

**TRADE MARKS ACT, CAP 257
LAWS OF BELIZE, REVISED EDITION 2000**

**IN THE MATTER OF REGISTRATION NO. 7351.10 BY MEDIZINISCH-TECHNISHE
HANDELSGELLSCHAFT MBH (MEDI PLUS TEC) OF THE TRADEMARK:**

EMPIRE

AND

THE INVALIDATION THERETO BY BRITISH AMERICAN TOBACCO CARIBBEAN S.A.

INVALIDATION NO. 1/2014

**The Registrar, Intellectual Property Office, Belize
Trade Marks Act, CAP. 257, Laws of Belize, Revised Edition 2000**

**The Registrar
Intellectual Property Office
Belize**

Trade Marks Act, CAP. 257, Laws of Belize, Revised Edition 2000

In the Matter of Registration No. 7351.10 by Medizinisch-technische Handelsgellschaft mbH (Medi plus Tec) of the trademark:

EMPIRE

And the Invalidation thereto by BAT Caribbean S.A.

BACKGROUND

- 1) This invalidation relates to a registered trademark owned by Medizinisch-technische Handelsgellschaft mbH (Medi plus Tec) (hereinafter referred to as Medi plus Tec). The registration date of the trademark was September 19, 2011 for the following specification:

Cigarettes.

The above goods are in Class 34 of the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks (hereinafter referred to as the Nice Agreement).

- 2) BAT Caribbean S.A. (hereinafter referred to as BATC) filed an invalidation against the above registered trademark.
- 3) BATC claims that it is the owner of the EMPIRE mark which is marketed, distributed and sold in St. Vincent. BATC further states that there has been no use of the BATC EMPIRE mark in Belize but that the Applicant has a bona fide intention of using the said mark in Belize. The Applicant asserts that the BATC EMPIRE mark is a well-known trademark that qualifies for protection under the Paris Convention for the Protection of Industrial Property, under sections 38(1)(b) and 61 of the Act. BATC also claims that Medi plus Tec EMPIRE mark contravenes sections 37(1), 37(2), and 37(4)(a) of the Trade Marks Act, Chapter 257 of the Laws of Belize, Revised Edition 2000 and that the mark should be invalidated as it is similar to the Applicant's mark and thus there is a likelihood of confusion on the part of the public, including the likelihood of association.
- 4) Medi plus Tec answered the opposition by submitting that the Applicant is acting in bad faith and that the Applicant is not the registered proprietor of the mark or any similar mark in Belize. Medi plus Tec also denies that the Applicant's mark is entitled to protection under statute or otherwise. The Registrant also denies that its mark contravenes sections 37(1), 37(2), 37(4)(a) and 38(1)(b) of the Trade Marks Act and that the registered EMPIRE mark is neither similar nor identical to the Applicant's trade mark. The Registrant further states that its EMPIRE trademark is widely known internationally and in Belize, having established successful operations on the international market and that the application was not made in bad faith. Finally, Medi plus Tec

denies that the continued use of its EMPIRE trademark would be likely to cause confusion, including the likelihood of association with the earlier trademark.

- 5) Medi plus Tec argued that its trademark should remain registered.
- 6) Both sides filed evidence.
- 7) The case was heard on July 15, 2014. Medi plus Tec was represented by Mr. Kareem Musa of Musa & Balderamos Law Firm. BATC was represented by Ms. Oneyda Flores of Morgan & Morgan Trust Corp.

EVIDENCE

Evidence of BATC

- 9) This is furnished by way of a sworn affidavit by Amanda Cavill de Zavaley, Director of BAT Caribbean S.A. (BATC). She is employed by BAT Caribbean S.A. Treasurer and Finance Director and has been with the company for 23 years, holding a wide variety of positions in Europe, Latin America and the Caribbean and Asia-Pacific.
- 10) Ms. De Zavaley states that BATC is duly incorporated under the laws of Panama and that the BATC EMPIRE mark has a long history of doing business in the Caribbean and particularly Belize, since 1980. She further states that BATC has a long standing relationship with several distributors in Belize of its Benson & Hedges and Pall Mall brands as well as local Caribbean brands such as Independence, Colonial and Milport.
- 11) Ms. De Zavaley also asserts that the goods and services of BATC have acquired goodwill/reputation in the Belize market. With due respect, I cannot attach much weight to these statements due to the lack of exhibited documents supporting the claims contained in the statements. According to *Black's Law Dictionary (Seventh Edition)*, legal evidence is:

'All admissible evidence, both oral and documentary, of such a character that it reasonably and substantially proves the point rather than merely raising suspicion or conjecture.'

I have also not summarized certain claims made by Ms. De Zavaley in the affidavit. However, I will consider these claims in the decision part of the ruling.

Evidence of Medi tec Plus

- 12) This is furnished by Mr. Mathias A. Klute, Managing Director and Legal Representative of Medi plus Tec. He states that the Applicant is acting in bad faith and that the Applicant has no legitimate right to seek the invalidation of the mark. He also states that the Applicant does not rely on any legitimate rights of ownership of the mark or any similar mark in Belize. Mr. Klute also asserts that the Applicant relies on no earlier right or use of the said mark and has no earlier right or use in Belize.

- 13) Mr. Klute also claims that the Registrant's mark is widely known all over the world and in Belize as owned by Medi tec Plus in respect of goods in Class 34. Again, I cannot attach much weight to these statements due to the lack of exhibited documents supporting the claims contained in the statements.
- 14) The Registrant denies that its mark contravenes section 37(1), 37(2), 37(4)(a) and 38(1)(b) of the Trade Marks Act and further denies that its mark is identical with or similar to the Applicant's mark. The Registrant also denies that its mark is for identical or similar goods and that the continued registration and use of its EMPIRE mark would be likely to cause confusion on the part of the public, including the likelihood of association with the earlier trade mark.

DECISION

Relevant Law

- 15) Section 37(1), 37(2), 37(4)(a), 38 and 61 of the Belize Trade Marks Act (hereinafter referred to as "the Act"), and *Article 6bis* of the Paris Convention provides as follows:

Relative Grounds for Refusal of Registration

37.-(1) A trade mark shall not be registered if it is identical with an earlier trade mark and the goods or services for which the trade mark is applied for are identical with the goods or services for which the earlier trade mark is protected.

(2) A trade mark shall not be registered if because:-

(a) it is identical with an earlier trade mark and is to be registered for goods or services similar to those for which the earlier trade mark is protected; or

(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.

(4) A trade mark shall not be registered if, or to the extent that, its use in Belize 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) by virtue of an earlier right other than those referred to in subsections (1) to (3) or paragraph (a) above, in particular by virtue of the law of copyright, design right or registered designs.

(5) 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) Nothing in this section prevents the registration of a trade mark where the proprietor of the earlier trade mark or other earlier right consents to the registration.

Meaning of earlier trade mark

38.-(1) In this Act, an earlier trade mark. means:-

(a) a registered trade mark or an international trade mark (Belize) which has a date of application for registration earlier than that of the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade mark; or

(b) a trade mark which, at the date of application for registration of the trade mark in question or (where appropriate) of the priority claimed in respect of the application, was entitled to protection under the Paris Convention as a well known trade mark.

(2) References in this Act to an earlier trade mark include a trade mark in respect of which an application for registration has been made and which if registered, would be an earlier trade mark by virtue of subsection (1) (a) or (b), subject to its being so registered.

(3) A trade mark within subsection (1) (a) or (b) whose registration expires shall continue to be taken into account in determining the registrability of a later mark for a period of one year after the expiry unless the Registrar is satisfied that there was no *bona fide* use of the mark during the two years immediately preceding the expiry.

Protection of well-known trade mark: Article 6bis of Paris Convention

61.-(1) References in this Act to a trade mark which is entitled to protection under the Paris Convention as a well-known trade mark are to a mark which is well-known in Belize as being the mark of a person who:-

(a) is a national of a Convention country; or

(b) is domiciled in, or has a real and effective industrial or commercial establishment in, a Convention country whether or not that person carries on business, or has any goodwill, in Belize, and references to the proprietor of such a mark shall be construed accordingly.

(2) The proprietor of a trade mark which is entitled to protection under the Paris Convention as a well known trade mark is entitled to restrain by injunction the use in Belize of a trade mark which, or the essential part of which, is identical or similar to his mark, in relation to identical or similar

goods or services, where the use is likely to cause confusion, but this right is subject to section 48 (effect of acquiescence by proprietor of earlier trade mark).

(3) Nothing in subsection (2) affects the continuation of any *bona fide* use of a trade mark begun before the commencement of this section.

Article 6bis

Marks: Well-Known Marks

(1) The countries of the Union undertake, ex officio if their legislation so permits, or at the request of an interested party, to refuse or to cancel the registration, and to prohibit the use, of a trademark which constitutes a reproduction, an imitation, or a translation, liable to create confusion, of a mark considered by the competent authority of the country of registration or use to be well known in that country as being already the mark of a person entitled to the benefits of this Convention and used for identical or similar goods. These provisions shall also apply when the essential part of the mark constitutes a reproduction of any such well-known mark or an imitation liable to create confusion therewith.

(2) A period of at least five years from the date of registration shall be allowed for requesting the cancellation of such a mark. The countries of the Union may provide for a period within which the prohibition of use must be requested.

(3) No time limit shall be fixed for requesting the cancellation or the prohibition of the use of marks registered or used in bad faith.

16) In order for relative absolute grounds for refusal to be applied to the Registrant's trademark, the Applicant must show that the mark is identical to an *earlier trade mark* belonging to the Applicant for identical goods or services or is similar to an earlier trade mark belonging to the Registrant and is applied to similar goods or services. The Applicant must therefore prove that its mark qualifies as an earlier mark under section 38 of the Act. Where the Applicant proves that its mark qualifies for protection as an earlier trade mark and the Registrant's mark is identical or similar to the Applicant's mark, the Registrant's mark will be declared invalid and removed from the Register.

The leading authorities which guide me in this invalidation are from the ECJ: *Sabel BV v Puma AG* [1998] RPC 199, *Canon Kabushiki Kaisha v Metro-Goldwyn- Mayer Inc* [1999] RPC 117, *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel B.V.* [2000] F.S.R. 77, *Marca Mode CV v Adidas AG & Adidas Benelux BV* [2000] E.T.M.R. 723, *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH* C-120/04 and *Shaker di L. Laudato & C. Sas v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* C-334/05 P (LIMONCELLO). It is clear from these cases that:

(a) the likelihood of confusion must be appreciated globally, taking account of all relevant factors; *Sabel BV v Puma AG*,

(b) the matter must be judged through the eyes of the average consumer for the goods/services in question; *Sabel BV v Puma AG*, who is deemed to be reasonably well informed and reasonably circumspect and observant - but who rarely has the chance to make direct comparisons between marks and must instead rely upon the imperfect picture of them he has kept in his mind; *Lloyd Schuhfabrik Meyer & Co. GmbH v Klijsen Handel B.V.*,

(c) the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details; *Sabel BV v Puma AG*,

(d) the visual, aural and conceptual similarities of the marks must therefore be assessed by reference to the overall impressions created by the marks bearing in mind their distinctive and dominant components; *Sabel BV v Puma AG*,

(e) assessment of the similarity between two marks means more than taking just one component of a composite trade mark and comparing it with another mark; the comparison must be made by examining each of the marks in question as a whole, which does not mean that the overall impression conveyed to the relevant public by a composite trade mark may not, in certain circumstances, be dominated by one or more of its components; *Medion AG v. Thomson Multimedia Sales Germany & Austria GmbH*

(f) it is only when all other components of a complex mark are negligible that it is permissible to make the comparison on the basis of the dominant element; *Shaker di L. Laudato & C. Sas v OHIM*.

(g) a lesser degree of similarity between the marks may be offset by a greater degree of similarity between the goods, and vice versa; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*,

(h) there is a greater likelihood of confusion where the earlier trade mark has a highly distinctive character, either per se or because of the use that has been made of it; *Sabel BV v Puma AG*,

(i) in determining whether similarity between the goods or services covered by two trademarks is sufficient to give rise to the likelihood of confusion, the distinctive character and reputation of the earlier mark must be taken into account; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*,

(j) mere association, in the sense that the later mark brings the earlier mark to mind, is not sufficient for the purposes of Section 5(2); *Sabel BV v Puma AG*,

(k) further, 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; *Marca Mode CV v Adidas AG and Adidas Benelux BV*,

(l) but if the association between the marks causes the public to wrongly believe that the respective goods come from the same or economically linked undertakings, there is a likelihood of confusion within the meaning of the section; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc.*

Consideration of the case under section 37(1) and 37(2)

Comparison of goods

17) The good(s) of Medi tec Plus are:

Cigarettes.

The goods of BATC according to application no. 7634.11 are:

Cigarettes, cigars, cigarillos, tobacco, lighters for smokers, matches.

18) It is clear that the identical specification, namely, cigarettes, satisfy the test for identical goods in sections 37(1) and 37(2) of the Act. Both proprietors seek to engage in cigarettes, with BATC also engaging in cigars and other products related to tobacco and smokers.

19) **I find that the respective goods are similar.**

Comparison of trade marks

20) The trademarks to be compared are:

Medi tec Plus word mark (Application no. 7351.10) and logo mark (Exhibit 10):

i. **EMPIRE**

ii.



BATC trademark (Exhibit 5) and trademark (Application no. 7634.11):



- 10) The average consumer is deemed to be reasonably observant and circumspect. However, the degree of care and attention the average consumer uses when selecting goods can, of course, vary depending on what is involved. The average consumer usually perceives a trademark as a whole and does not analytically examine the various details of the trademark. The assessment of the visual, aural and conceptual similarities of the trademarks therefore has to be done by reference to the overall impressions created by the trademarks while taking note of their distinctive and dominant components (*Sabel BV v Puma AG*).
- 11) While the Registrant applied for the mark as a word mark only, I must also compare the two marks in question based on the evidence of the packaging used by the Registrant and provided in Exhibit 10 and the trademark representation presented by the Applicant in Exhibit 5 as well as that presented in its trademark application number 7364.11 for its EMPIRE brand, all of which have been reproduced above.
- 12) In comparing the marks, I note that the distinctive and dominant component is the word “Empire”, albeit in different formats. Other visual similarities can be found in the use of various shades of red and armorial bearings containing one to two, four-legged animals standing upright, facing an emblem with a crown on top.
- 13) The presence in both trademarks of the word “Empire” means that the average consumer is likely to refer to both products by that word, which results, in my view, in a fairly high degree of aural similarity between the marks. Furthermore, the colours used and armorial bearings in both trademarks is likely to send a similar conceptual message and to that extent at least, will result in a reasonable degree of conceptual similarity between the competing trademarks.
- 14) It must also be noted from Exhibit 10 submitted by Medi tec Plus, that their mark is applied in varying colours such as red, blue and green. As such, it is even more likely that consumers would associate all cigarette products as belonging to the same company where the word EMPIRE is the name and dominant part of the brand.

15) In the light of the above assessment, I believe that a global assessment of both marks reveals a visual and aural similarity between the marks. This global similarity is completed by the fact that both marks share a conceptual similarity by use of similar elements to convey the idea of an empire.

16) **I find that the respective marks are similar.**

Likelihood of confusion

17) The likelihood of confusion must be assessed based on the fact that the average consumer rarely has an opportunity to make direct comparisons between trademarks and must instead rely upon the imperfect picture of them he has retained in his mind. The average consumer would therefore be a member of the general public who would select the goods by primarily visual means, and is reasonably well informed and observant (*Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV*).

18) In view of the similarities between the goods and the mark highlighted above, I submit that the average consumer would likely be confused by both marks.

19) **I find that there is a likelihood of confusion.**

Consideration of the matter under section 38(1)(b)

20) Section 38(1)(b) provides that an earlier trade mark in which priority is claimed, is a trade mark entitled to protection under the Paris Convention as a well known trade mark. Section 61, which speaks to the protection of well known trade marks under Article 6bis of the Paris Convention, states that references to a trade mark which is entitled to such protection are to a mark which is well-known *in Belize*. The existence of “well-known marks” within the meaning of Article 6bis of the Paris Convention is to be assessed “in a Member State”. Hence, while the proprietor of said mark does not have to carry on business or have any goodwill in Belize, it must be established that the mark is well known *in Belize*.

21) In *Case C-328/06 Alfredo Nieto Nuno v Leonci Monlleo Franquet*, it was decided that the existence of “well known marks” under article 6bis of the Paris Convention is to be interpreted as meaning that the earlier trade mark must be well known throughout the territory of the Member State of registration or in a substantial part of it.

9) The scope of section 61 was also considered in *General Motors Corp v Yplon SA (CHEVY)* [1999] ETMR 122 and [2000] RPC 572, wherein it was the Advocate General Jacobs’ opinion that as the protection of well known marks under the Paris Convention and TRIPS is an exceptional type of protection afforded even to unregistered marks, it would be proper that the requirement of being well known imposed a relatively high standard for a mark to benefit from such exceptional protection, there being no such consideration in the case of marks with a reputation. Thus, the burden of proof that a mark is well known is very high.

- 10) *In Hotel Cipriani SRL et al v Cipriani (Grosvenor Street) Limited et al [2008] EWHC 3032 (CH)*, Mr Justice Arnold commented that “Section 56 implements in domestic law Article 6bis of the Paris Convention and Article 16 of TRIPs. It provides a remedy for foreign traders whose marks are well known in the United Kingdom but do not own goodwill here.”
- 11) With the aforementioned decided cases in mind, I turn to consider the circumstances in these proceedings. The Applicant has relied upon priority through trade mark registration in Panama, however, the Applicant has not provided any evidence to support the claim that the mark is well known in Belize. Therefore, the level of recognition needed to claim that the mark is well known in Belize and thusly qualified as an earlier trademark has not been established.
- 12) **I find that there is no evidence to support the claim that the Applicant’s mark qualifies for protection as a well known mark under the Paris Convention and thusly as an earlier trade mark under section 38(1)(b) of the Act.**
- 13) **Having failed to establish that the Applicant’s mark satisfies the meaning of an earlier trade mark under section 38(1)(b), the previously discussed grounds of the invalidation, namely, section 37(1) and 37(2) must also fail as the Applicant’s mark must qualify as an earlier trade mark in order to rely on the protection afforded under the aforementioned sections of the Act.**

Other matters considered

- 14) The Respondent asserts that the Applicant acted in bad faith in bringing forth this invalidation proceedings as the proper legal course for the Applicant to have taken, having submitted itself to partake in previous opposition proceedings, would have been to appeal to the Court under sections 70(1) and (2) of the Act.
- 15) The question is therefore where the validity of a mark is raised in invalidity proceedings after unsuccessful oppositions, the Applicant is barred from filing invalidity proceedings on similar grounds.
- 16) In *Special Effects Ltd v L’Oreal [2007] EWCA Civ 1*, the question before the Court was whether the Defendant is precluded by cause of action estoppel, issue estoppel or abuse of process from challenging the validity of the Applicant’s registered trade mark on some or all of the grounds relied on in opposition proceedings. The primary position of the Respondent was that a decision of the Trade Marks Registry was capable of giving rise to an estoppel per rem judicatam, as being a judicial tribunal. The Court of Appeal held that where the validity of the mark is raised as part of infringement proceedings before the High Court, even after unsuccessful oppositions, issue estoppel does not apply. This is because in the Trade Marks Act, there are provisions for both oppositions and for a declaration of invalidity. The Court of Appeal also held that there was no abuse of process by the Applicant using grounds relied

on in opposition proceedings in their invalidity action, and that the Applicant was making use of the opportunity allowed by the Act.

- 17) Oppositions, appeals and invalidations are all opportunities afforded under the Act with opposition proceedings being the first recourse available to the owner of an earlier right to assert said right and prevent the registration of a mark. An Applicant therefore has the opportunity to file an appeal to the decision of the Registrar in the previous opposition proceedings or to pursue invalidation proceedings, on similar grounds.
- 18) **I find that unsuccessful opposition proceedings do not preclude an opponent from filing invalidity proceedings on similar grounds.**

CONCLUSION

- 24) **The Applicant's application for a declaration of invalidity fails on the grounds that the Applicant's mark does not satisfy the definition of an earlier trademark under section 38(1)(b), namely, a well known trademark entitled to protection under the Paris Convention and is therefore not entitled to protection under sections 37(1) and 37(2) of the Trade Marks Act.**
- 25) In this decision, I have considered all the documents filed by the Applicant and all the arguments submitted to me in relation to this application.
- 26) **For the reasons given, the mark is declared valid and remains protected.**

COSTS

- 26) Medi plus Tec, having been successful, is entitled to a contribution towards its costs. I order BATC to pay Medi plus Tec the sum of \$1,225.00 (see Annex). This sum is to be paid within seven days of the expiry of the appeal period of twenty-one days, or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 24th day of February, 2015.

Candace Fisher
Deputy Registrar
of Intellectual Property

APPENDIX

AWARD OF COSTS

ITEM	\$BZ
Filing Notice of Opposition	175.00
Preparing and filing evidence in support	200.00
Receiving and perusing evidence in answer	100.00
Preparation of case for hearing	350.00
Attendance at hearing by Attorney-at-Law	400.00
Total Costs	1,225.00