O/0677/24

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. 3924480
IN THE NAME OF SP SETIA GROUP LTD
IN RESPECT OF THE TRADE MARK

IN CLASS 43

AND

THE OPPOSITION THERETO UNDER NO. 442613
BY KAYA TURISTIK TESISLERI TITREYENGÖL OTELCILIK ANONIM SIRKETI

Background and pleadings

1. SP SETIA GROUP LTD ("the applicant") applied to register the trade mark no. 3924480 shown on the cover page of this decision in the UK on 19 June 2023. It was accepted and published in the Trade Marks Journal on 14 July 2023 in respect of the following services:

Class 43: *Malaysian Restaurant; Restaurant services; Restaurants.*

2. On 21 August 2023, KAYA TURISTIK TESISLERI TITREYENGÖL OTELCILIK ANONIM SIRKETI ("the opponent") opposed the trade mark on the basis of section 5(2)(b) of the Trade Marks Act 1994 ("the Act"). This is on the basis of its UK comparable trade mark no. 916264608[1] as detailed below:

Colours Claimed: Blue; White; Grey.

Filing date: 19 January 2017

Registration date: 10 October 2017

Services relied upon: *Class 43: Providing of food and drink; restaurants, self-service restaurants, cafeterias; cafes, canteen services, cocktail lounges, snack bars, catering, pubs; rental of food service equipment used in services providing food and drink; arranging temporary housing accommodations,*

[1] On 1 January 2021, the UK left the EU after the expiry of the transition period. Under Article 54 of the Withdrawal Agreement, the Registry created comparable UK trade marks for all right holders with an existing EUTM. As a result of the opponent's EUTM number 16264608 being registered as at the end of the Implementation Period, a comparable UK trade mark was automatically created. The comparable UK mark is now recorded on the UK trade mark register, has the same legal status as if it had been applied for and registered under UK law.

namely, hotels, motels, resort hotels, holiday camps, boarding houses, rental of tents, youth hostel services, room reservation services; providing day care centers; pet day care services, pet and animal boarding services.

3. By virtue of its earlier filing date, the above registration constitutes an earlier mark in accordance with section 6 of the Act.

4. The opponent argues that the respective services are identical or highly similar and that the marks are highly similar, and that as such, there will be a likelihood of confusion including a likelihood of association between the marks. The applicant filed a counterstatement denying the claims made. It did not request that the opponent file proof of use of its earlier mark.

5. Neither side filed evidence in these proceedings, and neither side filed written submissions. No hearing was requested and so this decision is taken following a careful perusal of the papers.

6. The opponent is represented in these proceedings by Forresters IP LLP. The applicant represents itself.

7. The provisions of the Act relied upon in these proceedings are assimilated law, as they are derived from EU law. Although the UK has left the EU, section 6(3)(a) of the European Union (Withdrawal) Act 2018 (as amended by Schedule 2 of the Retained EU Law (Revocation and Reform) Act 2023) requires tribunals applying assimilated law to follow assimilated EU case law. That is why this decision refers to decisions of the EU courts which predate the UK's withdrawal from the EU.

Proof of use

8. The registration relied upon by the opponent had been registered for a period of over five years at the date on which the applicant filed its trade mark. It is, therefore, subject to the proof of use provisions set out in section 6A of the Act. However, the applicant answered question 7 of its TM8 form as follows:

7. Request for "proof of use"

Please see Tribunal Work Manual Section 3.1.10 Proof of use in opposition proceedings or Section 3.4.6 Proof of use in invalidation proceedings.

If the person opposing or applying to cancel your trade mark has provided a statement of use on grounds raised under sections 5(1) and 5(2) and 5(3) of the Trade Marks Act, you can request that they provide evidence to show that they are using their trade mark; this is called "proof of use".
If you do not request "proof of use" the opponent's statement of use will be accepted with the consequence that the earlier mark(s) may be relied upon for all the goods/services identified in the statement of use.

This is not applicable if this is a fast track opposition, in these circumstances please go straight to Section 8.

Do you want the opponent to provide "proof of use"?

☐ Yes ☑ No **> GO TO Section 8**

9. The opponent is therefore not obliged to file evidence of use in these proceedings, and it may rely on its earlier registration in respect of all of the services set out in its pleadings.

Decision

Section 5(2)(b)

10. Section 5(2)(b) of the Act is as follows:

> "5(2) A trade mark shall not be registered if because-
>
> (b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark".

11. Section 5A of the Act is as follows:

> "5A Where grounds for refusal of an application for registration of a trade mark exist in respect of only some of the goods or services in respect of which the trade mark is applied for, the application is to be refused in relation to those goods and services only."

12. 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 the earlier mark to mind, 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 might believe that the respective goods or services come from the same or economically linked undertakings, there is a likelihood of confusion.

Comparison of services

13. It is obvious that where goods or services share an identical meaning, they will be considered identical. Further, in *Gérard Meric v Office for Harmonisation in the Internal Market,* Case T- 133/05, the General Court 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 fur 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".

14. The above will also apply to services. With this in mind, the services for comparison are as follows:

Earlier services	Contested services
Class 43: *Providing of food and drink; restaurants, self-service restaurants, cafeterias; cafes, canteen services, cocktail lounges, snack bars, catering, pubs; rental of food service equipment used in services providing food and drink; arranging temporary housing accommodations, namely, hotels, motels, resort hotels, holiday camps, boarding houses, rental of tents, youth hostel services, room reservation services; providing day care centers; pet day care services, pet and animal boarding services.*	Class 43: *Malaysian Restaurant; Restaurant services; Restaurants.*

15. The contested services *restaurant services* and *restaurants* are self-evidently identical to the earlier services *restaurants.* Further, it is my view that *Malaysian Restaurant* services covered by the contested mark clearly fall within the broader category of *restaurants*, and I therefore consider these to be identical in line with the principles set out in *Meric*.

Comparison of marks

16. It is clear from *Sabel BV v. Puma AG* (particularly paragraph 23) that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. The same case also explains that the visual, aural and conceptual similarities of the marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. The Court of Justice of the European Union stated at paragraph 34 of its judgment in Case C-591/12P, *Bimbo SA v OHIM*, that:

> ".....it is necessary to ascertain, in each individual case, the overall impression made on the target public by the sign for which registration is sought, by means of, inter alia, an analysis of the components of a sign and of their relative weight in the perception of the target public, and then, in the light of that overall impression and all factors relevant to the circumstances of the case, to assess the likelihood of confusion."

17. It would be wrong, therefore, to dissect the trade marks artificially, 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.

18. The respective trade marks are shown below:

Earlier trade mark	**Contested trade mark**
KAYA PALAZZO HOTELS & RESORTS	Kaya MALAYSIAN RESTAURANT

19. The earlier mark contains a number of different features that contribute to its overall impression. I find the most dominant and distinctive of these to be the central wording KAYA PALAZZO, although the device depicting a coat of arms above is fairly large and also plays a significant role in the overall impression of the mark. I note the wording Hotels & Resorts will likely be considered informative of additional services that might be offered under the mark, and this along with its smaller size and less dominant position means that whilst not negligible, it plays a smaller role in the mark as a whole. I consider the long blue line with curled ends as well as the grey curved lines under the mark appear to be fairly simple decorative features, and these add only minimally to the mark's overall impression. I note the opponent has claimed the colours

blue, white and grey, but again I find the colour combination to play only a small role in the overall impression of the mark as a whole.

20. The contested mark also contains a number of features which contribute to its overall impression. The most dominant and distinctive of these is the large black word 'Kaya'. The small wording 'MALAYSIAN RESTAURANT' is descriptive of the services, and the small size and paler font help it to fade into the background, although I note the curved nature of the wording is vaguely suggestive of a sunshine, and this element is not negligible. Further, I note the inclusion of what appears to be a hibiscus flower in the centre of the first letter 'a', which also contributes to the overall impression of the mark.

Visual comparison

21. Visually, the marks coincide through the use of the word KAYA/Kaya, albeit in a different font and using different case letters. They differ by way of a number of additional elements in each of the marks that are not present in the other mark. The most notable of these is the word PALAZZO and the coat of arms device in the earlier mark, and the hibiscus flower in the contested mark. The stylisation and layout of the marks also differs, and overall these elements combine to create a significantly different visual impression. Overall, I find the marks visually similar to a fairly low degree.

Aural comparison

22. It is my view that due to its descriptive nature, in addition to its smaller size and positioning, 'Hotels & Resorts' is unlikely to be articulated within the earlier mark. The same can be said for the wording 'MALAYSIAN RESTAURANT' in the contested mark. The marks will overlap aurally through the use of the initial two syllable word 'KAYA', which I find will most likely be pronounced as 'KAI-YAH'. They differ by way of the additional three syllable second word in the earlier mark, which I consider will be pronounced in the normal way as 'PAH-LAH-ZOH'. Although they will differ considerably in length, the aural similarities are placed at the beginning of the mark

where they tend to have more impact on the consumer.[2] Overall, I find the marks similar aurally to a medium degree.

23. If I am wrong in my finding that certain elements in the marks will not be verbalised by the consumer, I nonetheless consider the marks to be aurally similar to a medium degree based on the aural similarities present at the beginning of each of the marks.

Conceptual similarity

24. Within its TM8, the applicant has submitted that the word 'Kaya' has multiple meanings in the Malaysian language. I have not been provided with any evidence of this, and in any case, I do not consider it likely that the meaning of the word in the Malaysian language will be known by a significant portion of the UK public, even those specifically attending a Malaysian restaurant. I therefore do not find this element to create a point of conceptual similarity between the marks based on a meaning within the Malaysian language.

25. The earlier mark contains several elements that may be conceptualised. Collins dictionary defines the word Palazzo in the earlier mark as meaning (in British English) "an Italian palace".[3] The Oxford English Dictionary defines its meaning as "[a] palatial mansion, esp. in Italy; (in extended use) any large and imposing building or residence."[4] It is my view that the average consumer will consider this word to (at least) be a word, possibly of foreign origin, which refers to a grand or imposing building, if not to a palace or Italian palace. Together with the word Kaya it suggests a 'Palazzo' (in whatever way this will be understood) named Kaya, or more likely in my view, one under the ownership of the Kaya family. The coat of arms used reinforces the idea of a royal or noble family, who might own such a grand residence. However, I also consider the possibility that, considering the apparent foreign route of the word 'Palazzo', some consumers may also consider 'Kaya' to simply be a foreign word from the same origin.

[2] See *El Corte Inglés, SA v OHIM*, Cases T-183/02 and T-184/02
[3] https://www.collinsdictionary.com/dictionary/english/palazzo [accessed 29 June 2024]
[4] https://www.oed.com/dictionary/palazzo_n?tab=meaning_and_use#32520923 [accessed 29 June 2024]

26. It is also possible that there will be a group of consumers who view the word ‘Kaya’ in the contested mark as a name, albeit a fairly unusual one, or a foreign word. To the extent that it is considered to be the same name or foreign word in both marks, there is a point of conceptual similarity on that basis, but the word ‘Palazzo’ along with ‘Hotels and Resorts’ in the earlier mark, and the wording ‘Malaysian restaurant’ in the contested mark all create points of conceptual difference. I have outlined already that the coat of arms in the earlier mark will reinforce the suggestion of royal or noble family, and the use of the flower and the suggestion of a sunshine in the contested mark will also create further points of conceptual difference. Overall, through the shared use of the word Kaya, I find the marks to be conceptually similar to a low degree.

Average consumer and the purchasing act

27. The average consumer is deemed to be reasonably well informed and reasonably observant and circumspect. For the purpose of assessing the likelihood of confusion, it must be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question: *Lloyd Schuhfabrik Meyer,* Case C-342/97.

28. 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.”

29. The average consumers of the identical services will primarily comprise members of the general public. When considering the services, they will likely pay attention to factors including quality, and the suitability of the services offered for their tastes,

dietary requirements, and budget. They will therefore likely pay a medium level of attention to the services.

30. The services will primarily be selected visually, with consumers viewing websites or restaurant frontages before engaging the same. However, I consider that the services may also be subject to word of mouth recommendations, and as such I cannot completely discount the aural comparison.

Distinctive character of the earlier trade mark

31. 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 *WindsurfingChiemsee* v *Huber and Attenberger* [1999] ECR I-0000, paragraph 49).
>
> 23. In making that assessment, account should be taken, in particular, of the inherent characteristics of the mark, including the fact that it does or does not contain an element descriptive of the goods or services for which it has been registered; the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant section of the public which, because of the mark, identifies the goods or services as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations (see *Windsurfing Chiemsee*, paragraph 51)."

32. The opponent has not provided any evidence of use of its earlier mark, and I therefore only have the inherent position to consider.

33. I previously found that the wording 'KAYA PALAZZO' may be indicative of an imposing building under the name Kaya, or more likely to one under ownership of the 'Kaya' family. I do not consider this to be descriptive or allusive of the services, and I note the name 'Kaya' appears to be fairly unusual. In this context, I therefore consider the element 'KAYA PALAZZO' to hold an above medium degree of distinctive character. I note the coat of arms device is not descriptive or allusive of the services, and it will reinforce the concept of a noble or royal family. Whilst I note the wording 'HOTELS & RESORTS' is not directly descriptive of restaurant services, it will nonetheless indicate to the consumer that these services may also be offered by the company responsible for the mark, and it does not assist in raising the distinctive character of the earlier mark. Overall, I find the earlier mark to be inherently distinctive to an above medium degree.

34. For completeness, I note that to the extent that 'KAYA' is simply considered to be a foreign word, I do not consider this will significantly alter my finding on the distinctiveness of the earlier mark, and I still find this to be inherently distinctive to an above medium degree in those circumstances.

GLOBAL ASSESSMENT – Conclusions on Likelihood of Confusion

35. Prior to reaching a decision under Section 5(2)(b), I must first consider all relevant factors, including those as set out within the principles A-K at paragraph 12 of this decision. I must view the likelihood of confusion through the eyes of the average consumer, 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 they have kept in their mind. I must consider the level of attention paid by the average consumer, and consider the impact of the visual, aural and conceptual similarities of the marks by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components. I must consider that the level of distinctive character held by the earlier mark will have an impact on the likelihood of confusion. I must remember that the distinctiveness of the common elements is key.[5] I must keep

[5] See *Kurt Geiger v A-List Corporate Limited*, BL O-075-13, in which Mr Iain Purvis Q.C. as the Appointed Person pointed out that the level of 'distinctive character' is only likely to increase the

in mind that a lesser degree of similarity between the services may be offset by a greater degree of similarity between the marks, and vice versa. I must also consider that both the degree of attention paid by the average consumer and how the goods are obtained will have a bearing on how likely the consumer is to be confused.

36. There are two types of confusion that I may find. The first type of confusion is direct confusion. This occurs where the average consumer mistakenly confuses one trade mark for another. The second is indirect confusion. This occurs where the average consumer notices the differences between the marks, but due to the similarities between the common elements, they believe that both products derive from the same or economically linked undertakings.[6]

37. In *Duebros Limited v Heirler Cenovis GmbH,* BL O/547/17, Mr James Mellor Q.C. (as he then was), as the Appointed Person, stressed that a finding of indirect confusion should not be made merely because the two marks share a common element. In this connection, he pointed out that it is not sufficient that a mark merely calls to mind another mark. This is mere association not indirect confusion.

38. I consider firstly the likelihood of direct confusion. I consider that, in this instance, I found the services to be identical. I also found the earlier mark to be distinctive to an above medium degree. Both of these factors point in favour of the opponent. However, I found the marks to be similar visually to a fairly low degree, and to be aurally similar to a medium degree. Whilst I found the marks to be conceptually similar to a low degree, I keep in mind that some elements creating the points of conceptual difference such as the reference to the Malaysian restaurant do not weigh heavily into my consideration due to the descriptiveness of the same. I consider that consumers, those being members of the general public, will likely pay a medium level of attention in respect of the services which will be primarily engaged with visually, although I note I cannot completely discount the aural considerations. Weighing up all of the factors, and keeping in mind both that the identity between the services can go some way to offset the differences between the marks, and the imperfect recollection of the average

likelihood of confusion to the extent that it resides in the element(s) of the marks that are identical or similar.

[6] *L.A. Sugar Limited v Back Beat Inc*, BL O/375/10

consumer, it is my view that in this instance the differences between the marks are too great for the consumer to be directly confused.

39. I therefore go on to consider if I find a likelihood of indirect confusion between the marks. In *L.A. Sugar* (cited above) Mr Iain Purvis Q.C. (as he then was), as the Appointed Person set out three examples of when indirect confusion may occur as below:

> 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)."

40. I note that the examples above were intended to be illustrative and are not exhaustive.

41. In *Whyte and Mackay Ltd v Origin Wine UK Ltd and Another* [2015] EWHC 1271 (Ch), Arnold J. (as he then was) considered the impact of the CJEU's judgment in *Bimbo,* Case C-591/12P, on the court's earlier judgment in *Medion v Thomson.* The judge said:

"18 The judgment in *Bimbo* confirms that the principle established in *Medion v Thomson* is not confined to the situation where the composite trade mark for which registration is sought contains an element which is identical to an earlier trade mark, but extends to the situation where the composite mark contains an element which is similar to the earlier mark. More importantly for present purposes, it also confirms three other points.

19 The first is that the assessment of likelihood of confusion must be made by considering and comparing the respective marks — visually, aurally and conceptually — as a whole. In *Medion v Thomson* and subsequent case law, the Court of Justice has recognised that there are situations in which the average consumer, while perceiving a composite mark as a whole, will also perceive that it consists of two (or more) signs one (or more) of which has a distinctive significance which is independent of the significance of the whole, and thus may be confused as a result of the identity or similarity of that sign to the earlier mark.

20 The second point is that this principle can only apply in circumstances where the average consumer would perceive the relevant part of the composite mark to have distinctive significance independently of the whole. It does not apply where the average consumer would perceive the composite mark as a unit having a different meaning to the meanings of the separate components. That includes the situation where the meaning of one of the components is qualified by another component, as with a surname and a first name (e.g. BECKER and BARBARA BECKER).

21 The third point is that, even where an element of the composite mark which is identical or similar to the earlier trade mark has an independent distinctive role, it does not automatically follow that there is a likelihood of confusion. It remains necessary for the competent authority to carry out a global assessment taking into account all relevant factors."

42. I also keep in mind *Liverpool Gin Distillery Ltd & Ors v Sazerac Brands, LLC & Ors* [2021] EWCA Civ 1207, in which Arnold LJ referred to the comments of James Mellor

QC (as he then was), sitting as the Appointed Person in *Cheeky Italian Ltd v Sutaria* (O/219/16), where he said at [16] that "a finding of a likelihood of indirect confusion is not a consolation prize for those who fail to establish a likelihood of direct confusion". Arnold LJ agreed, pointing out that there must be a "proper basis" for concluding that there is a likelihood of indirect confusion where there is no likelihood of direct confusion.

43. I consider firstly that this case does not fit exactly into any of the scenarios described in *L.A. Sugar,* although I remind myself that these are not exhaustive and so this is not determinative. I consider the shared element in the mark is the word KAYA, which comprises the most dominant and distinctive element of the later mark and part of the most dominant and distinctive element in the earlier mark. I consider that the element PALAZZO in the earlier mark is indicative of a residence, and the additional wording in the marks is descriptive of services that may be offered under the marks. I have therefore considered carefully if, on this basis, I find there will be a scenario where the consumer, upon coming across both marks, will believe that one may be indicative of a restaurant offered in a hotel and the other of a restaurant separate to (or also within) that hotel deriving from the same entity but under the other mark, by way of a brand extension. I find this to be the strongest argument in favour of a likelihood of indirect confusion in this instance. However, having carefully examined this possibility, and having again weighed up all of the relevant factors including the medium level of aural similarity, it is my view that this is unlikely to be the case. I note that the visual differences between the marks are considerable, and on this basis alone, it does not appear to me to be a likely or logical conclusion that will be reached by the average consumer. Further, without evidence on this point, I do not consider consumers will be particularly familiar with a scenario where the same entity uses a particular mark for a hotel restaurant and a visually somewhat different mark for a restaurant outside of a hotel (or also within a hotel) but sharing a single common element. Instead it is my view that the similarities between the marks by way of the word 'Kaya' would more likely be put down to a coincidence, and whilst I accept one mark may bring the other to mind in this respect, this is mere association and not a likelihood of confusion.

44. For completeness, I note here that I have considered whether the consumer will be of the view that the element ‘Kaya’ plays an independent distinctive role in each of the marks, and if they will be confused between the marks on that basis. It is my view that for the vast majority of consumers, this element will be seen as hanging together with the word Palazzo in the earlier mark to indicate a residence owned by the Kaya family (or on occasion a residence named Kaya). In this scenario the shared element will not play an independent distinctive role in the same. Further, it is my view that where ‘Kaya’ is simply considered to be a foreign word in the earlier mark, it will likely be considered as part of a foreign phrase, rather than an independent indicator of origin. However, even if it is considered by the consumer to play an independent distinctive role within the earlier mark, I note it will not automatically follow that there will be a likelihood of confusion between the marks. It is my view, for the reasons set out above primarily relating to the visual differences between the marks, that the consumer will not be indirectly confused on the basis of the ‘Kaya’ element in the context of the marks as a whole even in those circumstances. I remain of the view that if they notice the common element, this will be put down to coincidence. I therefore find no likelihood of confusion between the marks.

Final Remarks

45. The opposition has failed in its entirety, and subject to a successful appeal, the application will proceed to registration in respect of all of the services applied for.

COSTS

46. The applicant has been successful and would ordinarily be entitled to an award of costs. On 21 December 2023, the Tribunal wrote to the applicant to indicate the conclusion of the evidence rounds. In that letter, the following information regarding costs was provided:

> ***What to do if you intend to request costs***
>
> *If you intend to make a request for an award of costs you must complete and return the attached pro-forma and send a copy to the other party. Please send these by e-mail to tribunalhearings@ipo.gov.uk.*

*If there is to be a "decision from the papers" this should be provided by **18 January 2024**.*

If a hearing is taking place you will be advised of the deadline to do so when the Hearing is appointed. If the pro-forma is not completed and returned, costs, other than official fees arising from the action (excluding extensions of time), may not be awarded. You must include a breakdown of the actual costs, including accurate estimates of the number of hours spent on each of the activities listed and any travel costs. Please note that The Litigants in Person (Costs and Expenses) Act 1975 (as amended) sets the minimum level of compensation for litigants in person in Court proceedings at £19.00 an hour.

47. The applicant did not complete a costs pro-forma in this instance and, in the circumstances, I make no award of costs in relation to these proceedings.

Dated this 17th day of July 2024

Rosie Le Breton

For the Registrar