EIP

CHINA TANG vs CHINA TANG

In a clash of a Cantonese restaurant called CHINA TANG and a Chinese takeaway also called CHINA TANG, the former succeeds.

Background

The Claimants in this case run a Cantonese restaurant called "China Tang" in The Dorchester Hotel, Park Lane, London (here). The First Claimant has been the owner of the trade mark for the CHINA TANG series mark (registration no 2,415,093) since 19 August 2005 (the "Trade Mark"). The Trade Mark is registered in respect of, amongst other things, "Restaurant services; catering services; cafes; cafeterias; and self service restaurants" in class 43.

The Defendants have run a Chinese takeaway in Barrow-in-Furness called "China Tang" since 2009. The Defendants' "China Tang" website can be found here until 16 March 2022.

The Claimants brought a claim against the Defendants for trade mark infringement pursuant to section 10(2) and 10(3) of the Trade Mark Act 1994 (the "TMA") and passing off. The Defendants pleaded a defence of honest concurrent use and brought a counterclaim for partial revocation of the Trade Mark because of non-use insofar as it is registered for "cafés; cafeterias; and self service restaurants".

The Law

Trade Mark Act

In summary, a person infringes a registered trade mark under section 10(2) TMA if he

uses, in the course of trade, a sign which is identical or similar to the registered trade mark, in relation to goods or services, which are identical or similar to those for which the trade mark is registered and there exists a likelihood of confusion on the part of the public.

Under s.10(3) TMA a person infringes a registered trade mark if he uses in the course of trade a sign which is identical or similar to the trade mark where the trade mark has a reputation in the UK and the use of the sign takes unfair advantage of, or is detrimental to, the distinctive character or repute of the mark.

Passing off

There are three elements which must be established to succeed in a claim for passing off:

(1)A goodwill or reputation attached to the goods or services of the claimant;

(2)A misrepresentation by the defendant to the public leading or likely to lead to the public believing that the goods or services offered by the defendant are those of the claimant; and

(3)Damage to the claimant, 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 claimant.

Decision

In summary, the Defendants' counterclaim failed, and the Claimants succeeded in their claim for infringement under s.10(2) TMA (but the claim under s.10(3) TMA and for passing off failed).

Counterclaim

His Honour Judge Hacon found that the average consumer would consider both a café and a cafeteria to be a type of restaurant. It therefore followed that deleting either term from the specification of the Trade Mark would by implication limit the scope of "restaurant services" in the specification. Further, in the Judge's view, "restaurant services" was not a broad enough term such that it would be fair to "slice and dice" it into subsets. The term "restaurant services" should be given its full meaning, which includes cafes and cafeterias.

In this case the average consumer was found to be a potential user of restaurant or catering services i.e. "almost every adult and child in the U.K.".

s.10(2) TMA

There was little dispute as to whether or not "China Tang" was similar to the Trade Mark and was being used in relation to the same or similar services for which the Trade Mark is registered. Accordingly, the key issue considered in this case was whether there was a likelihood of confusion between the Trade Mark and the Defendants' "China Tang" sign.

The Judge found that because of the aural identicality of the Trade Mark and the sign, the close visual similarity between them and the close similarity between the services offered by the Defendants under the sign and the restaurant services against which the Trade Mark was registered, there was a likelihood of confusion. Accordingly, the Defendants were found to have infringed the Trade Mark pursuant to s.10(2) TMA.

The Defendants also failed in their honest concurrent use defence.

s.10(3) TMA and passing off

The Claimants' claims for infringement pursuant to s.10(3) TMA and passing off both failed.

The Claimants claim under s.10(3) TMA failed because the Judge found that the Claimants failed to provide sufficient evidence to show that the Trade Mark had a reputation. In particular, the Judge found that the Trade Mark did have a reputation from a geographical perspective but not from an economic perspective – both of which are required in order to establish a reputation sufficient to satisfy a claim under s.10(3) TMA

The Judge also rejected the Claimants' claim for passing off because he found that there had been no misrepresentation.

This is, of course, sad news for China Tang (in Burrow-in-Furness). But, fear not, according to the Defendants' website they will be continuing to provide Chinese takeaways but under the new name of "China Town Takeaway" – and it already has a shiny new website up and running (available here). Let's just hope that they have done a proper trade mark search before deciding upon the new name!