

**BL O/173/20**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF REGISTRATION NO. 3354650**

**REGISTERED IN THE NAME OF SUKHJIT KHERA**

**IN RESPECT OF THE FOLLOWING MARK**

**Pizza Republic**

**AND IN THE MATTER OF APPLICATION FOR INVALIDATION NO. 502562**

**BY ZAKHAR HUSSAIN**

## Background and pleadings

1. Sukhjit Khera is the proprietor of the following registered trade mark:

### **Pizza Republic**

2. Mr Khera (hereafter “the Proprietor”) applied for the registration on 19 November 2018 and the registration procedure was completed on 15 March 2019. The registration covers the following services:

**Class 43:** Restaurant and catering services; provision of food and drink.

3. On 3 April 2019 Zakhar Hussain (hereafter “the Applicant”) applied to invalidate the registration.
4. The invalidation is based upon Section 5(4)(a)<sup>1</sup> of the Trade Marks Act 1994 (“the Act”). This is on the basis of the Applicant’s alleged earlier rights in the mark **PIZZA REPUBLIC**. The Applicant claims to have been providing ‘Catering for the provision of food and drink’ under this sign since 28 September 2017 and has acquired goodwill under the sign. Use of the registered mark would therefore be a misrepresentation to the public and would result in damage to the aforementioned goodwill.
5. In its statement of grounds, the Applicant claims the following:
  - The Applicant has been using the mark PIZZA REPUBLIC since 2017.
  - The mark has been used vigorously online to promote the brand and raise consumer awareness throughout the Yorkshire region, notably in Halifax, Cleckheaton and the surrounding areas.
  - An online search reveals that the mark is used by the Applicant with search results showing the Applicants use of the mark in Halifax, Cleckheaton and the surrounding areas. The Applicant’s Facebook page is also brought back in online searches of the sign, as well as the online food ordering platform Just Eat.

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<sup>1</sup> Applicable in invalidation proceedings by virtue of section 47 of the Act

- Passing off would occur as consumers would think that the Proprietor's brand was the Applicant's, even if the logo or fonts were changed. End-users would be deceived.
6. Consequently, the Applicant says that the contested registered mark should now be declared invalid.
  7. The Proprietor filed a counterstatement denying the grounds for invalidation, stating that it had opened its first pizza site in Cheltenham in the summer of 2018 and, following feedback, decided to research the name Pizza Republic as a brand name. The Proprietor found that the mark had not been registered at the IPO and had no on-line presence. That being the case, the Proprietor decided to register the mark as a trade mark, something that it says had not occurred to the Applicant to do, as he must have considered this unimportant.
  8. The Applicant filed evidence in these proceedings. This will be summarised to the extent that it is considered necessary. Neither party filed written submissions.
  9. No hearing was requested and so this decision is taken following a careful perusal of the papers.
  10. Both parties have represented themselves.

## **DECISION**

11. Section 5(4)(a) states:

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

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, where the condition in subsection (4A) is met,

(aa) ....

(b) .....

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

12. Subsection (4A) of Section 5 states:

“(4A) 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.”

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

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

56. In relation to deception, the court must assess whether “a *substantial number*” of the Claimants’ customers or potential customers are deceived, but it is not necessary to show that all or even most of them are deceived (per *Interflora Inc v Marks and Spencer Plc* [2012] EWCA Civ 1501, [2013] FSR 21).”

14. Halsbury’s Laws of England Vol. 97A (2012 reissue) provides further guidance with regard to establishing the likelihood of deception. In paragraph 309 it is noted (with footnotes omitted) that:

“To establish a likelihood of deception or confusion in an action for passing off where there has been no direct misrepresentation generally requires the presence of two factual elements:

(1) that a name, mark or other distinctive feature used by the plaintiff 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 feature 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 successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact.

In arriving at the conclusion of fact as to whether deception or confusion is likely, the court 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 plaintiff and the defendant carry on business;

(c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;

(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 is likely to be deceived and all other surrounding circumstances."

In assessing whether confusion or 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."

## **EVIDENCE**

15. I have read all of the evidence submitted by the Applicant. The following summary is sufficient to set out the relevant facts, as far as the evidence provides.

16. The Applicant submitted a Witness Statement of Zakhar Hussain, signed on 13 August 2019 and accompanied by twenty-two exhibits, numbered 1 to 22. In his Witness Statement Mr Hussain states the following:

- Zakhar Hussain is the owner of Pizza Republic (the business) which operates as a fast food business since October 2017.
- The mark PIZZA REPUBLIC is used prominently as the main identifier of the Applicant's business, as part of the trading, billing and marketing of the business.
- The evidence shows that the mark has been used in sales records and as part of advertising material and signage.
- The Applicant has two operating business that both use the mark PIZZA REPUBLIC. These are at 2 St James Road, Halifax, HX1 1YS and 15 Westgate, Cleckheaton, BD19 5ET.

17. I have carefully assessed the evidence and conclude that it shows the following:

- Exhibit 1 shows the results of a Google search of the combination 'Pizza Republic Halifax'. The information in this exhibit shows several results from the websites Just Eat, Yell and Deliveroo. The search also returns the Applicant's Facebook page. Under 'related searches' it shows 'Pizza Republic Cleckheaton and Lancaster'. Images of a stylised version of the mark can be seen on pizza boxes. The search was for 'Pizza Republic Halifax' not 'Pizza Republic' alone and returned 874,000 hits. The information under this exhibit is undated.

- Exhibit 2 shows the results of a Google search of the combination 'Pizza Republic Cleckheaton'. This shows several results from Just Eat, Tripadvisor, tastyfind, tastecard and Deliveroo. It also shows the Applicant's Facebook page and their website [www.pizzarepubliconline.co.uk](http://www.pizzarepubliconline.co.uk). Under 'related searches' it shows 'Pizza Republic Halifax and Lancaster'. The search was for 'Pizza Republic Cleckheaton' not 'Pizza Republic' alone and returned 11,300 hits. The mark Pizza Republic is displayed on shop signage and delivery vehicle livery. The information in this exhibit is undated.
- Exhibit 3 comprises two pages that have apparently been produced since the start of the business. The first page is undated and appears to be an advertisement or flyer for the Halifax property outlet. The mark is on display in plain words and in a stylised version. The address given by the Applicant, 2 St. James Road, Halifax, is also on display. The second page shows a stylised version of the mark with the Halifax address and phone number and opening hours. It also shows details of the Cleckheaton store and a hygiene rating of '5' out of 5. This page is also undated.
- The Applicant has been using, since the start of the business, various social media pages on platforms including Facebook and Instagram. Exhibit 4 comprises six pages of Facebook screenshots, showing predominantly good reviews of the Applicant's products from thirteen customers, dated between October 2017 and December 2018. The mark is on display both as plain words and in a stylised version. Also shown is the name @pizzarepublicuk.
- Exhibit 5 comprises information from a Google search of 'pizza republic' with 88 million results. Some of the results are from the Just Eat and Deliveroo websites as well as the Applicant's Facebook page and the [pizzarepubliconline.co.uk](http://pizzarepubliconline.co.uk) website. There are some images shown, two of which seem to be showing a stylised version of the mark, but these images are quite small and do not show the whole mark. The only date on this exhibit is 'Map data © 2019' which is set on the top right-hand side of page 1 (of 2 pages).

- Exhibit 6 provides further business details of the Applicant including address, phone number and opening hours. This exhibit comprises two pages with six reviews of the Applicant's products following a Google search for the term 'pizza republic'. There is no date on the pages of this exhibit and page 2 is mostly a repeat of the information on page 1.
- The Applicant operates heavily on the Just Eat takeaway platform. Exhibit 7 comprises 75 reviews of the Applicant's products from the Pizza Republic Halifax store, via the Just Eat website. These reviews fall within the relevant period, i.e. prior to 19 November 2018. There are several other reviews, but these are dated after the relevant date. This information appears not to have been manipulated in any way as there are a small number of negative reviews. The large majority of reviews are very good however. These reviews date from 28 September 2017, which is tagged as the first ever review of the Applicant's products (from a customer called Ash), to 4 February 2018. The mark 'Pizza Republic' is displayed clearly on each page and the words 'Pizza Republic Halifax' are also present on each of the pages. The Applicant received a rating of 5.3 from a possible maximum of 6, across the range of reviews.
- Exhibit 8 comprises one page showing a copy of an emailed Just Eat invoice covering the period 23 October 2017 to 29 October 2017, the invoice is dated 31 October 2017 and is addressed to the email 'zakharhussain@hotmail.com'. The invoice also displays prominently the words 'Pizza Republic, HX1 1YS and Restaurant ID: 73396. There is no monetary value shown on this invoice.
- Exhibit 9 is an invoice dated 3 October 2017, from product suppliers A.T.R. Catering Supplies Ltd, addressed to Pizza Republic at the Halifax address. The value of the invoice is £261.68.
- Exhibit 10 is a copy of a further invoice from ATR, dated 27 March 2019, showing continued use. The invoice displays the name Pizza Republic and



the Halifax address. The value of the invoice is approximately £541.67 however the invoice is dated outside of the relevant period.

- Exhibit 11 is an invoice from product suppliers MY FOODS LTD, dated 10 October 2017 and addressed to Pizza Republic. This invoice shows orders of food products such as Halal pepperoni; Halal turkey, beverages, ketchup, 100 pizza boxes-12inch pizzas, and garlic butter. The value of the order is £135.68. The invoice is made out to Pizza Republic Take Away, Halifax.
- Exhibit 12 shows the information: 'Location: C:\Users\ZAKHA\Desktop\PizzaRepublic' which I take to be the location of a file on the C: drive of Zakhar Hussain's computer. The exhibit also shows the size of this folder, being 9.04MB, the date that the file was created, being 17 July 2017 and dates that the file was accessed and modified, both being 20 August 2017.
- Exhibit 13 is a letter from Hansford Insurance Consultants Ltd, who provide the Applicant with business insurance. The letter is dated 9 October 2017 and addressed to Mr Hussain. The letter refers to Mr Hussain's request for insurance cover for Pizza Republic. The insurance provider Hansford Insurance requests payment of a premium of £450. There is no clear indication as to what the insurance premium covers, e.g. property insurance, employer liability insurance or other kinds of business insurance, however it is clear that Mr Hussain is seeking an insurance policy in respect of Pizza Republic.
- Exhibit 14 is a copy of a page from an insurance policy for the 2 St. James Road, Halifax property, dated 28 September 2017. This exhibit shows that Axent Brokers Limited acted as a broker between Mr Hussain and Millennium Insurance Co and that Mr Hussain, trading as Pizza Republic, in respect of takeaway services, was offered an insurance policy in respect of the 2 St James Road, Halifax property, covering fire, special perils, theft and liabilities. There is no indication of the premium costs however this exhibit is numbered

as page 3 of 11, as such I assume that the premium cost has been set out on a different page.

- Exhibit 15 is a letter to Mr Hussain from Opus Energy, dated 08 November 2017 and addressed to 'Pizza Republic' at the 2 St James Road, Halifax property. The letter thanks Mr Hussain for choosing to stay with Opus, which suggests to me that the parties have enjoyed a business arrangement for some time prior to the date of that letter.
- Exhibit 16 comprises a letter from a company called Halifax Metals Ltd, dated 01 March 2018, addressed to Pizza Republic at the 2 St James Road property in Halifax, thanking Pizza Republic for choosing Halifax Metals Ltd to continue carrying out commercial waste disposal. This appears to be the renewal of an existing contract suggesting that the parties have worked together prior to 01 March 2018. The letter lists the costs involved in the collection and disposal of items such as: '240 Food only Bin'; '240 Glass Bin'; '1100L bin-under 80kg' and '1100L bin-over 100kg'. This indicates to me that Pizza Republic have been paying Halifax Metals Ltd to collect and dispose of large containers of food waste and associated packaging such as glass, cardboard and plastics, and that the sizes of the containers involved, e.g. 1100L bin-over 100kg, represent commercial levels of waste coming from a food retail outlet.
- Exhibit 17 shows an application made to extend the opening hours of the Applicant company at the Halifax property. This exhibit comprises a notice from Calderdale Metropolitan Borough Council indicating that Mr Hussain has applied for a variation of a premises licence to provide late night refreshments from 23.00pm to 1.00am. The address shown is 2 St James Road, Halifax and the notice includes a date in which any representations regarding this application be received by the Licensing Unit, Town Hall, Halifax. That deadline date was 23 March 2018. The mark Pizza Republic is not displayed on this exhibit.

- Exhibit 18 comprises a letter from Just Eat to Zakhar Hussain, Pizza Republic, 2 St James Road, Halifax, dated 04 December 2017. It refers to an update to a Restaurant Partner Agreement between the two parties. This shows that Mr Hussain has had a business arrangement with the food delivery company Just Eat since at least December 2017 and, as the letter refers to a change in their agreement, I assume that the parties had an arrangement for some time prior to the date of that letter.
- Exhibit 19 shows the handover of the Halifax property leased from Calderdale Council to Mr Hussain, signed and dated 17 August 2017. The mark Pizza Republic is not shown.
- Exhibit 20 comprises an invoice for £676.99 from Calderdale Council to Mr Hussain and is for business rates 2017/2018. The invoice is dated 20 December 2017. The name Pizza Republic is not shown on this exhibit.
- Exhibit 21 is a report from a Food Hygiene Inspection, from Calderdale Council, dated 14 December 2017 where the Applicant received a top rating of '5' for the Halifax property. The business name listed is Pizza Republic at 2 St James Road, Halifax and the Food Business Operator name given is Zakhar Hussain. The inspector issues a '5' in respect of food hygiene.
- Exhibit 22 comprises an invoice from Royal Mail dated 4 December 2017, with a request for payment by 14 December 2017 of £822.48. It is addressed to Zakhar Hussain, trading as Pizza Republic, 2 St. James Road, Halifax. The invoice is in respect of the door to door delivery of 11,064 items. There is no indication of what is being delivered however Mr Hussain states that these items were menus.

## **RELEVANT DATE**

18. Whether there has been passing off must be judged at a particular point (or points) in time. In *Advanced Perimeter Systems Limited v Multisys Computers Limited*, BL O-

410-11, Mr Daniel Alexander QC as the Appointed Person considered the relevant date for the purposes of s.5(4)(a) of the Act and concluded as follows:

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

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

19. As the Proprietor has made no claim that it had been using the registered mark prior to the date on which it filed the application for the trade mark, the relevant date for assessing whether Section 5(4)(a) applies is the filing date of the contested registration, namely 19 November 2018.

### **Goodwill**

20. A description of goodwill was provided by the House of Lords in *Inland Revenue Commissioners v Muller & Co's Margarine Ltd* [1901] AC 217 (HOL), and it is still valid today:

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

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

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

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

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

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

23. The Applicant appears to be a fairly small business, and the evidence it has submitted does not provide me with any indication as to level of sales or turnover. However, a small business which has more than a trivial goodwill can protect signs which are distinctive of that business under the law of passing off even though its reputation may be small. In *Stacey v 2020 Communications* [1991] FSR 49, Millett J. stated that:

“There is also evidence that Mr. Stacey has an established reputation, although it may be on a small scale, in the name, and that that reputation preceded that of the defendant. There is, therefore, a serious question to be tried, and I have to dispose of this motion on the basis of the balance of convenience.”

24. See also: *Stannard v Reay* [1967] FSR 140 (HC); *Teleworks v Telework Group* [2002] RPC 27 (HC); *Lumos Skincare Limited v Sweet Squared Limited and others* [2013] EWCA Civ 590 (COA).

25. The Applicant has shown limited geographical use of the mark, only it appears, in the Yorkshire town of Halifax.

26. In this regard, I remind myself of the findings of Dillon L.J. in *Chelsea Man Menswear Limited v Chelsea Girl Limited and Another* - [1987] RPC 189 (CA), where he stated that:

“.....However, we have before us the case of plaintiffs with a strong reputation and goodwill in certain parts of the country, particularly Coventry and Oxford Street, which is faced with threats by the defendants to use the name “Chelsea Man” in all or any parts of the country in connection with the sale of men's clothing, in such a manner as is likely to mislead potential customers of the defendants and thereby to injure the plaintiffs' goodwill. Since the intended use by the defendants of the name “Chelsea Man” is nationwide, *prima facie*, it seems to me, the plaintiffs must be entitled to ask for a nationwide injunction. In my judgment, on the facts of the present case, the court would be justified in circumscribing the ambit of the injunction to narrower limits than England and Wales (which are the limits accepted by the plaintiffs) only if it were satisfied that the use by the defendants of the name

“Chelsea Man” outside those limits in connection with their business *would not be likely substantially to injure the plaintiffs' goodwill*. I am far from satisfied that this is the case, for a number of reasons.

If it be assumed, for the sake of argument, that the injunction were confined to the three proposed restricted areas, it also has to be assumed that there is a live possibility, perhaps amounting to a probability, that the defendants with their large resources and wide chain of existing shops, would soon be using the name “Chelsea Man” in trading in towns close to the borders of some or all of those areas.

I do not propose to embark on a further examination of the evidence of which counsel on both sides have given us a careful and helpful analysis. In my judgment, it clearly shows that the use by the defendants of this name or mark even outside such areas would be likely to cause substantial confusion between the plaintiffs' and defendants' respective businesses, and thus to cause damage to the plaintiffs' business within those areas.....”

27. Furthermore, in *Saxon Trade Mark* [2003] FSR 39 (HC), Laddie J. identified different considerations that apply where the senior and junior users have only local goodwill and one proposes to trade in the area in which the other has established goodwill (or, by analogy, makes an application to register a national mark which implies such an intention). In dealing with an appeal from a decision of a hearing officer on behalf of the registrar, the judge stated that:

“32. Mr Foley appears to have construed the section as if it is only concerned with cases where the use of the mark by the proprietor starts after use of the same or a similar mark by someone else. I do not think that this is what the section says. For the prohibition to bite, all that needs to be shown is that, at the time of the application to register, the normal use of the mark by the proprietor would be liable to be prevented by passing off proceedings brought by someone else. It may well be that in most cases this will only arise when the other party had commenced using his mark before the proprietor, but it is not inevitably so and the section does not require it to be so. The fact that the convenient title “proprietor of an earlier mark” is used to designate the other

party does not limit the scope of the section. Consider, for example, a case in which one proprietor uses a mark on a retail clothing business in Manchester and the other uses it on a similar business in Plymouth. They commence trade at the same time. Their trades do not compete because of the geographical separation. Assume the Manchester trader registers the mark. Normal use of it would include use in Plymouth. That would be liable to give rise to a cause of action in passing off (see *Levey (A.A.) v Henderson-Kenton (Holdings) [1974] R.P.C. 617* and *Evans v Eradicure [1972] R.P.C. 808*). For that reason the registration by the Manchester trader would fall foul of s.5(4)(a) even though the Plymouth trader commenced use of the mark at the same time. For the same reason the Plymouth trader could not register the mark.”

28. The Applicant has shown that it has used the unregistered mark in the town of Halifax. No evidence of any substance has been provided in respect of the Applicant’s second outlet in Cleckheaton. However, I find that this localised use of the mark can be sufficient to determine whether goodwill has been generated.

29. Whilst the Applicant’s evidence does not provide sales invoices or receipts showing specific sales of food or drinks, it does, when taken as a whole, show me that the Applicant has been trading in the name PIZZA REPUBLIC in the town of Halifax at least since 28 September 2017 (date of first review of the Applicant’s products) and has been commercially exploiting the mark and building a reputation and goodwill in the brand.<sup>2</sup> This is in evidence through the social media exhibits with reviews from customers. It is clear from this evidence, and the fact that the Applicant has included poor reviews as well as good reviews, that this information is genuine and has not been manipulated for the purposes of this matter. I note that the number of good reviews far outweigh the few negative ones.

30. The exhibits that show the Applicant trading as PIZZA REPUBLIC, i.e. those showing the leasing of business premises; obtaining business insurance; procuring commercial waste collection; dealing with food suppliers and enjoying a business relationship with the well-known food delivery platform Just Eat; all provide a clear

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<sup>2</sup> It is noted that in his witness statement Mr Hussain states that he began using the mark in October 2017, however parts of the applicant’s evidence show use in September 2017.



picture that the Applicant has, since at least September 2017, been generating goodwill in the mark PIZZA REPUBLIC.

31. I find it to be the case that at least a reasonably successful level of sales of goods must have been occurring during the relevant period, prior to 19 November 2018 such that the Applicant would wish to enter into new terms or contracts with the waste collection company and the council in respect of property leasing, as well as the various insurance policies and contracts with food suppliers and Just Eat that were renewed.

32. I have noted that some of the evidence provided by the Applicant is undated and therefore of limited value, however, I have found that much of the evidence that I believe to be of real value in this matter is dated prior to 19 November 2018 and displays the mark at issue.

33. From the evidence before me I conclude that the Applicant Zakhar Hussain holds goodwill in a business operating under the sign PIZZA REPUBLIC, in respect of catering for the provision of food and drink, and that this goodwill was established by the relevant date and has existed since September 2017.

34. As I have found that the Applicant holds goodwill in the sign PIZZA REPUBLIC, I now go on to consider the question of misrepresentation.

### **Misrepresentation**

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

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

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

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

And later in the same judgment:

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

37. Further in *Neutrogena Corporation and Another v Golden Limited and Another*, 1996] RPC 473, Morritt L.J. stated that:

"The role of the court, including this court, was emphasised by *Lord Diplock in GE Trade Mark* [1973] R.P.C. 297 at page 321 where he said:

'where the goods are sold to the general public for consumption or domestic use, the question whether such buyers would be likely to be deceived or confused by the use of the trade mark is a "jury question". By that I mean: that if the issue had now, as formerly, to be tried by a jury, who as members of the general public would themselves be potential buyers of the goods, they would be required not only to consider any evidence of other members of the public which had been adduced but also to use their own common sense and to consider whether they would themselves be likely to be deceived or confused.

The question does not cease to be a "jury question" when the issue is tried by a judge alone or on appeal by a plurality of judges. The judge's approach to the question should be the same as that of a jury. He, too,

would be a potential buyer of the goods. He should, of course, be alert to the danger of allowing his own idiosyncratic knowledge or temperament to influence his decision, but the whole of his training in the practice of the law should have accustomed him to this, and this should provide the safety which in the case of a jury is provided by their number. That in issues of this kind judges are entitled to give effect to their own opinions as to the likelihood of deception or confusion and, in doing so, are not confined to the evidence of witnesses called at the trial is well established by decisions of this House itself.”

38. Regarding the question of who must be deceived, further in *Neutrogena Corporation and Another v Golden Limited and Another*, 1996] RPC 473, Morritt L.J. stated that:

“This is the proposition clearly expressed by the judge in the first passage from his judgment which I quoted earlier. There he explained that the test was whether a substantial number of the plaintiff's customers or potential customers had been deceived for there to be a real effect on the plaintiff's trade or goodwill.”

39. It is commonly accepted that a word mark registered in standard characters may be considered to cover the use of the same word(s) presented in any normal font. This is so, irrespective of the use of upper case or lower case letters, or any customary combination of the two.

40. The marks at issue may therefore be considered to be identical, being the plain word marks ‘Pizza Republic’ and ‘PIZZA REPUBLIC’. As the class 43 services in the contested registration are identical and highly similar to those provided by the Applicant, I conclude that it is entirely likely that a significant part, if not all, of the Applicant's customer base would, when faced with the Proprietor's services, assume that those services were being provided by the Applicant, and therefore misrepresentation will occur.

41. As I have concluded that misrepresentation will occur, I now go on to consider the question of damage.

## Damage

42. In *Harrods Limited V Harrodian School Limited* [1996] RPC 697, Millett L.J. described the requirements for damage in passing off cases like this:

“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.

43. Actions under section 5(4)(a) of the Act are *quia timet* actions, based on a claim of likely future damage. In *Bocacina Limited v Boca Cafés Limited, Dercio De Souza Junior, Malgorzata De Souza* [2013] EWHC 8090 (IPEC), Mr Daniel Alexander QC, sitting as an Enterprise Judge, noted that:

“There is no dispute that if there is goodwill and misrepresentation, there would be damage”

44. The types of damage that could be done were described by *Warrington LJ in Ewing v Buttercup Margarine Company Limited* [1917] 2 Ch. 1 (COA):

“To induce the belief that my business is a branch of another man's business may do that other man damage in various ways. The quality of goods I sell, the kind of business I do, the credit or otherwise which I enjoy are all things which may injure the other man who is assumed wrongly to be associated with me.”

45. If the quality of the Proprietor's services are low, this could negatively impact on the reputation of the Applicant and its chances of making further sales. Damage could also arise in the form of lost sales, as consumers mistakenly take up the Proprietor's services when they intended to take up those of the Applicant.

46. Having found that the goodwill and misrepresentation limbs of the test have been satisfied in respect of the services of the unregistered mark, it follows that damage to the Applicant's goodwill will arise due to a potential loss in sales and possibly damage to reputation if the Proprietor's services are of a low quality. The application for invalidation therefore succeeds.

### **Conclusion**

47. The application to invalidate UK 3354650 has been successful. Pending any appeal, registration 3354650 will be cancelled and deemed never to have been made.

### **Costs**

48. The Applicant has been successful and is entitled to a contribution towards its costs. The Applicant submitted a costs proforma setting out 14 hours spent in the preparation of a Witness Statement and in the collation of evidence; and 1 hour spent preparing an extension of time request. I make no award for the extension of time request, however, based on an hourly rate of £19, I award the Applicant a contribution of £266 towards the cost of the proceedings (14 x £19). I also make an award to cover the cost of the official notice of cancellation:

Fee for the form TM26(l)	£200
Preparing a witness statement and Collating evidence	£266
Total	£466

49. I therefore order Sukhjit Khera to pay Zakhar Hussain the sum of £466. 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 17<sup>th</sup> day of March 2020**

**Andrew Feldon**

**For the Registrar**

**The Comptroller-General**