

O-219-16

In the matter of UK Trade Mark Application No.3079439 THE CHEEKY INDIAN (device) in Class 43 in the name of Ashish Sutaria (the Applicant)

and

Opposition No. 60000196 by Cheeky Italian Limited (the Opponent)

and

In the matter of an Appeal to the Appointed Person by the Applicant against the Decision of the Hearing Officer O-338-15 for the Registrar, The Comptroller General dated 23 July 2015

DECISION

1. Ashish Sutaria (the Applicant) applied to register a device mark which is set out below.



2. As can be seen, it comprises the words 'The Cheeky Indian' with stylized eyes and a moustache arranged around the 'ee' of Cheeky, and a star above the 'i' with the words 'Indianish Street Food' in smaller lettering at bottom right. All the letters and designs are in white against a black rectangular background. It is applied for in relation to 'Services for providing food and drink; catering services, mobile catering services' in class 43.
3. The application was opposed by Cheeky Italian Limited (the Opponent) on the basis of two prior UK registered trade marks Nos 3016730 and 3017287. The Hearing Officer based her decision on '730 and did not consider '287. The Opponent did

not seek to raise ‘287 on this appeal and so I consider ‘730 only. ‘730 is a device mark which looks like this:



4. ‘730 is registered in respect of ‘Services for providing food and drink; bar, restaurant and catering services, mobile catering services; hotel catering services; consultancy services relating to food and food preparation; contract food services; arranging of wedding receptions [food and drink]; corporate hospitality (provision of food and drink),’ all in class 43.
5. The opposition was brought under s.5(2)(b) under the fast track opposition procedure and upheld, based on ‘730, by Ms AI Skilton in her written decision issued on 23 July 2015. The Hearing Officer found for the Opponent, holding that there was a likelihood of indirect confusion.
6. This finding is the subject of the appeal before me. The decision of the Hearing Officer was made on the papers, neither party having requested a hearing, although she had the benefit of written submissions from the Applicant. I did have the benefit of a hearing, for which both sides filed skeleton arguments and at which both made succinct oral submissions. The Appellant/Applicant was represented by Mr Philip Harris of Counsel, and the Respondent/Opponent by Mr Coyle of Lawdit Solicitors Ltd. I am grateful for their assistance.

Standard of Review

7. It is accepted that the appeal is by way of review and that the usual principles set out in *Reef Trade Mark* [2003] RPC 5 and other cases (including *BUD Trade Mark*

[2003] RPC 25 and *Fage UK Ltd v Chobani UK Ltd* [2014] ETMR 26) apply. I have reminded myself of those principles.

The Appeal

8. The applicant did not dispute:
 - 8.1. that the services in question are identical;
 - 8.2. the Hearing Officer's assessment of the relevant average consumer;
 - 8.3. that the Hearing Officer correctly set out the general principles of law which apply to the comparison of marks when one is concerned with the question of likelihood of confusion. The general principles which emerge from the CJEU cases are set out in Paragraph 11 of her decision, following the usual formula nowadays adopted by Hearing Officers. In any given case, these general principles often require more elucidation in certain areas to cope with the comparison in question. The Hearing Officer also referred to specific points later in her decision, with the case in point identified in a footnote.

9. In the Applicant's Grounds of Appeal and in his Skeleton Argument for the Appeal, Counsel for the Applicant asserted at least 8 allegedly material errors of principle, and proceeded to develop these in oral submissions. Minute dissection of the decision was required to separate out these alleged errors. I did not find this degree of dissection helpful. When formulating grounds of appeal, a useful guide is 'quality and not quantity'. Only one material error of principle is required for the appellate tribunal to intervene, and it is possible to obscure one good error of principle by dividing it into several more detailed criticisms, none of which are that compelling viewed individually.

The relevant average consumers

10. Having reminded herself of what Birss J. said at paragraph 60 in *Betty Boop (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), the Hearing Officer made the following findings as to the relevant consumers and the manner in which the services in question are selected:

“14. Outside catering services are normal everyday services provided to members of the general public. They may also be commissioned by businesses providing catering on a regular basis or as part of a particular event or function. A member of the public buying food or drink is likely to pay no more than an average level of attention to the purchase, whereas a business commissioning the services or a member of the public hiring, for example, wedding caterers, is likely to pay an above average level of attention to what is not a casual purchase. They may need to consider, inter alia, the nature of the event, cost and venue. In both cases the purchase is likely to be primarily visual, being made from advertising leaflets, flyers and websites and in the case of a member of the general public, possibly at the point of sale. However, I do not rule out the potential for oral use of the mark.”

11. This assessment was not challenged. However, the services in question are not limited to ‘outside catering services’ and include ‘services for providing food and drink’ i.e. from fixed premises such as restaurants and cafes. I do not think this matters, because I agree with the Hearing Officer’s assessment: in particular, the purchase is likely to be primarily visual such that the average consumer is very likely to see either of the marks either on the fascia of the premises or mobile unit and/or on a menu or advertising material, in the provision of the services.
12. The Hearing Officer’s decision contains a detailed comparison between the marks in question and detailed findings as to the degree of visual, aural and conceptual similarity, and as to the degree of distinctiveness of various elements. I could detect no error of principle in any of the individual steps in that analysis, sufficient to permit me to interfere. However, what struck me was the contrast between the individual findings and her analysis of the likelihood of (indirect) confusion.
13. The Hearing Officer started her comparison of the marks by setting them out side by side in Paragraph 18 in the usual way (see below). It is only in very rare cases that the average consumer does have the opportunity to compare marks directly, but the Hearing Officer clearly had this in mind.

The opponent's mark



The applicant's mark



14. The Hearing Officer concluded that:

- 14.1. There is a moderate degree of visual similarity between the marks;
- 14.2. The marks are aurally similar to a moderate degree; and
- 14.3. The marks are conceptually similar to a medium degree.
- 14.4. The earlier mark is possessed of a medium degree of distinctive character.

15. The end point of her analysis was her findings as to likelihood of confusion, which I set out below. In short, she found no likelihood of direct confusion because the differences between the marks would prevent one being mistaken for the other. She then went on to consider whether there was a likelihood of indirect confusion. For this purpose, the Hearing Officer directed herself entirely correctly by citing paragraphs 16 and 17 from the decision of Mr Iain Purvis Q.C. sitting as the Appointed Person in *L.A. Sugar Limited v By Back Beat Inc.* (BL O/375/10), in the following paragraphs of her decision:

“36. Taking all of these factors into account, the differences between the marks are such that I do not find there to be direct confusion, where one mark is mistaken for the other. With regard to indirect confusion, I am mindful of *L.A. Sugar Limited v By Back Beat Inc.*, in which Mr Iain Purvis Q.C. sitting as the Appointed Person noted that:

“16. Although direct confusion and indirect confusion both involve mistakes on the part of the consumer, it is important to remember that these mistakes are very different in nature. Direct confusion involves no process of reasoning – it is a simple matter of mistaking one mark for another. Indirect confusion, on the other hand, only arises where the

consumer has actually recognized that the later mark is different from the earlier mark. It therefore requires a mental process of some kind on the part of the consumer when he or she sees the later mark, which may be conscious or subconscious but, analysed in formal terms, is something along the following lines: “The later mark is different from the earlier mark, but also has something in common with it. Taking account of the common element in the context of the later mark as a whole, I conclude that it is another brand of the owner of the earlier mark.

17. Instances where one may expect the average consumer to reach such a conclusion tend to fall into one or more of three categories:

(a) where the common element is so strikingly distinctive (either inherently or through use) that the average consumer would assume that no-one else but the brand owner would be using it in a trade mark at all. This may apply even where the other elements of the later mark are quite distinctive in their own right (“26 RED TESCO” would no doubt be such a case).

(b) where the later mark simply adds a non-distinctive element to the earlier mark, of the kind which one would expect to find in a sub-brand or brand extension (terms such as “LITE”, “EXPRESS”, “WORLDWIDE”, “MINI” etc.).

(c) where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension (“FAT FACE” to “BRAT FACE” for example).”

37. In my view, the change of the last word of each mark from Italian to Indian (or vice versa) does fall squarely within the types of indirect confusion identified in *LA Sugar*, particularly the brand extension point. If the average consumer were familiar with either mark and encountered the other they would simply conclude that one was a ‘Cheeky’ outlet providing Italian cuisine and the other was a ‘Cheeky’ retailer providing Indian cuisine leading to such a connection between them that would result in a belief that the services are being provided by an economically linked undertaking.”

16. Before I discuss paragraph 37 of the Hearing Officer’s decision, there are one or two points to add to Mr Purvis’ explanation:

16.1. First, a finding of a likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion. It

should be kept in mind that the differences which mean that one mark would not be mistaken for the other might well dispel indirect confusion as well.

16.2. Second, if (as here) the differences between the marks are such that there is no likelihood of direct confusion, one needs a reasonably special set of circumstances for a finding of a likelihood of indirect confusion. This is what Mr Purvis was pointing out in those paragraphs in *LA Sugar*.

16.3. Third, when making a finding of a likelihood of indirect confusion, in my view it is necessary to be specific as to the mental process involved on the part of the average consumer. Whilst the categories of case where indirect confusion may be found is not closed, Mr Purvis' three categories are distinct, each reflecting a slightly different thought process on the part of the average consumer.

17. I have a number of difficulties with paragraph 37 of the Hearing Officer's Decision. First, one might be forgiven for thinking that, at this point in her Decision, the comparison was simply between 'CHEEKY ITALIAN' and 'CHEEKY INDIAN'. None of the other differences between the two device marks are either alluded to or mentioned but, in my view, at least some of the visual elements of each mark would be retained in an imperfect recollection in the mind of the average consumer, not least some recollection of the colour, font and angled presentation of the earlier mark and, for the later mark, the solid black rectangle featuring the words "The Cheeky Indian" with some recollection of his personality as depicted. Furthermore, in her analysis of each mark, the Hearing Officer nowhere said that all of the elements of each mark, other than the words, were negligible.

18. Second, the Hearing Officer says that 'the change of the last word of each mark from Italian to Indian (or vice versa) does fall squarely within the types of indirect confusion identified in *LA Sugar*, particularly the brand extension point.' In my view, it is not satisfactory to refer to those categories compendiously: as mentioned above, in my view it is necessary to identify the mental process involved, whether conscious or subconscious. To be fair, the Hearing Officer does mention in particular 'the brand extension point', by which I think she was identifying category

(c). Brand extension is mentioned as exemplifying category (b) as well, but this case does not fit category (b).

19. So far as category (c) is concerned, a finding of indirect confusion may follow where the earlier mark comprises a number of elements and a change of one element appears entirely logical and consistent with a brand extension. Again, the Hearing Officer's application of this notion could only have taken place on the basis that 'the element' in question was 'Italian' or 'Indian'. The first problem is that, even allowing for imperfect recollection, in my view the average consumer would not reduce each mark down to the words 'CHEEKY ITALIAN' or 'CHEEKY INDIAN'. Since it is accepted that these marks are primarily visual, the differences which the average consumer would retain as part of his or her recollection of each mark (which are sufficient to dispel a likelihood of direct confusion) are not logical or consistent with a brand extension at all.

20. The second problem is that, for the average consumer to perceive a brand extension, the extension has to be something which is familiar and natural, so that it is immediately perceived by the average consumer. In this case there is no evidence that traders who provide food and drink or catering services operate linked outlets identified as offering different national cuisines. In my view, the experience of the average consumer is to the exact opposite: usually, those traders who do identify a national cuisine in their branding only refer or allude to one. There may be chains of outlets under the same branding, but the average consumer is not accustomed to seeing a house mark used in conjunction with individual words indicating different national cuisines.

21. The Hearing Officer's reasoning as to indirect confusion might have been supportable if the Opponent had filed evidence of extensive use of 'CHEEKY', especially if that use had been in relation to a range of different national cuisines. But this case does not involve any family of CHEEKY marks, nor any enhanced distinctive character generated through use.

22. Overall, in my view, there is a distinct and material error of principle in the reasoning in paragraph 37 of the Hearing Officer's Decision, which means I must make a fresh assessment.
23. I adopt the Hearing Officer's analysis of the visual, aural and conceptual similarities between the respective marks, but in my view, the average consumer as a member of the public would retain different impressions of each mark in his or her head. I remind myself that the services in question are identical. However, the most important point of similarity – the word 'Cheeky' – is not sufficiently powerful, when weighed against the differences which would be perceived by the average consumer with his or her imperfect recollection of either mark on encountering the other, to give rise to a likelihood of indirect confusion. It would not be seen as logical or consistent to create a brand extension of one mark by fashioning the other mark. In my view, for the average consumer to perceive a brand extension would require a much greater degree of commonality.
24. Accordingly, in my view the ground of opposition under section 5(2)(b) fails. I therefore dismiss the Opposition and direct that the mark should proceed to grant.
25. The Applicant is entitled to its costs of the Opposition and of this hearing, but these are limited because this is a Fast Track Opposition. I award the Applicant the total sum of £850, made up of £300 for considering the grounds of opposition and its written submissions at first instance, £250 for the official fee for filing this appeal and £300 for the skeleton argument and appearance at the appeal hearing. I have reduced the portion relating to the appeal somewhat to reflect the fact that the grounds of appeal were overly detailed. So, I direct that the Opponent, Cheeky Italian Limited, must pay to the Applicant, Ashish Sutaria, the sum of £850 within 14 days of the date of my decision.
26. There is one final point. This was an appeal from a Fast Track Opposition. The decision of the Hearing Officer was dated 23 July 2015, the hearing before me took place on 21st March 2016. In future, it should not take 8 months for an appeal in a fast track case to reach an appeal hearing, otherwise it rather defeats the purpose of the fast track in the first place.

JAMES MELLOR QC

The Appointed Person

27th April 2016