

**O-586-19**

**TRADE MARKS ACT 1994**

**IN THE MATTER OF THE UK DESIGNATION  
OF INTERNATIONAL REGISTRATION No. 465144  
IN THE NAME OF SERVICE-BUND GMBH & CO KG  
IN RESPECT OF THE FOLLOWING TRADE MARK IN CLASSES 29, 30 & 42:**

**RODEO**

**AND**

**OPPOSITION THERETO (No. 411532) BY  
ABERGAVENNY FINE FOODS LTD**

## **Background and pleadings**

1. The details of the International Registration (“IR”) the subject of these proceedings are as follows:

<b>Mark:</b>	RODEO
<b>Applicant:</b>	Service-Bund GmbH & Co Kg
<b>International registration date:</b>	17 November 1981
<b>Date of UK designation:</b>	3 May 2017
<b>Published on:</b>	3 November 2017

**Class 29:** Meat, sausages, slicing sausages and charcuterie; steaks, canned meat, sausages and slicing sausages; fish, poultry and game; preserved, dried and cooked vegetables; meat, fish, vegetable and fruit salads, salad dressings.

**Class 30:** Spices; sauces.

**Class 40:** Supply and provision of meals for consumers; catering services.

2. Abergavenny Fine Foods Ltd (“the opponent”) opposes the conferring of UK protection upon the IR. It relies on section 5(4)(a) of the Act, on account of its prior use of the signs RODEO JOE’S<sup>1</sup> and a logo containing those words. It claims that, on account of such use, the use of the IR in the UK is liable to be prevented under the law of passing-off.

3. The applicant filed a counterstatement denying the grounds of opposition. It denies that the use of its mark is liable to be prevented under the law of passing-off. The

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<sup>1</sup> Reliance on the words RODEO JOE’S was introduced to the proceedings by way of filing a Form TM7G, a request to add a further (to the logo) ground of opposition. The request was allowed.

counterstatement also commented upon an amendment made to the From TM7 which reduced the grounds from those originally pleaded<sup>2</sup>, and, also, changing the name of the opponent to that given above<sup>3</sup>. The Tribunal wrote to confirm that it was prepared to accept the amendments. The applicant sought no form of challenge to this view, neither was any point pursued at the hearing. As such, I need say no more about this issue.

4. Only the opponent filed evidence. Both sides provided written submissions to which I have taken full regard but will not summarise separately. A hearing took place before me on 26 July 2019. The applicant was represented by Ms Charlotte Blythe, of counsel, instructed by Dummett Copp LLP. The opponent was represented by Mr Gwilym Harbottle, also of counsel, instructed by Urquhart-Dykes & Lord LLP.

#### **Section 5(4)(a) of the Act**

5. Section 5(4)(a) of the Act reads:

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

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

(b)...

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

6. In terms of general principles, both parties referred me to the decision of Mr Geoffrey Hobbs QC (sitting as the Appointed Person) in *Wild Child* [1998] RPC 455,

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<sup>2</sup> Removal of the reliance on an existing registration which was not actually an earlier mark.

<sup>3</sup> Previously, one of the opponent’s directors was identified as the opponent.

to which I have had due regard. 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).”

## **Goodwill**

7. Goodwill was described in *Inland Revenue Commissioners v Muller & Co’s Margarine Ltd* [1901] AC 217 (HOL), where the Court stated:

“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.”

8. The onus is on the opponent to establish, through evidence, that it has a protectable goodwill. The opponent’s evidence comes from Mr Bryson Craske, its commercial director. After giving some background to the opponent’s business and explaining that it is a manufacturer of food and drink products, he states that for the subject proceedings the opponent’s relevant products are in the “ready meals, frozen foods,

snack foods, dairy-based foods, and vegetable-based food categories”. He states that use has been made in relation to these goods since 2004 (in respect of the words RODEO JOE’S) and since 2007 (in respect of the logo version).

9. Exhibit BC1 contains examples of packaging which have been sold to customers since as early as 2007. The packaging is for: waffle cut fries, mac & cheese croquettes, onion rings, jalapeno flamers (jalapeno peppers, filed with cheese, in breadcrumbs) and mozzarella sticks. In each case, the following logo appears prominently on the packaging:



10. Exhibit BC2 contains what is described as an “After The Fact/End Cap Contract” showing that £400 worth of “Rodeo Joe’s Jalapeno’s 12/1.2k” were ordered by over 20 outlets of Costco Wholesale UK Limited (“Costco”).

11. Mr Craske also provides retail turnover figures for goods sold under the marks. The figures rise from £181k in 2007 to over £3 million in 2018. The UK designation was, though, made in May 2017; however, even by 2016, sales exceeded £2.3 million.

12. Exhibit BC3 contains example invoices dating from 2007 to 2017. In each case they are issued by the opponent to Costco. Those from 2007, 2008 & 2011 are for mozzarella sticks and jalapeno peppers. An invoice from 2010 is for mozzarella sticks. Invoices from 2012 onwards also mention onion rings. From 2014 onward, some of the invoices include what I assume to be mozzarella flamers. There is a single invoice from March 2017, which additionally includes “chilli beef jal”.

13. Mr Craske provides a table of figures for the amount spent in “making the marks known”. This has ranged from £12k in 2007 to £220k in 2018. However, as stated earlier, the UK designation was made in May 2017; however, even by 2016 such expenditure had reached £210k. Mr Craske particularly notes demonstrations and sampling activities that have taken place in Costco. Exhibit BC4 contains a 2016 invoice from the company that undertakes these promotional activities on its behalf. The activities, all of which took place on 11 February that year in over 20 outlets, relate to mozzarella sticks. The invoice bills for the product cost, but not the demonstration fee. Further evidence of this type is provided as follows:

- A further invoice (and feedback report) from January 2016 in relation to mozzarella flammers (this time with demonstration costs billed);
- Others from October and December 2015 in relation to mozzarella sticks;
- Feedback reports from July 2015 and December 2014 in relation to jalapeno flammers;
- Feedback reports from February and December 2014 in relation to mozzarella sticks;
- Feedback reports from November 2013 in relation to extra hot jalapenos;
- Reports from January 2013 in relation to mozzarella sticks;
- Reports from January 2014 for jalapenos;
- Reports from December 2012 in relation to mozzarella sticks.

14. Finally, Mr Craske refers to exhibit BC5, which comprises a copy of a “logo book contract” dating from 2010. He explains that this relates to a book produced by Costco when it opens a new outlet and which vendors fund to promote their products. Neither the book itself, nor even an extract, is provided. It was apparently agreed that at least 250k copies of the book were to be produced.

15. In *Hart v Relentless Records* [2002] EWHC 1984 (Ch), Jacob J. (as he then was) stated that:

“62. In my view the law of passing off does not protect a goodwill of trivial extent. Before trade mark registration was introduced in 1875 there was a right of

property created merely by putting a mark into use for a short while. It was an unregistered trade mark right. But the action for its infringement is now barred by s.2(2) of the Trade Marks Act 1994. The provision goes back to the very first registration Act of 1875, s.1. Prior to then you had a property right on which you could sue, once you had put the mark into use. Even then a little time was needed, see per Upjohn L.J. in BALI Trade Mark [1969] R.P.C. 472. The whole point of that case turned on the difference between what was needed to establish a common law trade mark and passing off claim. If a trivial goodwill is enough for the latter, then the difference between the two is vanishingly small. That cannot be the case. It is also noteworthy that before the relevant date of registration of the BALI mark (1938) the BALI mark had been used “but had not acquired any significant reputation” (the trial judge's finding). Again that shows one is looking for more than a minimal reputation.”

16. 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.”

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)

17. A point was taken by the applicant that because the opponent's sales are made via Costco only (with its membership model, which targets wholesalers), the ability to generate goodwill is small, is not with the general public and, potentially, is only with wholesalers (who are less likely to be deceived). Whilst noting the point, the fact that Costco operates on a membership basis does not prevent the generation of goodwill in respect of goods sold through such outlets. I agree with the opponent's submission

(see paragraph 8 of its skeleton) that the case here is not on a par with the *Budweiser* case which related to more of a jurisdictional issue. In terms of Costco and its membership basis, further evidence was filed before the hearing, which I accepted into the proceedings<sup>4</sup>, showing that both businesses and individuals are able to become members of Costco; thus, I am not prepared to infer that any goodwill is with business users only. This further evidence also dealt with a criticism that the goods may have only been sold through a limited number of outlets.

18. The evidence shows that a large amount of product bearing the logo version of the mark has been sold over a reasonably long period of time. Ms Blythe submitted that the evidence lacked specificity and had not been broken down by product type. She also highlighted that the opponent's witness appeared to be suggesting that use had been made on a larger range of goods than that set out in the documentary evidence, which increased the lack of specificity further. Having looked at what the witness said, together with the supporting exhibits, it seems to me that the witness is simply exemplifying the type of products being sold with reference to sub-categories, with the actual goods being shown in the evidence. I am left with little doubt that the level of sales, together with the various promotional activities such as in store promotions, show that the opponent would have generated goodwill by the relevant date<sup>5</sup>, at least in relation to the logo version of the mark. Mr Harbottle accepted that there was less evidence in relation to the word only version, although he highlighted, of course, that the name per se is used on the invoices.

## **Misrepresentation**

19. The relevant test for misrepresentation was dealt with in *Neutrogena Corporation and Another v Golden Limited and Another* [1996] RPC 473, where Morritt L.J. stated:

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<sup>4</sup> Whilst this evidence was late, it was filed in direct response to a point taken by the applicant, and although it could have been filed earlier, I was satisfied that it ought to be admitted. At the hearing, the applicant was afforded an opportunity to file further submissions in reply, but this offer was not taken up.

<sup>5</sup> There being no evidence of prior use by the applicant, this is 3 May 2017, the date of the UK designation.



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

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

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

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.”

20. In the same case, *Morritt L.J.* explained that it was the plaintiff's customers or potential customers that must be deceived:

“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.”

21. I also note what Millet L.J. stated in *Harrods Limited v Harrodian School Limited* [1996] RPC 697 (CA) about the lack of a requirement for the parties to operate in a common field of activity but, nevertheless, it is still an important factor to consider:

“The absence of a common field of activity, therefore, is not fatal; but it is not irrelevant either. In deciding whether there is a likelihood of confusion, it is an important and highly relevant consideration”

22. I also bear in mind *W.S. Foster & Son Limited v Brooks Brothers UK Limited*, [2013] EWPC 18 (PCC), where Mr Iain Purvis QC, as a Recorder of the Court, stated that:

“54. Mr Aikens stressed in his argument the difference between ‘mere wondering’ on the part of a consumer as to a trade connection and an actual assumption of such a connection. In *Phones 4U Ltd v Phone 4U.co.uk Internet Ltd* [2007] RPC 5 at 16–17 Jacob LJ stressed that the former was not sufficient for passing off. He concluded at 17:

‘This of course is a question of degree – there will be some mere wonderers and some assumers – there will normally (see below) be passing off if there is a substantial number of the latter even if there is also a substantial number of the former’.”

### Closeness of mark/sign

23. In terms of the signs/mark at issue, there is clearly some similarity because they all share the common element RODEO. There are also differences: the addition of the word JOE’S and the figurative elements of the logo version. In relation to the impact of the additional word JOE’S on a conceptual basis, Ms Blythe submitted that the additional element created a unit with its own concept, and that RODEO did not play an independent distinctive role within it. Mr Harbottle did not agree with this assessment, but he submitted that even if JOE’S did combine with RODEO to create some form of unit, the public would still just conceptualise the mark on the basis of being something to do with a rodeo.

24. Both counsel made contrasting submissions about the dominant part of RODEO JOE'S – Ms Blythe arguing that JOE'S dominated the mark because RODEO is suggestive of southern or western food – Mr Harbottle suggesting that RODEO dominated because JOE was a common name. My view is that neither element materially dominates the other, both playing a roughly equal role in the verbal element of the sign. Obviously, in relation to the logo version, the graphic element of a bull also plays a role, a reasonably strong one at that. I should add that Mr Harbottle made a submission that it is the notional use of the RODEO mark that must be considered (I agree with this) and that this could include use in conjunction with similar indicia to the graphic elements (such as a bull) used by the opponent; in my view, this takes notional use too far, I therefore do not agree with Mr Harbottle's submission.

25. In terms of the inherent level of similarity between the words RODEO and RODEO JOE's there is a medium level of visual and aural similarity between them. This is obviously reduced (to a low level) when the logo version of the mark is borne in mind. In terms of concept, I agree with Ms Blythe. The signs relied upon by the opponent conjure the image of a person named Joe who has some form of (unspecified) fondness (or other relationship) with a rodeo. It will essentially be seen as a nick name. This is clearly different from the word RODEO per se. I bear in mind, though, that on a conceptual level both marks nevertheless make reference to a rodeo in some capacity.

#### Closeness of goods/services

26. In terms of the goods/services, I note that the applicant seeks protection in respect of:

**Class 29:** Meat, sausages, slicing sausages and charcuterie; steaks, canned meat, sausages and slicing sausages; fish, poultry and game; preserved, dried and cooked vegetables; meat, fish, vegetable and fruit salads, salad dressings.

**Class 30:** Spices; sauces.

**Class 40:** Supply and provision of meals for consumers; catering services.

27. The opponent's field of activity also relates to food. However, one needs to be more specific than that because the closeness of the goods is one of the factors that need to be weighed in assessing whether misrepresentation is likely. In relation to its evidence, it seems to me that the opponent's goodwill is most strongly associated with its mozzarella sticks, breaded jalapenos, flammers (breaded cheese/jalapenos) and onion rings. Goodwill associated with the sale of these goods is what I will focus upon. Whilst I accept that the evidence also depicts packaging for waffle cut fries and mac 'n' cheese croquettes, I agree with Ms Blythe that the absence of evidence of actual sales of these goods means that they do not improve the opponent's position; this also applies to chilli beef jalapenos because the sales of these are very limited.

28. In making the assessment, it is worthwhile breaking down the goods/services for which protection is sought:

Meat, sausages, slicing sausages and charcuterie; steaks, canned meat, sausages and slicing sausages; fish, poultry and game

29. These are all forms of meat, fish, poultry or game. Despite Ms Blythe referring to the goods as fresh, there is no reason to limit the analysis to the type of goods found fresh in chillers or over the counter. All of the goods (except canned meat), could be sold frozen. Although the goods associated with the opponent's goodwill are vegetarian as opposed to meat products, this does not prevent them from being similar. The nature may be different, but, nevertheless, they could, like the opponent's goods, be sold as either snack foods, side dishes or party foods. I consider there to be some similarity, albeit at the lower end of the spectrum.

Preserved, dried and cooked vegetables

30. The above goods would cover both onions and jalapenos. There is no reason why the above goods could not be breadcrumb coated. With the exception of dried goods, they could also be frozen. In view of the above, I consider these goods to include goods which are the same as, or very similar, to goods associated with the opponent's goodwill.

Meat, fish, vegetable and fruit salads, salad dressings

31. Such salads and salad dressings do not strike me as particularly similar to the goods associated with the opponent's goodwill, even if the salads contained jalapenos and/or onions. Any similarity is very low at best.

Spices; sauces

32. There is greater similarity here than with salads/salad dressings. This is because the goods associated with the opponent's goodwill could well be accompanied by sauces and spices. However, I still consider any similarity to be at the lower end of the spectrum.

Supply and provision of meals for consumers; catering services

33. Provision of meals and catering services are distinct services, distinct from the food itself. That said, it would not be uncommon for food service providers to diversify to offer ready-made food products (including of the type associated with the opponent's goodwill) in supermarkets and the like. However, I still consider the level of similarity to be at the lower end of the spectrum, although, in this case, between low and medium.

*Strength of distinctiveness/goodwill*

34. As Mr Harbottle submitted at the hearing, there is no evidence that the word RODEO, the point of similarity between mark and sign, is commonly used in the food trade or is otherwise descriptive. Ms Blythe submitted that the word RODEO was weak in distinctiveness due to its association with US southern food. I agree with her to a limited extent. There is in my view a very mild suggestive nod towards goods associated with American style products, albeit a nod which does not greatly diminish that words capacity to function as a badge of origin. RODEO JOE'S is more unusual and distinctive given the additional element, the logo version more distinctive again. The strength of the opponent's goodwill from its use is reasonable but not high.

### Findings on misrepresentation

35. Those members of the public who are aware of the opponent's goodwill will be used to seeing the words RODEO JOE'S presented in logo form. However, they will also be aware that the logo contains what is essentially the brand name RODEO JOE'S. If such members of the public were to encounter the brand name RODEO, even in relation to the closest of the goods (as assessed earlier), they will in my view appreciate and recognise that the respective brand names differ, one comprising a fictional nickname RODEO JOE'S, the other the word RODEO per se. I therefore do not agree with Mr Harbottle that JOE'S will be overlooked. I make this finding notwithstanding the fact that members of the public do not always recall marks with precision – in this case the recollection and the conceptual hooks are sufficient enough to result in members of the public being able to appreciate and recognise the differences between mark and sign(s).

36. The above does not, though, rule out a substantial number of members of the public believing that the goods sold under the RODEO mark come from the same trade source as the goods of the opponent. That is to say, the inclusion of the common element RODEO, notwithstanding the differences observed, makes them mistakenly believe that the goods come from the same stable. Mr Harbottle exemplified this as someone perceiving the RODEO mark as a slimmed down version of the sign(s) used by the opponent. Whilst bearing such potential in mind, I am not prepared to find in this case that such an assumption will arise. In my view, most people will see the inclusion of RODEO as pure co-incidence, in the sense that two independent businesses have, by mere co-incidence, happened upon the same word, but have put it to use in differing ways. Whilst I have found RODEO to be a word quite capable of indicating trade origin, its nature is not such to suggest to the consumer that any other form of use must inevitably come from the same trader.

37. I accept that some members of the public may bring the opponent's sign(s) to mind if they were to encounter the applicant's mark in relation to the goods at issue, and some may even wonder if the businesses are related. However, this form of wondering is not enough. I do not believe that a substantial number will go on to make an assumption that what they are seeing is a product of the opponent. Even in relation

to the same or similar goods, the overall balance between the similarity of the indicia and the nature of the common element, is insufficient to do so. I find that no misrepresentation will occur and, consequently, no damage will arise. The ground, and therefore the opposition as a whole, fails.

### **Conclusion**

38. Subject to appeal, the opposition fails and the mark may be protected in the UK.

### **Costs**

39. The applicant has been successful and is, therefore, entitled to a contribution towards its costs. My costs assessment is as follows:

*Preparing a counterstatement and considering the statement of case - £300*

*Considering evidence and filing submissions - £600*

*Preparing for and attending the hearing - £600*

40. I order Abergavenny Fine Foods Ltd to pay Service-Bund GmbH & Co Kg the sum of £1500 within 21 days of the expiry of the appeal period or within fourteen days of the final determination of this case if any appeal against this decision is unsuccessful.

**Dated this 02<sup>nd</sup> day of October 2019**

**Oliver Morris**

**For the Registrar,**

**the Comptroller-General**