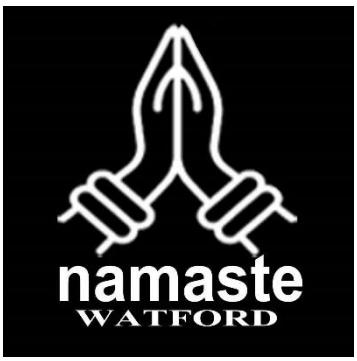
O/0991/25

TRADE MARKS ACT 1994

IN THE MATTER OF APPLICATION NO. 3871783

BY DMS FOODS LTD

TO REGISTER:



AS A TRADE MARK IN CLASS 43

AND

IN THE MATTER OF THE OPPOSITION THERETO

UNDER NO. 440997 BY

MC GROUP-UK LTD

BACKGROUND AND PLEADINGS

1. These proceedings concern the application for a trade mark by DMS Foods Ltd ("the applicant"), which owns an Indian restaurant in Watford. On 27 January 2023, it applied to register the mark shown on the front cover of this decision ("the contested mark") in the United Kingdom in respect of the following services:

> *Class 43*
>
> *Fast-food restaurant services; Take-out restaurant services; Restaurant and bar services; Bar and restaurant services; Take-away restaurant services; Restaurant services; Salad bars [restaurant services]; Restaurant reservation services; Restaurants; Carry-out restaurants; Mobile restaurant services; Grill restaurants; Reservation of restaurants; Booking of restaurant seats; Serving food and drink for guests in restaurants; Serving food and drink in restaurants and bars; Restaurants (Self-service -); Self-service restaurants; Restaurant services for the provision of fast food; Tourist restaurants; Fast food restaurants; Restaurant services incorporating licensed bar facilities; Delicatessens [restaurants]; Providing food and drink for guests in restaurants; Provision of food and drink in restaurants; Providing restaurant services; Providing food and drink in restaurants and bars; Catering of food and drinks; Food and drink catering for banquets; Catering (Food and drink -); Food and drink catering; Catering of food and drink; Restaurant services provided by hotels; Reservation and booking services for restaurants and meals; Food and drink catering for institutions; Takeaway food and drink services; Take-away food and drink services; Food and drink catering for cocktail parties; Cocktail lounge buffets; Take-away food services; Takeaway food services; Serving food and drink for guests; Making reservations and bookings for restaurants and meals; Serving food and drinks; Catering for the provision of food and drink; Catering services for company cafeterias; Take-away fast food services; Hospitality services [food and drink]; Wine bar services; Catering services for the provision of food and drink; Club services for the provision of food and drink; Coffee bar services; Providing food and drink for guests; Catering; Providing food and drink catering services for fair and exhibition facilities; Self-service cafeteria services; Night club services [provision of food]; Private members dining club services.*

2. On 24 May 2023, the application was opposed by MC Group-UK Ltd ("the opponent"), which is the owner of an Indian restaurant and shisha bar in Northwood in Greater London. The opposition is based on sections 5(2)(b), 5(4)(a) and 3(6) of the Trade Marks Act 1994 ("the Act") and concerns all the services in respect of which registration is sought.

3. Under section 5(2)(b), the opponent is relying on UK Trade Mark ("UKTM") No. 3296603 ("the earlier mark"), which is shown below:

It has a filing date of 13 March 2018 and a registration date of 27 July 2018. The mark is registered for the following services, all of which are relied upon:

> *Class 43*
> *Restaurant services; Restaurant services incorporating licensed bar facilities; Restaurants; Bar and restaurant services; Cafeterias; Fast food restaurants; Hookah bar services; Hookah lounge services; Shisha bars.*

4. The mark qualifies as an earlier trade mark under section 6(1) of the Act by virtue of its earlier filing date. As it had completed its registration process less than five years before the date on which the application for the contested mark was made, the opponent does not have to prove that it has made genuine use of the mark and so may rely on all the services listed above.

5. The opponent claims that the marks are similar, with the dominant and distinctive element of each being the word "Namaste", and each containing a triangular shape in the centre. The word "WATFORD" in the contested mark would, according to the opponent, be understood to be descriptive of a location in the UK. It is also claimed that the services are identical or highly similar. In consequence, there is a likelihood of confusion between the marks.

6. The pleading under section 5(4)(a) is as follows. In Section C of the Form TM7 (Notice of opposition and statement of grounds), the opponent claims to have used the sign shown in paragraph 3 above throughout the UK since 13 March 2018 for the services listed in the same paragraph. However, in its statement of grounds attached to the form it claims to have been trading under the sign since at least 2014. The opponent claims to have acquired goodwill under the sign and that use of the contested mark would constitute a misrepresentation to the public that would damage the goodwill in its business. Consequently, use of the contested mark would be contrary to the law of passing off.

7. The final ground relied on is section 3(6) of the Act. The opponent claims that the applicant was aware of the opponent and its business at the time of filing the application for the contested mark. The applicant has acted contrary to the standards of acceptable commercial behaviour by applying for a registered trade mark to which it knows it is not entitled. By doing so, it seeks to damage the business or reputation of the opponent.

8. The applicant filed a defence and counterstatement denying the claims made. Under section 5(2)(b), it claims that the devices make the marks different and so negate the risk of the confusion. Furthermore, it argues that the word “Namaste” is widely used within the industry. Under section 5(4)(a), it claims that consumers would not be misled as the use of “Namaste” with a location descriptor follows an established industry practice and cites the unopposed registration of its application for “Namaste Hounslow”. Under section 3(6), it claims that the application for the contested mark was a legitimate business decision, not intended to harm any other undertaking. The choice of the name was made independently and in line with industry norms.

EVIDENCE

9. The opponent’s evidence in chief comes from Nayan Chande, director of MC Group-UK Limited. His witness statement is dated 18 April 2024 and is accompanied by a single exhibit of 199 pages. The evidence goes to the use made of the earlier mark, the claim of goodwill, instances of actual confusion between the parties’ establishments, and correspondence between the two parties concerning alleged infringement of the opponent’s trade mark.

10. The applicant's evidence comes from Dharmesh Rajput, director of DMS Foods Limited. The witness statement is dated 8 July 2024 and is accompanied by a single exhibit of 62 pages. It goes to the background of the applicant's business and its activities and the claims of bad faith. Section 7 onwards consists of submissions in response to the claims and the opponent's evidence in chief, and I shall treat these passages as such.

11. The opponent filed evidence in reply in the form of a second witness statement from Mr Chande dated 9 September 2024, accompanied by a single exhibit of 21 pages.

12. The Registry wrote to the parties on 30 September 2024 to close the evidence rounds and set the deadlines for requesting a hearing or filing written submissions in lieu of the same. Neither side requested a hearing, but the applicant wrote to the Registry on 25 October 2024 requesting permission to file additional evidence in reply. It argued that the opponent's second witness statement included new claims and evidence not previously raised. Both parties filed written submissions in lieu of a hearing on 28 October 2024. The applicant was requested to confirm by 7 November 2024 whether it still wished to file additional evidence. The applicant confirmed that this was the case, and the Registry replied on 20 December 2024 asking the applicant to clarify which parts of the opponent's evidence it claimed were new so that the request could receive proper consideration. A deadline of 10 January 2025 was set for a response. When none was received, a final deadline of 12 February 2025 was set. As there was no reply to this letter, a preliminary view was given to close the evidence rounds. This was confirmed on 4 April 2025.

REPRESENTATION

13. In these proceedings, the opponent is represented by Jury O'Shea LLP. The final written submissions were made by Beth Collett of Counsel, on instruction from Jury O'Shea. The applicant has represented itself.

RELEVANCE OF EU LAW

14. 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.

DECISION

Section 5(2)(b)

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

> "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."

16. In considering the opposition under this section, I am guided by the following principles, gleaned from the decisions of the Court of Justice of the European Union ("CJEU") 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 BV* (Case C-342/97), *Marca Mode CV v Adidas AG & Adidas Benelux BV* (Case C-425/98), *Matratzen Concord GmbH v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (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-334/05 P) and *Bimbo SA v OHIM* (Case C-519/12 P):

> 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. The average consumer is deemed to be reasonably well informed and reasonably circumspect and observant, but

someone 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, 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 greater 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; and

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.

17. I find it convenient to address a further general point here. The applicant submits that the risk of confusion is reduced by the different geographical locations of the parties' two restaurants.[1] However, it is important to keep in mind the fact that the earlier mark covers the whole of the United Kingdom, as would the contested mark, should it proceed to registration. I am required to make my decision on the basis of "fair and notional" use of both marks, which means that they could in principle be used in the same location. Therefore, different geographical locations at the time of application, or even at the time of writing this decision, are not relevant to my assessment of this ground. This cannot be a factor in deciding whether there is a likelihood of confusion between the marks.

Comparison of services

18. It is settled case law that I must make my comparison of the services on the basis of all relevant factors. These include the nature of the services, their purpose, their users and method of use, the trade channels through which they reach the market, and whether they are in competition with each other or are complementary: see *Canon*, paragraph 23, and *British Sugar Plc v James Robertson & Sons Limited (TREAT Trade Mark)* [1996] RPC 281 at [296]. As the General Court ("GC") said in *Boston Scientific Ltd v OHIM*, Case T-325/06, services are complementary when

> "82. … 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 that the responsibility for those goods lies with the same undertaking."

19. Where the services are *"sufficiently comparable to be assessable for registration in essentially the same way for essentially the same reasons"*, I shall group them together: see *SEPARODE Trade Mark*, BL O-399-10, paragraph 5.

Bar and restaurant services; Restaurant services; Restaurants; Fast food restaurants; Restaurant services incorporating licensed bar facilities.

20. These services appear in both parties' specifications and so are identical.

[1] Final written submissions, page 2, section 6.

Fast-food restaurant services; Restaurant and bar services; Restaurant services for the provision of fast food; Providing restaurant services.

21. These contested services appear in synonymous terms in the opponent's specification and so are identical.

Salad bars [restaurant services]; Mobile restaurant services; Grill restaurants; Serving food and drink for guests in restaurants; Serving food and drink in restaurants and bars; Restaurants (Self-service -); Self-service restaurants; Tourist restaurants; Delicatessens [restaurants]; Providing food and drink for guests in restaurants; Provision of food and drink in restaurants; Providing food and drink in restaurants and bars; Restaurant services provided by hotels; Wine bar services; Coffee bar services.

22. Where services in the specification of one party are included in a broader term from the other party's specification, those services are considered to be identical: see *Gérard Meric v OHIM*, Case T-133/05, paragraph 29. The above contested services are all included in, and are identical to, the broader terms *Restaurant services* and *Bar and restaurant services* from the opponent's specification.

Self-service cafeteria services

23. These services are included in the opponent's *Cafeterias* and so are identical per *Meric*.

Take-out restaurant services; Take-away restaurant services; Carry-out restaurants; Takeaway food and drink services; Take-away food and drink services; Take-away food services; Takeaway food services; Take-away fast food services

24. These services may be provided by the same undertakings as the opponent's *Restaurant services*, as the consumer may eat the food in the restaurant or take it away to consume elsewhere. I therefore find that there is an overlap in trade channels. The purpose of the services is highly similar, as both satisfy the consumer's need for food. The nature of the services and method of use differ. I do not find the services to be complementary. However, they are in competition. Taking all these factors into account, I find that the services are highly similar.

Restaurant reservation services; Reservation of restaurants; Booking of restaurant seats; Reservation and booking services for restaurants and meals; Making reservations and bookings for restaurants and meals

25. I shall compare these services to the applicant's *Restaurant services.* The nature, method of use and purpose of the services differ, and they are not in competition. There will, however, be a significant overlap in user: the contested services are directed towards people who want to eat in restaurants, or who are making bookings on their behalf. The applicant's services are indispensable for the supply of the opponent's services. The opponent submits that *"it is usually a restaurant that conducts its own reservation and booking services"*.[2] I have no evidence to support this submission, but it is my experience as a member of the general public that it is not uncommon for restaurants and restaurant groups to provide a booking service for themselves. The user of both services, who is a member of the general public, would expect them to be the responsibility of the same undertaking. Consequently, I find the services are complementary and there is a medium degree of similarity between the services.

Catering of food and drinks; Food and drink catering for banquets; Catering (Food and drink -); Food and drink catering; Catering of food and drink; Food and drink catering for institutions; Food and drink catering for cocktail parties; Catering for the provision of food and drink; Catering; Providing food and drink catering services for fair and exhibition facilities

26. I do not consider that these services are identical to the applicant's *Restaurant services*. The courts have said on numerous occasions that *"In the case of services, the terms used should not be interpreted widely, but confined to the core of the possible meanings attributable to the terms"*: see *Sky Plc & Ors v Skykick UK Ltd & Anor* [2020] EWHC 990 (Ch), paragraph 56; see also *SkyKick UK Ltd & Anor v Sky Ltd & Ors (Rev1)* [2024] UKSC 36, paragraph 365. I consider that *Restaurant services* include the provision of a physical location in which to consume the food and drink, or in the case of take-away restaurants, to purchase the food and drink for consumption elsewhere. To my mind, *Catering* involves the supply of food and drink in the

[2] Written submissions, paragraph 30.

customer's location, on a regular or more *ad hoc* basis. The purpose of both services is to provide food and drink and there will be an overlap in user. There may be an overlap in trade channels, as some restaurants are likely to provide their own catering services. The services are not complementary. There may be a degree of competition for the more general services, as the consumer could choose whether to hold a celebratory meal, for example, at a restaurant or to employ caterers. Consequently, I find that there is a high degree of similarity between the opponent's *Restaurant services* and *Catering of food and drinks; Food and drink catering for banquets; Catering (Food and drink -); Food and drink catering; Catering of food and drink; Food and drink catering for cocktail parties; Catering for the provision of food and drink; Catering services for the provision of food and drink; Catering*.

27. The similarity is, in my view, only at a medium degree for *Food and drink catering for institutions; Catering services for company cafeterias; Providing food and drink catering services for fair and exhibition facilities*, as I consider there will be no competition between these services and *Restaurant services.*

Cocktail lounge buffets

28. The opponent submits that these services are identical to its services, without specifying which particular service it considers its best comparator. I shall use *Bar … services*. This broad term includes services supplied by cocktail bars and lounges. In my view, "bars" and "lounges" describe the same type of establishment and the services provided will be the same. I find that the parties' services are identical, but if I am wrong in this, I find them to be highly similar on the basis of a clear overlap in trade channels and users, and complementarity. Cocktail bar services are indispensable for the supply of *Cocktail lounge buffets* and the average consumer will assume that they are the responsibility of the same undertaking.

Serving food and drink for guests; Serving food and drinks; Hospitality services [food and drink]; Providing food and drink for guests

29. In my view, these are broad terms that include the opponent's *Restaurant services* and so they are identical per *Meric*.

Club services for the provision of food and drink

30. The opponent submits that these services are identical to its own services. I shall compare them to *Bar and restaurant services*. I consider that clubs that provide food and drink are likely to provide *Bar and restaurant services*, and so I agree that they are identical.

Night club services [provision of food]

31. I shall compare these services to *Bar and restaurant services*. The opponent submits that they are highly similar and that *"night club services are often found alongside bar services, particularly where food is offered"*. I understand the contested term to denote the provision of food in night clubs and I agree that there is likely to be an overlap in trade channels with the opponent's services, particularly the bar services. There is a similarity in purpose in the services, although I note that the provision of food is likely to be ancillary to the main purpose of attending a night club, which is to be entertained. For this reason, I consider that, if there is any competition, it is likely to be at a fairly low degree. The method of use of the services is the same and the nature of the service is likely to be similar. I do not find the services to be complementary. Taking all these factors into account, I find that the services are highly similar.

Private members dining club services

32. The opponent submits that *"Private members dining club services are similarly a sub-set of restaurant services, albeit with a more restricted clientele"*.[3] I note that it does not submit that the services are identical, but highly similar. It is my understanding that the contested services involve the provision of food and drink to members of a club. There is likely to be an overlap in user and purpose, although there are some differences in the nature of the service, with the exclusivity of the applicant's services likely to be an important feature. There is also likely to be an overlap in trade channels, as any dining club would be likely to use the services of restaurants. There may also be a degree of complementarity, and I consider that there is some competition between these services and *Restaurant services*. I find that they are highly similar.

[3] Written submissions, paragraph 31.

Average consumer and the purchasing process

33. The average consumer is deemed to be reasonably well informed and reasonably circumspect: see *Hearst Holdings Inc & Anor v A.V.E.L.A. Inc & Ors*, [2014] EWHC 439 (Ch), paragraph 60. For the purposes 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 and services in question: see *Lloyd Schuhfabrik*, paragraph 26.

34. For most of the Class 43 services, the average consumer is a member of the general public who will purchase most of the services on a fairly frequent basis. The exceptions are *Food and drink catering for institutions; Catering services for company cafeterias; Providing food and drink catering services for fair and exhibition facilities*, which will be purchased by organisations. That said, the end user of these services is likely to be a member of the general public.

35. The price of the services will vary. I consider that there will be occasions where the level of attention paid is low. This could occur when the consumer needs to find something to eat very quickly. On other occasions, the consumer will make a more considered choice, taking account of the range of options on the menu, the ingredients used, the cleanliness of the restaurant, takeaway outlet or bar, its ambience, and whether the service caters for any dietary requirements that the consumer has. The opponent submits that the average consumer will pay an *"ordinary"* level of attention during the purchasing process. I consider that this means a medium, rather than a low, level.[4] The lower the level of attention, the more likely there is to be confusion, all other things being equal. Given this, and the absence of any submissions on this point from the applicant, I will proceed on the basis that the level of attention paid is medium. The purchaser of *Food and drink catering for institutions; Catering services for company cafeterias* and *Providing food and drink catering services for fair and exhibition facilities* may pay a slightly higher degree of attention, but it would, in my view, still be within the medium range.

36. When deciding which services to purchase, the average consumer will see the marks in use on signage on the premises or on printed flyers or other promotional

[4] Written submissions, paragraph 21.

material. They may also have seen advertisements or reviews on social media, websites and printed publications. The purchasing process will largely be a visual one. However, I cannot ignore the aural element of the marks as the consumer may receive word-of-mouth recommendations.

Comparison of marks

37. It is clear from *SABEL* (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 CJEU stated in *Bimbo* that:

> "34. … it is necessary to ascertain in each individual case, the overall impression made on the target public by the sign for which the 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."

38. Artificial dissection of the marks would therefore be wrong, although it is necessary for me to take into account their distinctive and dominant components and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

39. The respective marks are shown below:

Contested mark	**Earlier mark**
	

40. The contested mark consists of a black square containing a verbal and a figurative element. At the bottom of the mark, there are two words, one on top of the other. The first, “namaste”, is in lower case, while the second “WATFORD” is in slightly smaller upper-case letters and will, in my view, be perceived as indicating the place where the services are provided. There is nothing unusual about the typeface in which both of those words are presented. Above the words, there is a three-pronged device which will readily be understood as showing the lower arms, wrists and hands of a person. The hands are held together in what the applicant describes as a “Namaste” gesture.[5] The person has two bangles on each wrist. The device is a line drawing in white and it takes up the largest part of the black square. However, I remind myself that the GC held in *Wassen International Ltd v OHIM (SELENIUM-ACE)*, Case T-312/03, that verbal elements should in principle be held to be more distinctive than figurative elements of a mark, as the average consumer will more easily refer to the origin of the (goods and) services by the words than by describing a device: see paragraph 37. In my view, the word “namaste” makes the greatest contribution to the overall impression of the mark, with the device playing a smaller role. Furthermore, for those consumers who understand that “Namaste” is a form of greeting given with the hands held together as in the device, the image will merely reinforce the message of the word. As “WATFORD” will be perceived as the geographical location of the services, it does not contribute to the distinctive character of the mark.

41. The earlier mark is also a composite mark, containing verbal and figurative elements. All the elements of the mark are gold in colour. The largest element is the word shown below:

NAMASTE

In my view, it is likely that this word will be seen as “NAMASTE”, presented in a stylised way with the horizontal bars of each letter A missing. I note here that the applicant describes the earlier mark as containing the word “Namaste”, so I shall proceed on this basis. Underneath this word is the smaller word “LOUNGE” in upper case with long dashes either side; underneath that are the smaller words “RESTAURANT” and

[5] Final submission, page 1, section 3.

"BAR" which are separated by a vertical line, and the word "SHISHA". These words are all descriptive of the services provided. At the top of the mark is a device, which like the device in the contested mark, has three prongs. The applicant submits that the device will be seen as resembling *"either a sketch of a woman performing Namaste or three overlapping circles"*.[6] In my view, a significant proportion of the public will see it as an abstract, decorative device, even if they are already aware of the Namaste greeting. I say this because the average consumer does not spend much time looking at an individual trade mark and would not subject it to detailed analysis. The word "NAMASTE" is the dominant and distinctive element of the earlier mark, with the device making a smaller contribution. The stylisation and colour of the letters play still smaller roles.

Visual comparison

42. The marks share the word "NAMASTE", which I have found to be the dominant and distinctive element of the earlier mark and the element that made the greatest contribution to the overall impression of the contested mark. This points towards a higher degree of similarity between the marks. However, the roles played by the devices differ, partly by reason of their relative size in the marks and also whether they are seen as having conceptual content or are merely decorative. The colours are also different, with the earlier mark being registered in gold letters and lines, and the contested mark in black and white. Finally, I do not ignore the words that I found to be descriptive. As Mr Philip Harris, sitting as the Appointed Person, in *The Stockroom (Kent) ltd v Purity Wellness Group Ltd (PURITY HEMP COMPANY IMPROVING LIFE AS NATURE INTENDED)*, BL O-115-22, at paragraph 31, *"Descriptiveness does not of itself render an element negligible…"*. Bearing in mind the overall impressions of the marks, I find that they are visually similar to a medium degree.

Aural comparison

43. The word "NAMASTE" will be pronounced identically in each mark. The remaining words are aurally different. I consider it unlikely that the average consumer would articulate the words in the third line of the earlier mark. To my mind, they would say "Namaste Lounge". Turning to the contested mark, I note that Mr Rajput states that

[6] Final submission, page 1, section 3.

"We operate under the name 'Namaste Watford' as a whole and use both words together in all our trading, advertising, and social media".[7] It is important to keep in mind that it is the contested mark that is relevant here, not the two words "Namaste Watford" on their own. I must decide on the basis of the mark that has been applied for how the average consumer is likely to refer to it in speech. While it is possible that some consumers would say "Namaste Watford", it is, in my view, more likely that, on seeing the contested mark, the average consumer would perceive it as indicating services supplied under the name "Namaste" in Watford. I do not think that it is likely that a consumer would say "I went to Namaste Watford yesterday", rather than "I went to Namaste yesterday". I find that the marks are aurally highly similar. If I am wrong in this, and they would say "Namaste Watford", I would still find the marks to be aurally similar to a high degree based on the identical beginnings and the descriptiveness of the remaining spoken elements.

Conceptual comparison

44. I have already referred to the applicant's submissions on the meaning of "Namaste", i.e. that it is a gesture of greeting. The applicant claims that this meaning is well-recognised, but I have been provided with no evidence on this point.[8] In *Chorkee Ltd v Cherokee Inc.*, BL O/048/08, Ms Anna Carboni, sitting as the Appointed Person, described the limits to which judicial notice can be used in order to find that the average consumer is aware of particular facts. She said:

> "36. … While the Applicant contended in its Counterstatement that the earlier marks would be recognised to refer to the Cherokee tribe and that the tribe was well known to the general public, no evidence was submitted to support this. By accepting this as fact, without evidence, the Hearing Officer was effectively taking judicial notice of the position. Judicial notice may be taken of facts that are too notorious to be the subject of serious dispute. But care has to be taken not to assume that one's own personal experience, knowledge and assumptions are more widespread than they are."

[7] Witness statement, paragraph 9.3.
[8] Final submission, page 2, section 4.

45. In the absence of evidence, the most I think I can say is that some consumers are likely to be aware that “Namaste” refers to a greeting, while others will not be aware of this. I will deal with the second group of customers, who are likely to think that “Namaste” is a foreign word with an unknown meaning or an invented word. To them, the earlier mark will carry the conceptual message of an establishment containing a bar, restaurant and shisha bar. The contested mark’s device would be perceived by the average consumer as a hand gesture, possibly of greeting, but equally likely to be of prayer. The contested mark would also convey the message of a business located in Watford. For these consumers, I find that there is no conceptual similarity between the marks.

46. I now turn to the group of consumers who would be aware of the meaning of “Namaste”. As I have already noted, the device in the contested mark would reinforce this message. The differences between the messages of the marks come down to the type of establishment operated by the opponent and the location of the services supplied under the contested mark. Taking account of the overall impressions of the marks, I find them to be conceptually highly similar for this group of consumers.

Distinctive character of the earlier mark

47. Distinctive character is a measure of how strongly a mark distinguishes the goods or services of one undertaking from those of others. The factors that I must take into account in assessing the level of distinctive character were set out by the CJEU in *Lloyd Schuhfabrik Meyer*:

> “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).”

48. Registered trade marks possess varying degrees of inherent distinctive character from the very low, because they are suggestive of, or allude to, a characteristic of the goods or services, to those with high inherent distinctive character, such as invented words which have no allusive qualities. The distinctiveness of the mark can be enhanced by the use that has been made of it.

49. For those consumers who do not understand the word, “Namaste” the inherent distinctive character of the earlier mark is high. For those who do, the word is mildly allusive of a welcome, that one might hope to receive from the restaurant or bar. For these consumers, the inherent distinctive character of the mark would be between low and medium. I do not consider that the additional elements of the mark are sufficient to make this any higher.

50. I shall now consider whether the inherent distinctive character of the mark has been altered. In most cases, this involves an assessment of whether the evidence filed by the proprietor of the earlier mark shows that that distinctive character has been enhanced. However, this is also an appropriate place to address the applicant’s arguments about the use of the word “Namaste” in the industry. If these arguments have merit, they may mean that the inherent distinctive character of the earlier mark has been weakened.

51. The applicant submits that the word “Namaste” is commonly used in the name of restaurants. He has adduced in evidence the results of a search of the Intellectual Property Office trade mark register showing 13 entries for marks including the word “Namaste” in Class 43, one of which is the contested mark.[9] Three others adopt different spellings. Of the remaining 9, two were filed after the application date of the contested mark. In *Zero Industry Srl v OHIM*, Case T-400/06, the GC stated that:

> “73. As regards the results of the research submitted by the applicant, according to which 93 Community trade marks are made up of or include the word ‘zero’, it should be pointed out that the Opposition Division found, in that regard, that ‘… there are no indications as to how many of such trade marks are effectively used in the market’. The applicant did not dispute that finding before the Board of Appeal but none the less reverted to the issue

[9] Exhibit DR1, pages 54-57.

> of that evidence in its application lodged at the Court. It must be found that the mere fact that a number of trade marks relating to the goods at issue contain the word 'zero' is not enough to establish that the distinctive character of that element has been weakened because of its frequent use in the field concerned (see, by analogy, Case T-135/04 *GfK v OHIM – BUS (Online Bus)* [2005] ECR II-4865, paragraph 68, and Case T-29/04 *Castellblanch v OHIM – Champagne Roederer (CRISTAL CASTELLBLANCH)* [2005] ECR II-5309, paragraph 71)."

52. What this means, is that, on its own, the list of trade mark registrations cannot show that the inherent distinctive character of the mark has been weakened. It is important to understand what was happening in the market. Another point that must be kept in mind, is that the assessment should be made as of the relevant date, which is the date of application for the contested trade mark, 27 January 2023.

53. Mr Rajput has also adduced the results of a search on Google Maps for Namaste Restaurants.[10] He does not explain the parameters of the search or the date on which it was undertaken. I can see that 10 restaurants, including those run by both parties, have been found, along with another restaurant called "Namaaste Kitchen".[11] He states that the latter is the oldest restaurant within 15 miles radius[12] and that the trade mark was registered on 19 January 2011. He provides print-outs from this restaurant's Facebook account, but these are undated, although there is a post (presumably from 2024) congratulating Sir Keir Starmer on becoming Prime Minister. There is no further evidence on the position in the market and the extent to which any of these restaurants operate under the claimed signs. Consequently, I find that this evidence does not assist the applicant in establishing that the word "Namaste" was commonly used in the industry at the relevant date.

54. I shall now move on to consider the evidence of use filed by the opponent.

55. Mr Chande states that "Namaste Lounge" operates from premises in Northwood in London. The name and logo were adopted as part of a rebrand in 2014 which saw a positioning of the restaurant as *"an upmarket dining experience"* and an increased

[10] Exhibit DR1, page 58.
[11] For the sake of clarity, I note here that this is not a typographical error.
[12] Mr Rajput does not identify the central point from which this radius is measured.

focus on the entertainment element of the restaurant, namely a shisha lounge and bar.[13] Turnover for Namaste Lounge Limited was £1,169,273 in the year ending 31 March 2015, £1,841,747 in the year ending 31 March 2016 and £2,087,111 in the year ending 31 March 2017.[14] Mr Chande says that the mark was included on leaflets, flyers, takeaway boxes and bags, napkins and other materials. Examples of designs are adduced in the Exhibit, and he states that these were used following the rebrand.[15]

56. In 2017, MC Group-UK Limited (the opponent) was incorporated and it applied for the earlier mark on 13 March 2018. Mr Chande states that it was always the intention that the opponent would own the intellectual property rights and any goodwill accrued through use of the sign that was registered as the earlier mark and the name "Namaste Lounge". A confirmatory assignment was signed on 17 April 2024.[16] The financial statements of Namaste Lounge Limited for the financial years ended 31 March 2017, 31 March 2018, 31 March 2020 and 31 March 2021 confirm that the company was a subsidiary of the opponent.[17]

57. The table below shows the turnover for the Namaste Lounge:[18]

Year ending	Turnover (£)
March 2018	2,378,261
March 2019	2,458,208
March 2020	2,289,136
March 2021	1,506,854
September 2022	4,853,958

A change in accounting period means that the most recent figure covers 18, rather than 12, months.

58. The table in Mr Chande's witness statement also included figures for marketing spend. I have reproduced them separately below, as the figures relate to calendar years:

[13] First witness statement, paragraphs 5 and 7.
[14] Exhibit NC1, pages 1-42.
[15] First witness statement, paragraph 24; Exhibit NC1, pages 165-168.
[16] First witness statement, paragraph 10; Exhibit NC1, pages 44-46.
[17] Exhibit NC1, pages 62, 83, 103 and 125. The relevant pages from the financial statements for the year ended 31 March 2019 have not been included in the exhibit.
[18] First witness statement, paragraph 13.

Year	Marketing spend (£)
2017	13,458.47
2018	17,378.81
2019	33,113.13
2020	37,971.61
2021	43,624.36

59. Mr Chande says that the marketing efforts were directed towards expanding the online presence of the restaurant and increasing the visibility of the brand within the local area, defined by a 15-mile radius, presumably from the premises.[19] He exhibits print-outs from the Facebook and Instagram accounts, which show use of the mark on a black background.[20] While he states that the Facebook account has 25,000 followers and the Instagram account 20,700, these figures date from 18 April 2024, over a year after the relevant date.[21] Posts from 2014 and 2015 are shown, but I cannot see any Likes or Comments.

60. The social media activity has, according to Mr Chande, generated positive online sentiment and he adduces print-outs from Google Eats and Uber Eats.[22] However, these show reviews as of 10 April 2024 so do not tell me what the position was at the relevant date. The same reservation applies with respect to the accreditation of the restaurant as a "Deliveroo's Choice" for best value.[23]

61. In 2015, Namaste Lounge was reported as being among a group of restaurants raising funds for victims of the Nepal earthquake. An article appeared on the My London website on 15 June 2015, but the mark is not shown.[24] Also in 2015, the restaurant was used as a filming location for a TV series called *Desi Rascals*, which was shown on Sky Living between January and September 2015 and had an average audience of 105,000 during the first season. Mr Chande says that footfall at the restaurant increased significantly following the broadcast and visitors came from further afield in southern England.[25] To tie in with the release of the *Rocketman* film biopic of Sir Elton John in 2019, an article on the Visit Britain website mentions Namaste Lounge as the building it occupies was formerly Northwood Hills Hotel, where

[19] First witness statement, paragraph 17.
[20] Exhibit NC1, pages 157-160.
[21] First witness statement, paragraph 19.
[22] Exhibit NC1, pages 161 and 162.
[23] Exhibit NC1, page 163.
[24] Exhibit NC1, page 174.
[25] First witness statement, paragraphs 27 and 28.

a 15-year old Elton John played the piano at the weekend. The mark is not shown.[26] Further documents in the exhibit cover the unveiling of a plaque at the building and the filming of BBC's The One Show at the restaurant, both in 2010, which was before the rebrand and use of the mark in question. However, Mr Chande states that the plaque has encouraged people to travel long distances to visit the restaurant, but there is no information on the proportion of customers that come from outside the local area. Finally, I note that Mr Chande refers to the restaurant's sponsorship of advertisements in the programmes of a local football team, Wealdstone Football Club, who compete in the National League. There are no examples of such advertisements and the only documentary evidence relating to this activity is an invoice from after the relevant date.[27]

62. Considering the evidence as a whole, it is my view that it falls short of what would be required to show that the distinctive character of the mark had been enhanced through use. In particular, there is little dated information on the promotion of the mark, beyond the sums of money invested in that activity. It is not clear to me how it has been spent, and so how the public will have encountered the mark. I must also consider how geographically widespread the use has been. There is a single restaurant and, although the website and social media accounts would be accessible throughout the UK, I consider it unlikely in the absence of any other factors that people around the country would be following a single restaurant in north-west London on social media. The only possible factor that has been identified is the connection with Sir Elton John, but the evidence on the impact of this is quite vague. I find that the distinctive character of the mark has not been enhanced through use.

Conclusions on likelihood of confusion

63. Making an assessment of the likelihood of confusion is a matter of considering the relevant factors from the viewpoint of the average consumer of the services at issue and determining whether they are likely to be confused. When doing this, I am required to bear in mind that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely on the imperfect picture of them that they have in their mind. This means that the global assessment emulates

[26] Exhibit NC1, pages 181-184.
[27] Exhibit NC1, pages 175-176.

what happens in the mind of the average consumer on encountering the later mark with an imperfect recollection of the earlier mark. The courts have not said what weight should be attached to each of the factors or provided a formula that can be applied to any set of circumstances. However, I am required to take account of the interdependency principle, i.e. that a lesser degree of similarity between the respective trade marks may be offset by a greater degree of similarity between the respective services or vice versa.

64. There are two types of confusion that may occur. Direct confusion is where the average consumer mistakes one mark for the other, while indirect confusion is where the average consumer recognises that the marks are different but assumes that the later mark also identifies the goods or services of the owner of the earlier mark, or that the two undertakings are related: see *L.A. Sugar Limited v Back Beat Inc*, BL O/375/10, paragraph 16.

65. Earlier in my decision, I found that:

a) The parties' services are identical, highly similar or similar to a medium degree;

b) The average consumer for the majority of the services is a member of the general public paying a medium degree of attention;

c) Some of the services will be purchased by businesses and other organisations. While they may pay a slightly higher degree of attention than a member of the general public, it would still be in the medium range;

d) The purchasing process is largely visual, although there is a role for word-of-mouth recommendations;

e) The word "NAMASTE" is the dominant and distinctive element of the earlier mark;

f) The word "namaste" makes the greatest contribution to the overall impression of the contested mark;

g) The marks are visually similar to a medium degree and aurally similar to a high degree;

h) For those groups of consumers who understand the meaning of the word "namaste", the marks are conceptually highly similar; for those who do not understand it, the marks are conceptually dissimilar; and

i) The earlier mark has a low to medium degree of inherent distinctive character for the first group of consumers and a high degree for the second group. The inherent distinctive character has not been enhanced through use.

66. The opponent has also argued that there is evidence that confusion has actually occurred. Mr Chande says in his first witness statement:

"31. In mid 2022 it had come to my attention that an Indian restaurant in Watford was trading under the moniker 'Namaste Watford', and using a sign identical to the applied for trade mark. I first heard of Namaste Watford when the reception team at Namaste Lounge relayed to me that they had received a number of calls from customers who had mistakenly made a booking at Namaste Watford while trying to book at Namaste Lounge or had accidentally travelled to Namaste Watford when they had a booking at Namaste Lounge. Additionally, the reception team had received a number of enquiries from individuals confused as to whether Namaste Watford was connected to us, or vice versa. I would estimate that there were around 20 calls of this nature.

32. It was also remarked by various customers of Namaste Lounge to the reception staff that confusion was caused by the similarity of the Application to the Namaste Mark, and in particular that both adopted a triangular design depicting the Namaste greeting gesture."

67. Mr Chande does not explain what period he is referring to here.

68. In its final written submissions, the opponent submits that there is no credible evidence to suggest that consumers confuse the parties' restaurants, but does not elaborate on whether this should be taken as an invitation to disbelieve Mr Chande's evidence on this point. I note that it did not make this specific challenge during the evidence rounds, which might have prompted the opponent to adduce further

evidence, such as witness statements from the reception team, providing more specific details. In *TUI UK Ltd v Griffiths*, [2023] UKSC 48, the Supreme Court held that:

> "70. …
>
> > (i) The general rule in civil cases, as stated in *Phipson*, 20th ed, para 12-12, is that a party is required to challenge by cross-examination the evidence of any witness of the opposing party on a material point which he or she wishes to submit to the court should not be accepted. …"

69. There are certain cases where this rule does not apply. In Registry proceedings, such as the present matter, evidence is filed sequentially and so there should be an opportunity for a party to be able to respond to any challenge made by the other side. This means that cross-examination is rare. However, if the challenge is only made at the last possible moment, there is no chance to respond, which may result in unfairness. In cases where criticisms of the other party's evidence are not broached until the final written submissions, and the hearing officer deems that this will cause unfairness to the other side, the submission will be given reduced or no weight, or the proceedings may be delayed to enable the filing of additional evidence. I see no reason to disbelieve Mr Chande's evidence, made under a statement of truth, that he has been informed of some instances of confusion, but as I have noted the strength of this evidence is weakened by its lack of specificity and the fact that it is hearsay. However, my decision on this ground does not depend on finding that there have been instances of actual confusion.

70. I consider it important to stress the point I made earlier in this decision, that I need to consider notional and fair use of both marks. Therefore, the applicant's arguments that the two parties cater to different parts of the dining market and to people in different geographical locations are not relevant. I accept that there are differences between the marks, but must also remember that the average consumer is prone to imperfect recollection. The dominant and distinctive element of the earlier mark, "NAMASTE", is identical to the element that makes the greatest contribution to the distinctive character of the contested mark. The fact that they are presented in upper case or lower case is not likely to be remembered. At this point, I remind myself that I found that there were

two groups of consumers, and the earlier mark would have a different degree of distinctive character for each of these. In *Comic Enterprises Ltd v Twentieth Century Fox Film Corporation* [2016] EWCA Civ 41, Kitchin LJ (as he then was) said:

> "34. …
>
> …
>
> iv) the issue of a trade mark's distinctiveness is intimately tied to the scope of the protection to which it is entitled. So, in assessing an allegation of infringement under Article 5(1)(b) of the Directive arising from the use of a similar sign, the court must take into account the distinctiveness of the trade mark, and there will be a greater likelihood of confusion where the trade mark has a highly distinctive character either per se or as a result of the use which has been made of it. It follows that the court must necessarily have regard to the impact of the accused sign on the proportion of consumers to whom the trade mark is particularly distinctive.
>
> v) If, having regard to the perceptions and expectations of the average consumer, the court concludes that a significant proportion of the relevant public is likely to be confused such as to warrant the intervention of the court then it may properly find infringement."

71. In my view a significant proportion of the public is likely to be directly confused, even where the services are similar to only a medium degree.

72. The section 5(2)(b) is successful. For completeness, I shall go on to consider the remaining grounds.

Section 5(4)(a)

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

> "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 or law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, where the condition in subsection 4(A) is met

…"

74. Subsection 4(A) is as follows:

"The condition mentioned in subsection (4)(a) is that the rights to the unregistered trade mark or other sign were acquired prior to the date of application for registration of the trade mark or date of the priority claimed for that application."

75. In *Reckitt & Colman Products Limited v Borden Inc. & Ors* [1990] RPC 341, HL, Lord Oliver of Aylmerton described the 'classical trinity' that must be proved in order to reach a finding of passing off at [406]:

"First, he must establish a goodwill or reputation attached to the goods or services which he supplies in the mind of the purchasing public by association with the identifying 'get-up' (whether it consists simply of a brand name or a trade description, or the individual features of labelling or packaging) under which his particular goods or services are offered to the public, such that the get-up is recognised by the public as distinctive specifically of the plaintiff's goods or services. Secondly, he must demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that the goods or services offered by him are the goods or services of the plaintiff. Thirdly, he must demonstrate that he suffers or, in a quia timet action, that he is likely to suffer damage by reason of the erroneous belief engendered by the defendant's misrepresentation that the source of the defendant's goods or services is the same as the source of those offered by the plaintiff."

76. *Halsbury's Laws of England* Vol. 97A (2021 reissue) provides further guidance with regard to establishing the likelihood of deception. In paragraph 636 it is noted (with footnotes omitted) that:

“Establishing a likelihood of deception generally requires the presence of two factual elements:

> (1) that a name, mark or other distinctive indicium used by the claimant has acquired a reputation among a relevant class of persons; and
>
> (2) that members of that class will mistakenly infer from the defendant’s use of a name, mark or other indicium which is the same or sufficiently similar that the defendant’s goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as two successive hurdles which the claimant must surmount, consideration of these two aspects cannot be completely separated from each other.

The question whether deception is likely is one for the court, which will have regard to:

> (a) the nature and extent of the reputation relied upon,
>
> (b) the closeness or otherwise of the respective fields of activity in which the claimant and the defendant carry on business;
>
> (c) the similarity of the mark, name etc. used by the defendant to that of the claimant;
>
> (d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and
>
> (e) the manner in which the particular trade is carried on, the class of persons who it is alleged are likely to be deceived and all other surrounding circumstances.

In assessing whether deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action.”

Relevant Date

77. In *Maier & Anor v ASOS plc & Anor* [2015] EWCA Civ 220, Kitchin LJ (as he then was) said:

> "165. … Under the English law of passing off, the relevant date for determining whether a claimant has established the necessary reputation or goodwill is the date of the commencement of the conduct complained of (see, for example, *Cadbury-Schweppes Pty Ltd v The Pub Squash Co Ltd* [1981] RPC 429). The jurisprudence of the General Court and that of OHIM is not entirely clear as to how this should be taken into consideration under Article 8(4) (compare, for example, T-114/07 and T-115/07 *Last Minute Network Ltd* and Case R 784/2010-2 *Sun Capital Partners Inc*). In my judgment the matter should be addressed in the following way. The party opposing the application or the registration must show that, as at the date of application (or the priority date, if earlier), a normal and fair use of the [contested] trade mark would have amounted to passing off. But if the [contested] trade mark has in fact been used from an earlier date then that is a matter which must be taken into account, for the opponent must show that he had the necessary goodwill and reputation to render that use actionable on the date that it began."

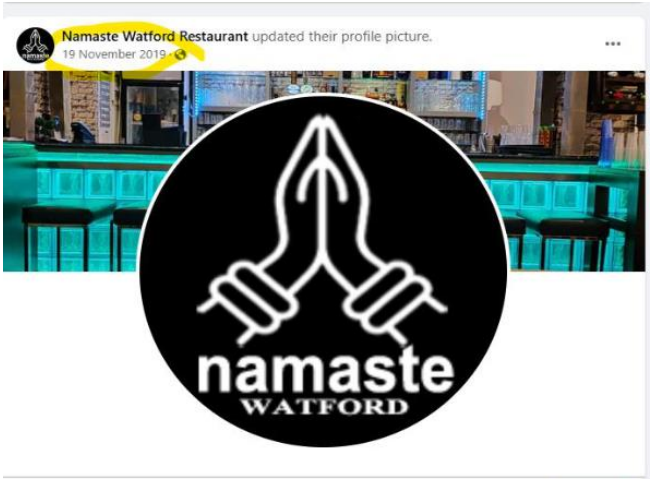
78. The application date of the contested mark is 27 January 2023. The applicant has, however, claimed to have used the mark before that date. Mr Rajput says the applicant began operations in November 2019 and that it opened to customers in January 2020, closed as a result of the first Covid lockdown between 19 March 2020 and May/June 2020, before reopening as a takeaway service. He adds that, since opening, the applicant has used the contested mark in all its activities.[28]

79. Mr Rajput refers to charitable activities undertaken during the Covid pandemic in collaboration with an organisation called Go Dharmic to provide food boxes to those in need. Go Dharmic posted on Facebook on 4 June 2020 that *"Tomorrow starting in Watford we will be trialling our Pop up Kitchen at Namaste Watford."*[29] I accept the

[28] Witness statement, paragraph 2.1.
[29] Exhibit DR1, page 32.

opponent's submission that this is use of a name, rather than the contested mark. A post from Go Dharmic dated 1 April 2021 states that over 3 million meals were distributed around the world during 2020 and includes a photograph of the applicant's contribution:[30]

80. Earlier than that, on 19 November 2019, the applicant had updated its Facebook profile picture:[31]



81. The opponent submits that this is a different sign from the contested mark. However, the only difference that I can see is that this sign is shown in a circle, while the contested mark is on a square black background. This difference is, in my view, immaterial, and I note that the sign is shown on rectangular backgrounds elsewhere in

[30] Exhibit DR1, page 34.
[31] Exhibit DR1, page 44.

other photographs, with the words “namaste” and “WATFORD” aligned differently. Again, I consider this an immaterial difference. I shall proceed on the basis that the applicant has used the contested mark since 19 November 2019. I will therefore consider whether the opponent had established goodwill as of that date and whether the position changed by the application date of the contested mark.

Goodwill

82. The concept of goodwill was considered by the House of Lords in *Inland Revenue Commissioners v Muller & Co’s Margarine Ltd* [1901] AC 217 at [224]:

> “What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantages of the good name, reputation and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start. The goodwill of a business must emanate from a particular centre or source. However widely extended or diffused its influence may be, goodwill is worth nothing unless it has the power of attraction sufficient to bring customers home to the source from which it emanates.”

83. The applicant has not denied that the opponent has accrued protectable goodwill through use of the earlier sign. In paragraph 9.2 of his witness statement (which I am treating as a submission), Mr Rajput says: *“The opponent asserts their ownership and operational details of Namaste Lounge. … these facts are acknowledged”*. In its final written submissions, it attempts to contrast the goodwill of the two parties by referring to relative rankings on Tripadvisor.[32] However, these print-outs are undated so do not shed any light on the position at either 19 November 2019 or the date of application for the contested mark. I shall proceed on the basis that the opponent’s claim to goodwill has been admitted.

[32] Exhibit DR1, pages 20-21.

Misrepresentation

84. The relevant test was set out by Morritt LJ in *Neutrogena Corporation & Anor v Golden Limited & Anor* [1996] RPC 473 at [493]:

> "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] RPC 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 RPC 147 at page 175; and *Re Smith Hayden's Application* (1945) 63 RPC 97 at page 101."

85. Although the test for misrepresentation is different from that for likelihood of confusion in that it entails "deception of a substantial number of members of the public" rather than "confusion of the average consumer", it is unlikely, in the light of the Court of Appeal's decision in *Comic Enterprises*, that the difference between the legal tests will produce different outcomes. I believe that to be the case here and misrepresentation is made out.

Damage

86. In *Harrods Limited v Harrodian School Limited* [1996] RPC 697, Millett LJ described the requirements for damage in passing off cases at [715]:

> "In the classic case of passing off, where the defendant represents his goods or business as the goods or business of the plaintiff, there is an obvious risk of damage to the plaintiff's business by substitution. Customers and potential customers will be lost to the plaintiff if they transfer their

> custom to the defendant in the belief that they are dealing with the plaintiff. But this is not the only kind of damage which may be caused to the plaintiff's goodwill by the deception of the public. Where the parties are not in competition with each other, the plaintiff's reputation and goodwill may be damaged without any corresponding gain to the defendant. In the *Lego* case, for example, a customer who was dissatisfied with the defendant's plastic irrigation equipment might be dissuaded from buying one of the plaintiff's plastic toy construction kits for his children if he believed that it was made by the defendant. The danger in such a case is that the plaintiff loses control over his own reputation."

87. Mr Chande states that customers who have made a reservation at, or travelled to, the wrong restaurant have been dissatisfied. Additionally, he says that there has been a diversion of sales from the opponent to the applicant. The opponent also argues that it would suffer damage to its reputation. I agree that such damage is likely to occur. The section 5(4)(a) ground is successful.

Section 3(6)

88. Section 3(6) of the Act is as follows:

> "A trade mark shall not be registered if or to the extent that the application is made in bad faith."

89. In *Skykick UK Ltd & Anor v Sky Ltd & Ors (Rev1)*, [2024] UKSC 36, the Supreme Court considered the case law from *Chocoladefabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH*, Case C-529/07, *Sky plc & Ors v Skykick UK Limited & Anor*, Case C-371/18, *AS v Deutsches Patent- und Markenamt*, Case C-541/18, *Malaysia Dairy Industries Pte. Ltd v Ankenævnetfor Patenter Varemærker* Case C-320/12, *Koton Mağazacilik Tekstil Sanayi ve Ticaret AŞ,* Case C-104/18 P, *Hasbro, Inc. v European Union Intellectual Property Office,* Case T-663/19, *pelicantravel.com s.r.o. v OHIM,* Case T-136/11, and *Psytech International Ltd v OHIM,* Case T-507/08. Lord Kitchin summarised the law as follows:

> "240. The general principles are these:

(i) …

(ii) The date for assessing whether an application to register an EU trade mark was made in bad faith is the date the application for registration was made (*Lindt*, para 35).

(iii) Bad faith in this context is an autonomous concept of EU law which must be given a uniform interpretation in the European Union, and must be interpreted in the context of Directive 89/104 in the same manner as in the context of Regulation 40/94 (*Malaysia Dairy*, para 29; *Sky CJEU*, para 73).

(iv) While, in accordance with its usual meaning in everyday language, the concept of bad faith presupposes the presence of a dishonest state of mind or intention, the concept must also be understood in the context of trade mark law, which involves the use of marks in the course of trade. Further, it must have regard to the objectives of the EU law of trade marks, namely the establishment and functioning of the internal market, and a system of undistorted competition in which each undertaking must, in order to attract and retain customers by the quality of its goods or services, be able to have registered as trade marks signs which enable consumers, without any possibility of confusion, to distinguish those goods or services from those which have a different origin (*Lindt*, para 45; *Koton*, para 45).

(v) Consequently, the objection will be made out where the proprietor made the application for registration, not with the aim of engaging fairly in competition but either (a) with the intention of undermining, in a manner inconsistent with honest practices, the interests of third parties; or (b) with the intention of obtaining, without even targeting a specific third party, an exclusive right for purposes other than those falling within the functions of a trade mark, and in particular the essential function of indicating origin (*Koton*, para 46; *Sky CJEU*, para 75).

(vi) The intention of the applicant is a subjective matter, but it must be capable of being established objectively by the competent administrative or judicial authorities having regard to the objective circumstances of the case (*Hasbro*, paras 39 and 40; *Koton*, para 47).

(vii) The burden of proving that an application for a registered mark was made in bad faith lies on the party making the allegation. But where the circumstances of the case may lead to a rebuttal of the presumption of good faith, it is for the proprietor of the mark to explain and provide a plausible explanation of the objectives and commercial logic pursued by the application for registration (*Hasbro*, paras 42 and 43).

(viii) Whether the applicant was acting in bad faith must be the subject of an overall assessment, taking into account all of the factors relevant to the particular case (*Lindt*, para 37).

(ix) The applicant for a trade mark is not required to indicate or to know precisely when the application is filed or examined, the use that will be made of it (*Sky CJEU*, para 76; *Deutsches Patent- und Markenamt*, para 22).

(x) Nevertheless, the registration by an applicant of a mark without any intention to use it in relation to the goods and services covered by the registration may constitute bad faith where there is no rationale for the application in the light of the aims referred to in Regulation 40/94 and Directive 89/04 (*Sky CJEU*, para 77).

(xi) Such bad faith may, however, be established only where there are objective, relevant and consistent indicia tending to show that, when the application was filed, the applicant for registration had the intention either of undermining, in a manner inconsistent with honest practices, the interests of third parties, or of obtaining, without targeting a specific third party, an exclusive right for purposes other than those falling within the functions of a trade mark (*Sky CJEU*, para 77).

(xii) It follows that the bad faith of the applicant cannot be presumed on the basis of a mere finding that, at the time of filing the application, the applicant had no economic activity corresponding to the goods and services referred to in the application (*Sky CJEU*, para 78).

(xiii) When the absence of an intention to use the mark in accordance with the essential functions of a trade mark concerns only certain goods or services referred to in the application for registration, that constitutes making the application in bad faith only in so far as it relates to those goods or services (*Sky CJEU*, para 81).

(xiv) If, at the end of the day, the court concludes that, despite formal observance of the relevant rules and conditions for obtaining registration, the purpose of the rules has not been achieved, and that there was an intention to take advantage of the rules by creating artificially the conditions laid down for obtaining the registration, this may amount to an abuse sufficient to find that the application was made in bad faith (see, for example, *Hasbro*, para 72).

(xv) Directive 89/104 does not preclude a provision of national law under which an applicant for registration must state that the mark is being used in relation to the goods or services in relation to which it is sought to register the mark, or that the applicant has a *bona fide* intention that it should be used, provided that the infringement of such an obligation cannot constitute a ground for invalidity. It may, however, constitute evidence for the purposes of establishing possible bad faith on the part of the applicant when the application was filed (*Sky CJEU*, paras 86 and 87)."

90. In the same case, Lord Kitchin also considered the question of what amounts to bad faith. He explained that the categories of bad faith and the circumstances which may constitute bad faith are not "closed", and continued:

"152. In seeking to identify the relevant principles, it is necessary to have in mind two fundamental aspects of trade mark law to which I have already referred: first, it is concerned with the use of marks in trade to denote the

origin of goods and services. Secondly, the aim of the trade mark regime is to contribute to a system of undistorted competition in which businesses are able to attract and retain customers by the quality of their goods and services, and for that purpose are able to have registered signs which enable consumers to distinguish the goods and services of one undertaking from those of another. Such a system must also provide an incentive and protection for the investment by a brand owner in the quality and other beneficial aspects of its goods and services, and so allow it to develop a goodwill in its business relating to their sale and supply.

153. Against this background, the essence of the objection that an application to register a mark was made in bad faith may be understood: it is that the motive or intention of the applicant was to engage in conduct that departed from accepted principles of ethical behaviour or honest commercial practices having regard to the purposes of the trade mark system which I have described. Whether the conduct was undertaken with that motive or intention and did indeed depart from such ethical behaviour or honest commercial practices must be assessed having regard to all the objective circumstances of the case: see, for example, *Koton Mağazacilik Tekstil Sanayi ve Ticaret AS v European Union Intellectual Property Office (EUIPO)* (C-104/18) EU:C:2019:724 (*"Koton"*), paras 46 and 47 […]."

91. According to Mr Geoffrey Hobbs QC, sitting as the Appointed Person, in *Alexander Trade Mark*, BL O/036/18, at [8], the key questions for determination in a claim of bad faith are as follows:

a) What, in concrete terms, was the objective that the party alleged to have acted in bad faith has been accused of pursuing?

b) Was that an objective for the purposes of which the contested application could not properly be filed?

c) Has it been established that the contested application was filed in pursuit of that objective?

92. Further relevant points arising from the case law are the following:

a) An allegation of bad faith is a serious allegation which must be distinctly proved, but in deciding whether it has been proved, the usual civil evidence standard applies. However, Arnold J (as he then was) said that *"cogent evidence is required due to the seriousness of the allegation"*. This means that it is not enough to establish facts which are as consistent with good faith as bad faith: *Red Bull GmbH v Sun Mark Limited & Anor* [2012] EWHC 1929 (Ch), paragraph 133;

b) It is necessary to ascertain what the applicant knew at the relevant date: see *Red Bull*, paragraph 137; and

c) Evidence about subsequent events may be relevant, if it casts light backwards on the position at the relevant date: see *Hotel Cipriani Srl & Ors v Cipriani (Grosvenor Street) Limited & Ors*, [2008] EWHC 3032 (Ch), paragraph 167, approved by the Court of Appeal in *Hotel Cipriani Srl & Ors v Cipriani (Grosvenor Street) Limited & Ors* [2010] EWCA Civ 110.

93. The opponent alleges that the applicant knew of the opponent and its earlier mark and only made the application once it was aware of the existence of this earlier right. It claims that the application was made in bad faith as the applicant knew it was not entitled to the mark and that it sought to damage the business and/or reputation of the opponent. I consider that this is an objective for which an application could not properly be filed. I must now assess whether the opponent has established a *prima facie* case that the applicant did indeed file the application in pursuit of this objective.

94. I have already referred to Mr Chande's evidence that the opponent first became aware of the applicant's use of the sign that forms the contested mark in 2022. The opponent instructed solicitors and a letter was sent to "Namaste" on 19 December 2022 in an attempt to resolve matters without resorting to litigation.[33] The applicant responded by email on 1 January 2023:

"Please find this acknowledgement in receipt of your letter dated 19th December 2022, incorrectly addressed to 'Namaste, 320 St Albans Road,

[33] Exhibit NC1, pages 186-188.

Watford'. Please note that we are registered and trading as 'Namaste Watford, 320 St Albans Road, Watford'.

Please can you clarify that you mistakenly considered us trading as 'Namaste', we can consider this notice as void?"

95. The opponent's solicitor replied on 12 January 2023:

"Our client's claim has been particularised in our letter of claim dated 19 December 2022. Your response is inadequate and fails to address those issues. You are trading as a restaurant with the operating name 'Namaste'. This comprises a breach of a registered trademark [sic]. Our client requires you to cease trading with the name 'Namaste'/'Namaste Watford'/ or any other variation which is in direct breach of our client's trademark. We require your confirmation within the next 14 days, failing which we are instructed to issue court proceedings against you."

96. The applicant replied on 26 January 2023, refusing to acknowledge the letter on the grounds that it was addressed to "Namaste" and that there was no such entity at the address. It continued:

"If you want to send any legal matter to our business, please send it to our correct address as below. 'Namaste Watford, 320 St Albans Road, Watford, WD24 6PQ'.

Once we receive a letter addressed to our business correctly, we will look into it and would respond or seek legal advice if needed."[34]

97. The following day, the application for the contested mark was made.

98. On 16 February 2023, the opponent's solicitor wrote to "Namaste Watford" attaching the original letter and requesting a substantive response by 23 February 2023.[35]

99. The applicant replied on 24 February 2023 as follows:

[34] Exhibit NC1, pages 189-191.
[35] Exhibit NC1, pages 192-195.

> "Thank you for claiming the 'Namaste Watford' as a trademark [sic], I humbly request you to please point me in a direction as a registered trademark No. UK00003296603 mentioning 'Namaste Watford'.
>
> As we work part time you will need to give us sufficient time to respond which may take up to Three weeks for all future responses.
>
> We Deny all charges till you can make clear that 'Namaste Watford' belongs to you and we are using your trademark."[36]

100. The opponent's solicitor wrote to the applicant on 10 March 2023 asking when a substantive reply could be expected and informing the applicant that if one were not received, formal action would be initiated.

101. The opponent submits that the factors identified by the CJEU in *Lindt* are met in this case. The CJEU said:

> "46. … the fact that a third party has long used a sign for an identical or similar product capable of being confused with the mark applied for and that that sign enjoys some degree of legal protection is one of the factors relevant to the determination of whether the applicant was acting in bad faith.
>
> 47. In such a case, the applicant's sole aim in taking advantage of the rights conferred by a Community trade mark might be to compete unfairly with a competitor who is using the sign which, because of characteristics of its own, has by that time obtained some degree of legal protection.
>
> 48. That said, it cannot be excluded that even in such circumstances, and in particular when several producers were using, on the market, identical or similar signs for identical or similar products capable of being confused with the sign for which registration is sought, the applicant's registration of the sign may be in pursuit of a legitimate objective.

[36] Exhibit NC1, page 196.

49. That may in particular be the case … where the applicant knows, when filing the application for registration, that a third party, who is newcomer in the market, is trying to take advantage of that sign by copying its presentation, and the applicant seeks to register the sign with a view to preventing use of that presentation.

50. …

51. Furthermore, in order to determine whether the applicant is acting in bad faith, consideration may be given to the extent of the reputation enjoyed by the sign at the time when the application for registration as a Community trade mark is filed.

52. The extent of that reputation might justify the applicant's interest in ensuring wider legal protection for his sign."

102. The opponent does indeed own a trade mark that contains the word "NAMASTE" and the correspondence filed in evidence shows that the applicant was made aware of this fact before it filed the application for the contested mark. My view is that the content of the applicant's responses indicates that it is likely that the applicant did not believe that there was any conflict between the opponent's mark and the sign it had been trading under since 2020. In *Hotel Cipriani*, Arnold J (as he then was) said:

"189. In my judgment it follows from the foregoing considerations that it does not constitute bad faith for a party to apply to register a Community trade mark merely because he knows that third parties are using the same mark in relation to identical goods or services, let alone where the third parties are using similar marks and/or are using them in relation to similar goods or services. The applicant may believe that he has a superior right to registration and use of the mark. For example, it is not uncommon for prospective claimants who intend to sue a prospective defendant for passing off first to file an application for registration to strengthen their position. Even if the applicant does not believe that he has a superior right to registration and use of the mark, he may still believe that he is entitled to registration. The applicant may not intend to seek to enforce the trade mark against the third parties and/or may know or believe that the third parties

would have a defence to a claim for infringement on one of the bases discussed above. In particular, the applicant may wish to secure exclusivity in the bulk of the Community while knowing that third parties have local rights in certain areas. An applicant who proceeds on the basis explicitly provided for in Article 107 can hardly be said to be abusing the Community trade mark system."

103. Based on the evidence before me, I consider that it is as likely that the applicant believed it had the right to register the contested mark as it maintained that the parties' marks were different, as it is that the application was filed for the reasons claimed by the opponent. I note here that there is nothing in the evidence to suggest that the applicant wished to damage the business or reputation of the opponent. As I have already explained, it is not enough to establish facts which are as consistent with good faith as bad faith. I find that a *prima facie* case of bad faith has not been made out.

104. The section 3(6) ground fails.

OUTCOME

105. The opposition has succeeded under sections 5(2)(b) and 5(4)(a) and Application No. 3871783 will, subject to a successful appeal, be refused registration.

COSTS

106. The opponent has been successful and is entitled to a contribution towards its costs in line with the scale set out in Tribunal Practice Notice No. 1/2023. In the circumstances, I award the opponent the sum of £2200, which has been calculated as follows:

£350 for preparing a statement and considering the other side's statement;
£1,200 for preparing evidence and considering and commenting on the other side's evidence;
£450 for preparing written submissions in lieu of a hearing;
£200 for official fees
£2,200 in total

107. I therefore order DMS Foods Ltd to pay MC Group-UK Ltd the sum of £2,200. The above sum should be paid within 21 days of the expiry of the appeal period or, if there is an appeal, within 21 days of the conclusion of the appeal proceedings.

Dated this 23rd day of October 2025

Clare Boucher
For the Registrar,
Comptroller-General