrey J. stated:

“27. There is one major problem in assessing a passing off claim on paper, as will normally happen in the Registry. This is the cogency of the evidence of reputation and its extent. It seems to me that in any case in which this ground of opposition is raised the registrar is entitled to be presented with evidence which at least raises a prima facie case that the opponent's reputation extends to the goods comprised in the applicant's specification of goods. The requirements of the objection itself are considerably more stringent than the enquiry under s.11 of the 1938 Act (see *Smith Hayden & Co. Ltd's Application (OVAX)* (1946) 63 R.P.C. 97 as qualified by *BALI Trade Mark* [1969] R.P.C. 472). Thus the evidence will include evidence from the trade as to reputation; evidence as to the manner in which the goods are traded or the services supplied; and so on.

28. Evidence of reputation comes primarily from the trade and the public, and will be supported by evidence of the extent of use. To be useful, the evidence must be directed to the relevant date. Once raised, the applicant must rebut the prima facie case. Obviously, he does not need to show that passing off will not occur, but he must produce sufficient cogent evidence to satisfy the hearing officer that it is not shown on the balance of probabilities that passing off will occur.”

101. However, in *Minimax GmbH & Co KG v Chubb Fire Limited* [2008] EWHC 1960 (Pat) Floyd J. (as he then was) stated that:

“[The above] observations are obviously intended as helpful guidelines as to the way in which a person relying on section 5(4)(a) can raise a case to be answered of passing off. I do not understand Pumfrey J to be laying down any absolute requirements as to the nature of evidence which needs to be filed in every case. The essential is that the evidence should show, at least prima facie, that the opponent's reputation extends to the goods comprised in the

application in the applicant's specification of goods. It must also do so as of the relevant date, which is, at least in the first instance, the date of application.”

102. Goodwill arises as a result of trading activities. The opponent’s claim to goodwill is supported by the turnover figures referred to above. As noted above, these are not substantial given the size of the market in question. However, they cannot be said to be insignificant. Further, the opponent has won awards (albeit at least some of these are not voted for by the consumers of the services in issue) and has a fair number of followers on social media. The fact that the opponent’s trading activities are limited to the London area only does not prevent a finding that it has acquired goodwill³. Taking all of the evidence into account, I am satisfied that the opponent has acquired a reasonable degree of goodwill in relation to restaurant and bar services and that the sign relied on is distinctive of that goodwill.

Misrepresentation

103. In *Neutrogena Corporation and Another v Golden Limited and Another* [1996] RPC 473, Morritt L.J. stated that:

“There is no dispute as to what the correct legal principle is. As stated by Lord Oliver of Aylmerton in *Reckitt & Colman Products Ltd. v. Borden Inc.* [1990] R.P.C. 341 at page 407 the question on the issue of deception or confusion is

“is it, on a balance of probabilities, likely that, if the appellants are not restrained as they have been, a substantial number of members of the public will be misled into purchasing the defendants' [product] in the belief that it is the respondents' [product]”

The same proposition is stated in Halsbury's Laws of England 4th Edition Vol.48 para 148. The necessity for a substantial number is brought out also in *Saville Perfumery Ltd. v. June Perfect Ltd.* (1941) 58 R.P.C. 147 at page 175; and *Re Smith Hayden's Application* (1945) 63 R.P.C. 97 at page 101.”

³ *Chelsea Man Menswear Limited v Chelsea Girl Limited and Another* [1987] RPC 189 (CA)

And later in the same judgment:

“... for my part, I think that references, in this context, to “more than *de minimis*” and “above a trivial level” are best avoided notwithstanding this court's reference to the former in *University of London v. American University of London* (unreported 12 November 1993). It seems to me that such expressions are open to misinterpretation for they do not necessarily connote the opposite of substantial and their use may be thought to reverse the proper emphasis and concentrate on the quantitative to the exclusion of the qualitative aspect of confusion.”

104. I recognise that the test for misrepresentation is different to that for likelihood of confusion, namely, that misrepresentation requires “a substantial number of members of the public are deceived” rather than whether the “average consumers are confused”. However, as recognised by Lewinson L.J. in *Marks and Spencer PLC v Interflora*, [2012] EWCA (Civ) 1501, it is doubtful whether the difference between the legal tests will produce different outcomes. I believe that this is the case here. I consider that, for the reasons set out above, the marks are sufficiently different that members of the public are not likely to be misled into purchasing the applicant's services in the belief that they are the opponent's services. The opposition under section 5(4)(a) must, therefore, fail.

CONCLUSION

105. The opposition is unsuccessful and the application will proceed to registration.

COSTS

106. The applicant has been successful and is entitled to a contribution towards its costs, based upon the scale published in Tribunal Practice Notice 2/2016. In the circumstances, I award the applicant the sum of £1,400.00 as a contribution towards the costs of the proceedings. The sum is calculated as follows:

Preparing a statement and considering

£200.00

the opponent's statement

Preparing evidence and considering the opponent's evidence	£800.00
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Preparing two sets of written submissions	£400.00
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Total	£1,400.00
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107. I therefore order Grind & Co Ltd to pay The Original Coffee Company Limited the sum of £1,400. This sum should be paid within 14 days of the expiry of the appeal period or, if there is an appeal, within 14 days of the conclusion of the appeal proceedings.

Dated this 20th day of December 2018

Stephanie Wilson

S WILSON

For the Registrar