

IN THE SUPREME COURT OF BELIZE, A.D. 2010

CIVIL APPEAL NO. 1 OF 2009

**IN THE MATTER OF THE TRADE MARKS ACT, CAP. 257
LAWS OF BELIZE, REVISED EDITION 2000**

AND

**IN THE MATTER OF APPLICATION NO. 5082.07 BY BRITISH
AMERICAN TOBACCO (BRANDS) LIMITED TO REGISTER THE
TRADEMARK**

AND

**THE OPPOSITION THERETO BY PHILIP MORRIS PRODUCTS
S.A.**

—

BEFORE the Honourable Abdulai Conteh, Chief Justice.

Mr. Nicholas Dujon SC for the applicant.

Ms. Ashanti Arthurs Martin with Mr. Rishi Mungal for the respondent.

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JUDGMENT

This judgment concerns a decision of the Registrar of Intellectual Property (the Registrar) relating to an application for registration by British American Tobacco (Brands) Ltd (BAT) of its cigarette product label **EMBASSY** as a trademark under the Trade Marks Act – Chapter 257 of

the Laws of Belize. The application was opposed by Philip Morris Products S.A. (Philip Morris).

2. Both parties are manufacturers and purveyors of tobacco products in particular cigarettes. In fact, Philip Morris at the time of BAT's application for the registration of its own **EMBASSY** was already the owner of Belize trademark registration No. 4388.07, under Class 34 of the Nice Agreement for the MARLBOORO mark. The Registrar admirably recapitulated the contending arguments between the parties and I gratefully reproduce these here.
3. In its opposition to the registration of BAT's EMBASSY trademark before the Registrar, Philip Morris claimed that the BAT trademark was substantially identical to or deceptively similar to Philip Morris' registered trademark and the goods of the BAT application were identical with or similar to those for which Philip Morris' earlier trademark is protected. Philip Morris claimed that its trademark had acquired a reputation in Belize and that the use of BAT's **EMBASSY** trademark was confusingly similar because a similar design to Philip Morris' earlier trademark appeared at the bottom of the BAT trademark. Philip Morris further claimed that that confusion was also reinforced by the facts that the targeted consumers were identical or substantially similar because they were cigarette buyers, and that the trade channels were also identical or substantially similar.
4. BAT answered to the opposition by submitting that its trademark was neither substantially identical nor deceptively similar to Philip Morris' registered trademark, and was therefore not likely to deceive or cause confusion in Belize. According to BAT, the design colour, and word elements of the parties' trademarks would allow consumers to distinguish between their respective trademarks. Although BAT conceded that Philip Morris' trademark might have acquired a reputation in Belize, BAT argued

that its various trademarks have peacefully co-existed with Philip Morris' registered trademark in several markets in the world. BAT also conceded that targeted consumers and trade channels were identical and substantially similar.

5. After reviewing the evidence (by affidavits) submitted by both sides and having heard attorneys who represented them, the Registrar proceeded to analyze the provisions of what he regarded as the relevant law in the case. This is **section 37(1) and (2)** of the Trade Marks Act which for the purposes of the application before him provides the relative grounds for refusal of an application for the registration of trade mark:

“37.- (1) A trade mark shall not be registered if it is identical with an earlier 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 trademark is protected,

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trademark.” (Emphasis added).

I reproduce subsection (3) later as it is the special object of complaint by Mr. Dujon SC (see paras. 18 and 19 below), sub-section (4) is not relevant to the facts of this case.

6. The Registrar then analyzed para. (b) of section 37(2) and then undertook a comparison of the goods for which BAT’s **EMBASSY** application for registration was made with those of Philip Morris’ trademark registration No. 4388.07. He found that the goods were similar: they were both in respect of tobacco products, particularly cigarettes.
7. The Registrar then proceeded to a detailed comparison of the respective trademarks of both the earlier trademark MARLBORO of Philip Morris and BAT’s trademark EMBASSY which was the subject of the application. After a detailed analysis of the two trademarks, the Registrar found that the respective marks were not similar.
8. The Registrar also examined the issue of the **likelihood of confusion in Belize** between the respective trademarks of Philip Morris and BAT. **He concluded**, after references to some case law on this issue, **that there was no likelihood of confusion between the parties’ trademarks.**
9. The Registrar then concluded as follows in his decision dated 9th October 2009 in **TM Ruling No. 1 of 2009**:

“BAT’s trademark is allowed to proceed to registration because the mark is not similar to Philip Morris’ earlier trademark. Also, there exists no likelihood of confusion on the part of the public, nor does there exist the likelihood of association with the earlier Philip Morris trademark under section 37(2)(b) of the Act.’

10. By Notice of Appeal dated 30th October 2009, Philip Morris filed the following ground of appeal against the Registrar’s decision:

“The Registrar having accepted that the opponent’s mark was well known within the meaning of the Paris Convention as incorporated into the Trade Marks Act of Belize by section 60 thereof and that the targeted consumers and trade channels were identical and substantially similar, thereafter failed to consider all or any of the legal implications thereof and the added protection that the law affords to such marks.”

11. Philip Morris in this appeal now seeks a reversal of the Registrar’s decision and an order directing him to refuse the registration of BAT’S Trade Mark which was the subject of the application before the Registrar.
12. Section 70 of the Trade Marks Act provides for an appeal to this Court from any decision of the Registrar under the Act. And Order 68 of the Supreme Court Rules 2005, provides for the hearing of such an appeal and in particular Rule (3) states that the appeal is to be by way of a rehearing.
13. However, the appeal was not conducted by way of a rehearing. Mr. Nicholas Dujon SC, the attorney for Philip Morris the appellant, and Mrs.

Ashanti Arthurs-Martin, the attorney for BAT, the respondent, instead made extensive written and oral arguments and submissions on behalf of their respective clients. I am constrained to observe however, that despite the promise of both attorneys to send to the court colour reproductions of the respective trademarks of their clients that are in issue, only the attorneys for the respondent BAT finally did so on 5th July 2010, after reminders from the Court staff.

14. Order 60.8(2) of the Supreme Court rules 2005, permits the Court on hearing of an appeal to receive further evidence on matters of fact. Accordingly, I reproduce hereunder colour reproductions of the earlier Trade Mark of Philip Morris the appellant's registration No. 4388.07 for its MARLBORO brand of cigarettes and BAT, the respondent's EMBASSY mark which is the subject of the Registrar's decision in respect of application No. 5082.07.

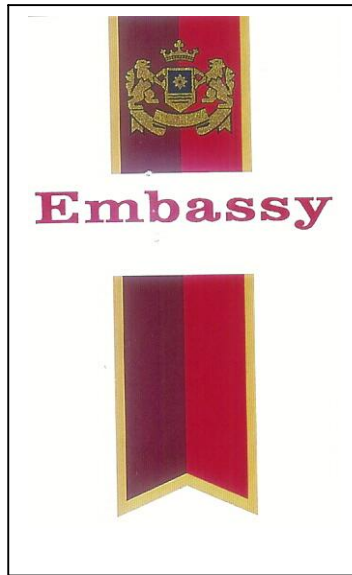


Fig. 1: The Embassy Mark - App. No. 5082.07



Fig. 2: The Embassy Mark alongside the Appellant's Marlboro Mark – Registration No. 4388.07

15. Both sides however relied on the evidence which was presented before the Registrar which consisted for Philip Morris an affidavit by Irina Lucidi, Senior Counsel at Philip Morris International Management SA and exhibits thereto. And for BAT, the evidence was in an affidavit by Clyde Elliott Woods, Trade Mark Manager, BAT Mark Ltd and exhibits thereto. These were all contained with bundle for this appeal which I have had the benefit of reading.

On the evidence, I am satisfied that the Registrar admirably summarized this in paras. 8 and 10 of his decision.

16. This appeal arises however not on the evidence but on the findings of law and the Registrar's conclusion thereon. The sole ground of appeal which I have reproduced at para. 10 of the judgment takes issue with para. 12 of the Registrar's decision. In this paragraph the Registrar stated:

“12) This ruling does not cover Philip Morris’ allegations that its trademark is well known in Belize and that targeted consumers and trade channels are identical and substantially similar. This omission is based on the fact that these grounds of opposition are not in dispute.”

17. Mr. Dujon SC for Philip Morris has argued and submitted essentially that notwithstanding that its trademark is well known in Belize and that the targeted consumers and trade channels are identical and substantially similar to those of BAT, and that these matters were conceded by the latter, there was therefore a duty incumbent upon the Registrar to consider the implications of such a concession. In failing to do so, the argument runs, the Registrar failed to consider the **added protection** to which Philip Morris's earlier trademark was entitled.

18. This added protection for Philip Morris's earlier trademark, Mr. Dujon argued and submitted, arises by reason of the provisions of **section 37(3)** of the Trade Marks Act and the operation of **Article 6 bis** of the **Paris Convention for the Protection of Industrial Property** of March 20th 1883. This Convention is incorporated into Belize's law by **section 60** of the Trade Marks Act. And **section 61** of the Act gives direct effect to **Article 6 bis** of the 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. (Emphasis added).*

19. **Article 6 bis** of the Paris Convention provides:

Article 6 bis

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.

20. **Section 37(3)** of the Trade Mark Act provides:

“(3) A trade mark which –

(a) is identical with or similar to an earlier trade mark; and

(b) is to be registered for goods or services which are not similar to those for which the earlier trade mark is protected,

shall not be registered if, or to the extent that, the earlier trade mark has a reputation in Belize and the use of the later mark without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of the earlier trade mark.”

21. The nub of Philip Morris’ appeal is that given the fact that its mark is well known in Belize, the Registrar should have specifically adverted to this and given play to the additional protection afforded to its mark and upheld its opposition to the registration of BAT’s application.

22. In particular, relying on **Article 6** *bis* of the Paris Convention, Mr. Dujon SC contends that these provisions apply when the essential part of the mark (sought to be registered) constitutes a reproduction of any well-known mark or an imitation liable to create confusion therewith. He contends therefore that the device used in the EMBASSY application No. 5082.07 (the object of Philip Morris' opposition before the Registrar) is an essential part of that mark and as such when compared with the MARLBORO Roof Device registered trade mark No. 4388.07, would be liable to create confusion therewith. I have reproduced the respective trademarks in issue in this appeal at para. 14 of this judgment.
23. Mr. Dujon SC also takes issue with the Registrar in his written submission when he attributed to the Registrar in his decision at para. 12 that he saw *“no need to decide upon the ground of opposition relating to section 37(3) (unfair competition with an identical/ similar mark for dissimilar goods) because as will be shown below the goods in this case are clearly identical.”*
24. I must say that I find no basis for this complaint in para. 12 of the Registrar's decision. The statement attributed to the Registrar is nowhere to be found in his decision, certainly not in para. 12. I have reproduced para. 12 of the Registrar's decision at para. 16 of this judgment. However, there is no reference in the Registrar's decision to **section 37(3)** of the Trade Marks Act. In my view, given the finding of the Registrar at paras. 13 and 14 of his decision that the respective goods of the parties (tobacco products such as cigarettes, cigars etc.) **are similar**, there was perhaps no need to refer to section 37(3) of the Act which deals with identical or similar trade mark to an earlier trade mark which is sought to be registered for **goods or services which are not similar to those for which** the earlier trade mark is protected. The Registrar after a comparison of the respective goods of the parties found that they **are identical**. But this was a limited view by the Registrar, given the admitted reputation of Philip

Morris's trade mark. He ought to have considered sub-section (3) of the Act. The Registrar should, I think, given the claimed distinctive character of Philip Morris's earlier trade mark and its admitted reputation, have taken into account when determining whether the similarity or identity between Philip Morris' goods (cigarettes etc) covered by its earlier trade mark and those covered by BAT's (cigarettes etc) was sufficient to give rise to the likelihood of confusion: **Canon Kabushiki Kaishe v Metro Goldwyn-Mayer Inc** (Case C 39/97 (1998) All E.R. (EC) 934.

25. However, what **section 37(3)** is aimed at preventing, in my view, even though the goods and services to which the earlier mark and the mark proposed for registration **are not similar** is **anti-dilution** of the earlier mark. It enables a proprietor of an earlier mark, with a reputation in Belize, to raise as a relative ground of objection to a mark which is identical or similar to his mark for goods and services which are not similar to his but where his **registered trade mark has acquired a reputation**. This provision caters for situations not covered by section 37(1) and (2) of the Act: it provides an **anti-dilution** protection for the earlier mark with a reputation. This is so because **sub-section 3** provides that registration of a later mark should be refused **when its use without due cause would take unfair advantage of or be detrimental to the distinctive character or repute of the earlier trade mark – Davidoff & Cie SA, Zino Davidoff SA v Gofkid Ltd**, judgment of the European Court of Justice delivered on 9th January 2003, in particular paras. 19 to 21 of the judgment in explaining provisions of the European Community Council's Directive 89/104/EEC (in Article 5(2) which are analogous to section 37(3) of Belize's Trade Marks Act.
26. The ECJ in **Davidoff** went on to observe at para. 24 of its judgment *“that Article 5(2) of the Directive must not be interpreted solely on the basis of its wording,*

but also in the light of the overall scheme and objectives of the systems of which it is a part.”

27. The Court concluded in that case that Articles 4(4)(a) and **5(2)** of the Council’s Directive are to be interpreted as entitling specific protection for registered trade marks with a reputation in cases where a later mark or sign, which is identical with or similar to the registered mark, **is intended to be used or is used for goods or services identical with or similar to those covered by the registered mark.**
28. Mr. Dujon SC therefore trenchantly attacked the Registrar’s decision for failing, in his submission, to take into account what he termed “additional protection’ afforded by **subsection (3)** of section 37 of the Act. This protection, in my view, is against dilution of an earlier trade mark even where the goods and services for which the earlier trade mark and later trade mark are identical.
29. However, in my view, to avail of this “additional” (anti-dilution) protection, **the proposed trade mark has to be identical with or similar to the earlier trade mark which has a reputation in Belize** (para. (a) of subsection (3)). Therefore, even though the goods and services to which the earlier trade mark and the later trade mark relate may **be similar**, there **must be found an identity or similarity between the two marks such as the use of the later mark without due cause would take unfair advantage of or be detrimental to the distinctive character or the reputation of the earlier trade mark** to disentitle the later mark from registration.
30. However, another plank in the platform of Mr. Dujon’s contention on behalf of Philip Morris is that the Registrar failed to have regard to **Article 6 bis** of the Paris Convention, which affords, he claims, **added protection** to

Philip Morris' MARLBORO trade mark because it is well-known within the meaning of that Convention. The relevant provisions of the Convention are given effect in Belize by section 61 of the Trade Marks Act.

Article 6 *bis* of the Paris Convention protects **well-known trade marks** from trade marks which constitute a **reproduction, an imitation or a translation likely to create confusion.**

31. It is, on the other hand, contended for BAT, that the protection afforded to well-known marks under the Paris Convention applies to marks which have not yet been registered under the Act, but which enjoy significant reputation outside Belize, despite the fact that the proprietor of such mark may not carry on any business or have any goodwill in Belize.
32. I am unable to share this view of the operation and effect of the Paris Convention on the protection of well-known trade marks. It is too limited and does not appreciate the breath of protection it affords. In my view, a well-known trade mark which is entitled to protection under the Paris Convention can constitute an **earlier trade mark** as provided for in **section 38(1)(b)** of the Act and thereby provide a basis for a relative ground for refusal of registration of a similar or identical mark pursuant to **section 37(1) or (2)** of the Act and even under subsection (3) if its conditions are satisfied.

Also, **the proprietor of a trade mark 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 an essential part of which, is identical or similar to his marks in relation to similar goods or services, where the use is likely to cause confusion** (subsection (2) of section 61 of the Act).

33. However, in my view, the protection afforded by **Article 6 bis** of the Paris Convention (which is incorporated by sections 60 and 61 of the Trade Marks Act) is **not additional** or **different** in nature from the protection afforded generally to trade marks. It especially addresses the case of internationally well-known trade marks. Section 61 of the Act extends the protective regime of trade marks law to proprietors of such trade marks.
34. At the centre of this protective regime is the proscription of registration of a mark which is identical to or similar with earlier trade mark and or the later mark is to be used for goods or services already covered by the earlier mark. The whole rationale of the protective regime of trade mark law is to protect against the **creation of confusion in the mind of the consumers (the public)** in relation to goods or services covered by an earlier trade mark such as to lead them to think that the goods and services covered by the earlier mark are the same as those to which the later mark relates or that they have a common origin.
35. This rationale is in the instant case captured in the words of **Article 6 bis** in relation to well-known marks:

(The state parties to the Convention) ... *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.” (Emphasis added).

36. The issue therefore always in the case of a well-known mark is: does the other mark (in this case BAT’s application for its EMBASSY mark) constitute **a reproduction, an imitation or a translation likely to create confusion** with Philip Morris’s admittedly well-known MARLBORO Mark? A subsidiary but important question as well is: **does the essential part of BAT’s EMBASSY mark constitute a reproduction of Philip Morris’ MARLBORO Mark or an imitation liable to create confusion with the latter?** That is to say, is BAT’s trade mark identical to or similar to Philip Morris; in the instant case?

Comparison of the Parties’ trade marks

37. For the purposes of this appeal, the present proceedings are by way of a rehearing. Therefore, Mr. Dujon correctly submitted that this court is not bound by findings of facts made by the Registrar. The Registrar at para. 17 of his decision made a specific finding that the respective marks of Philip Morris and BAT are **not** similar. There is, of course, no dispute about the identity or the similarity of their respective goods: they are both purveyors of tobacco products, cigarettes, cigars, etc.
38. Therefore in order to resolve the issue of identity to or similarity with or lack thereof between their respective trade marks, I have had recourse to the respective affidavits filed before the Registrar, in support of BAT’s application for registration of its mark and Philip Morris’s in opposition

thereto. As it was opposition proceedings before the Registrar, I reproduce the salient paragraphs: first, of the affidavit for Philip Morris deposed to by Ms. Lucidi, Senior Counsel at Philip Morris International Management SA. She states as follows among other things:

*History and use of the **MARLBORO LABEL Marks***

10. *The **MARLBORO** cigarettes have been made and sold by Philip Morris (and various predecessor entities) since 1924. Philip Morris introduced MARLBORO cigarettes brand bearing the distinctive **ROOF design** trademark in the United States in 1955: The ROOF design is a five-sided figure with a horizontal top and two vertical sides with two upwardly and inwardly sloping diagonals.*
11. *The worldwide commercialization of MARLBORO cigarettes brand bearing the **ROOF design** expanded at a steady pace throughout the 1960's, 1970's, 1980's, and 1990's, and have been used, and continues to be used, extensively worldwide by the Philip Morris, its affiliates and/or its licensees in over 160 countries.*
12. *Since the introduction of the **MARLBORO trade dress containing the ROOF design** in 1955 and through 2004, estimated worldwide sales figure for the **MARLBORO** brand cigarettes totaled more than ten (10) trillion cigarette (sticks). Indeed, the **MARLBORO** brand has been the No. one selling brand of cigarettes in the*

*world for at least the past 20 years. In this respect, we refer again to the Maxwell Report” in **Exhibit D**” whereby from 1985 to 2004, **MARLBORO** is listed as the No. 1 cigarette brand in the world. The figures in “The Maxwell Report” are in respect of worldwide shipments.*

14. *The **MARLBORO** brand of cigarettes has therefore been the number one selling brand of cigarettes in the world for over a quarter of a century, and considered by many prominent authorities as being among the most famous trademarks ever created.*

15. *In addition to the sales of over 10 trillion (10,000,000,000,000) **MARLBORO** cigarettes during the afore-said time period throughout the world, there has been extensive promotion for the **MARLBORO** brand, thus developing enormous notoriety and fame for the **MARLBORO LABEL** containing the famous **MARLBORN ROOD Device**.*

16. *On information and belief, the extensive sales of the **MARLBORO ROOF Device** branded cigarettes throughout the world, have been of a significant magnitude to generate fame, notoriety and reputation in the **MARLBORO ROOF Device** to accord it a broad scope of protection.*

17. *By virtue of the long and extensive use of the **MARLBORO ROOF Device** on the **MARLBORO ROOF Device** is truly famous and notorious, indicating to consumers of tobacco products and others, that such designed brand originates from Philip Morris.*

18. *The **MARLBORO** and the **ROOF device** marks have also, by virtue of extensive use and publicity, as and where permitted by law, over the past several decades, acquired global goodwill and reputation. They are firmly embedded in the minds of traders and consumers worldwide, including Belize consumers, and are exclusively associated with Philip Morris.*

21. *The opposed trademark is confusingly similar both visually and conceptually to the **MARLBORO ROOF Device**, and contains the notorious roof shape device, highly recognizable to consumers, including in Belize as the **MARLBORO LABEL**. The Applicant's mark further adopts similar colours as used by Philip Morris (including red). Furthermore, by looking at the design application no. 5082.07, filed by the Applicant below, it seems that the intention is to confuse consumers into thinking that the Applicant's products are an extension of Philip Morris's products, including for **MARLBORO ROOF Device** trademarks, or that there is a relationship between the Applicant and Philip Morris.*

22. *As identically described in paragraph 10 above, the Applicant makes use of a designed device in its label of a five-sided shape with a horizontal top and two vertical sides with two upwardly and inwardly sloping diagonals. There appears thereto to be a deliberate transition towards the use of a similar image to the Philip Morris **ROOF Device**, likely to cause confusion and strong mind association, in particular confusion to consumers that there is some link between the Applicant's mark and Philip Morris' notorious **MARLBORO LABEL**, resulting in the dilution of the goodwill in the **MARLBORO ROOF Device** and **MARLBORO LABEL**.*

23. *By virtue of the similarities in the roof shape design, the positioning of the regal crest, the potential for use in similar colours (including red), the identity of the goods and the intent of the Applicant to trade on the fame and notoriety of Philip Morris' world-famous **MARLBORO ROOF Device** Label. Confusion between the Applicant goods and Philip Morris' **MARLBORO** cigarettes is highly likely, and the Applicant will unfairly derive the benefits of the goodwill and reputation Philip Morris has established over the years in the **MARLBORO** label, further causing damage to Marlboro's market share.*

39. For BAT, Mr. Clyde Elliott Woods, Trade Mark manager, BAT Ltd, states as follows:

Global Reputation and Goodwill of Marlboro

5. *Philip Morris Products SA of Quai Jeanrenaud 3, 2000 Neuchatel, Switzerland (also referred to hereinafter as “the Opponent”) has at length sought to establish that their MARLBORO brand has acquired a broader scope of protection by virtue of the fame, notoriety and reputation established through sales of their MARLBORO products. Indeed, paragraphs 5, 9-12 and 14-18 of the Opponent’s Affidavit in Support of Opposition dated the 12th September, 2008 all directly attest to the use of the MARLBORO brand following adoption of the “five sided shape with a horizontal top and two vertical sides with two upwardly and inwardly sloping diagonals” (also referred to hereinafter as “ROOFTOP” or “the ROOFTOP design”).*

6. *The Opponent has admitted that MARLBORO cigarettes have been sold since as early as 1924 prior to the adoption of the ROOFTOP design in the United States in 1955. therefore some of the goodwill, notoriety, fame and reputation would have been vested in the word “Marlboro” which is still the principal identifier, both aural and textual, used by consumers at the point of purchase and has been used together with the Opponent’s MARLBORO cigarettes and tobacco products for over 85 years.*

7. *Because of the fame, notoriety, reputation and goodwill relied upon by the Opponent and the strength upon which it rests, it is highly unlikely or virtually impossible that consumers of tobacco products would be confused or deceived as to the identity or origin of the products bearing the individually and separately distinctive elements of the EMBASSY and MARLBORO brands. As the key identifier of both the EMBASSY and MARLBORO brands is the word itself, any potential for visual confusion is reduced by the consumer asking for the product by name and thus not identifying the products by virtue of the designs alone.*

Alleged Similarity of the Marlboro Roof and Embassy Ribbon Designs

8. *The words themselves are entirely dissimilar both phonetically and visually containing only common letters M, B and A. The letters of either word are ordered and pronounced in such a way that there is absolutely no possibility of confusion by speakers of the English or Spanish language.*
9. *The main device of the Applicant's EMBASSY design, which shall include but not be limited to the present trade mark Application No. 5082.07 as the subject of these Opposition proceedings, is a vertical **ribbon** extending from the top of the label to the bottom of the label being interrupted only by the positioning of the EMBASSY word. The ribbon comprises one third of the middle section of the label with the*

white background comprising the remaining two thirds on either side of the ribbon. The main ribbon itself is dissected in terms of colour with the left hand side of the ribbon being coloured burgundy while the right hand side of the ribbon is coloured dark red. Further, there is a gold coloured line which borders the entire outside of the ribbon save for the bottom part of the top of the ribbon and the top part of the bottom of the ribbon as caused by the interruption of the ribbon for the placement of the EMBASSY word element. The top of the ribbon is flat and the bottom or tail of the ribbon is inverted

10. *In contrast the Opponent's earliest Belize registered MARLBORO trademark, as submitted in their Affidavit in Support of Opposition, being identified as No. 1089 contains a five sided roof device that is positioned only in the upper half of the design extending from the top of the label that also covers the entire width from left to right. The positioning of the word MARLBORO is at the bottom of the design together with the words "LONG SIZE". The Opponents other registered MARLBORO trademark, as submitted in their Affidavit in Support of Opposition, being identified as No. 3984.06 is ostensibly the same formative trademark with some minor modifications or alterations to the overall design.*

11. *In each design, there are clear overall visual and conceptual differences between the designs. These differences, such as the*

location of the words EMBASSY and MARLBORO, the position and style of the crest and the colour variations of the Applicant's ribbon device together with distinct word identifiers make for no chance of confusion of consumers or deception by the Applicant.

40. Additionally, I have had to examine closely the respective marks of the parties reproduced at para. 14 of this judgment to make a determination of this issue.
41. I am helped in this exercise by the respective descriptions given on behalf of each side regarding its own mark. For Philip Morris, Ms. Lucidi deposed at para. 10 of her affidavit as follows in describing the mark for its brand MARLBORO:

“Philip Morris introduced MARLBORO cigarettes brand bearing the distinctive ROOF design trade mark in the United States in 1955: The ROOF design is a five-sided figure with a horizontal top and two vertical sides with two upwardly and inwardly sloping diagonals.”

Apart from the omission of any reference to the crest just beneath the two upwardly and sloping diagonals and the word “**MARLBORO**” this is an accurate description of Philip Morris’s MARLBORO mark reproduced along side BAT’s EMBASSY mark at para. 14 above.

42. For BAT, Mr. Woods deposed at para. 9 of his affidavit as follows in describing its mark:

9. *The main device of the Applicant's EMBASSY design, ... trade mark Application No. 5082.07 ... is a vertical ribbon extending from the top of the label to the bottom of the label being interrupted only by the positioning of the EMBASSY word. The ribbon comprises one third of the middle section of the label with the white background comprising the remaining two thirds on either side of the ribbon. The main ribbon itself is dissected in terms of colour with the left hand side of the ribbon being coloured burgundy while the right hand side of the ribbon is coloured dark red. Further, there is a gold coloured line which borders the entire outside of the ribbon save for the bottom part of the top of the ribbon and the top part of the bottom of the ribbon as caused by the interruption of the ribbon for the placement of the EMBASSY word element. The top of the ribbon is flat and the bottom or tail of the ribbon is inverted.*

43. Findings from a comparison of the respective marks

From my visual inspection and study of BAT's mark (which is reproduced at para. 14 of this judgment as **Fig. 1**) I find that:

- i) it comprises a vertical **ribbon**, extending from the top of the label to almost the bottom of the label;
- ii) the ribbon is intersected at near the half-way mark of its length by the prominent text element **EMBASSY** (not however in capital letters) rendered in red;
- iii) on the top half of the ribbon is a regal crest in gold colour;
- iv) the ribbon has a multiple colour composition being dissected with its left side coloured burgundy and the right side coloured dark red, with a gold border on the entire outside of the ribbon including at the bottom tail of the ribbon which is inverted;
- v) the top of the ribbon is flat and its bottom end stretching towards the end of the label is inverted;
- vi) the ribbon comprises breath-wise about one-third of the middle section of the entire label with the white background comprising the remaining two-thirds on either side of the ribbon.

44. The Philip Morris' mark I find contains the following (I have reproduced it along-side BAT's mark as **Fig. 2** at para. 14 above. I have also left out of account the very salutary admonition on top of both marks):

- i) it contains a five-sided **roof device** that is positioned at the top half of the design;
- ii) the five-sided roof device extends at the top of the label to cover the entire width from left to right;

- iii) the five sided roof design has a flat or horizontal top with two vertical sides with two upwardly and inwardly sloping diagonals;
 - iv) just beneath the point at which the two upwardly and inwardly sloping diagonals meet is a regal crest in gold with the legend “Philip Morris”;
 - v) beneath the regal crest is the prominent text element **MARLBORO** (again not in capital letters like BAT’s textual description in its own mark) rendered in black at the bottom of the design;
 - vi) the predominant colour scheme is red (on the roof top device) and white at the bottom half (with the word MARLBORO in black) and the regal crest in gold.
45. Having had the benefit of the affidavits filed for both Philip Morris and BAT and having carefully examined and analyzed their respective marks, I am ineluctably driven to conclude that I find neither identity nor similarity between them. Mr. Dujon SC for Philip Morris however plausibly urged on its behalf that BAT in its mark which is the subject of the application for registration *“is slowly making a deliberate transition closer and closer to the famous Roof device belonging to Philip Morris. This transition most certainly concerns (Philip Morris) and begs the question why the shift if not to take unfair advantage of (Philip Morris’) Roof device which has a reputation in Belize.”*
46. From my examination of the marks, I am unable to accept this, as I find nothing in BAT’s mark that is remotely identical or similar to the well-known Roof device of Philip Morris. The inverted tail-end of the ribbon in BAT’s mark even if it were to be transitioned to the very top of its mark would not, I find, bear the slightest resemblance, identity or similarity with a roof that is inverted.

47. The purpose of assessing the respective marks to see if there is identity or similarity between them so as to preclude registration of the later mark is no doubt central to the protective regime of trade mark law: if there is identity or similarity between the two marks, the earlier trade mark should prevail and the later denied registration. This is so where, because of the later mark, **there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier mark: Section 37(2)**; or if an earlier trade mark has a reputation in Belize and the use of a later mark (which is proposed for registration such as the mark of BAT's application in the instant case) **without due cause would take unfair advantage of or be detrimental to the distinctive character or repute of earlier mark, then the later mark shall not be registered: section 37(3)**; also under **Article 6 bis** of the Paris Convention, an interested party such as Philip Morris in the instant case, may request the Registrar to cancel the registration, and to **prohibit the use of a trade mark which constitutes a reproduction, an imitation or a translation, liable to create confusion with a mark considered to be well-known as the mark of the interested party (Philip Morris in this case) and used for identical or similar goods**. This prohibition on registration of the other mark shall also apply when the **essential part of such a mark constitutes a reproduction of any such well-known mark or an imitation liable to create confusion therewith**.
48. In all of these instances, it is manifest that the intent and design of the scheme whether under **section 37(2) or (3)** of the Act or **section 61** and **Article 6 bis** of the Paris Convention **is to avoid the likelihood of confusion on the part of the public regarding the respective marks** or **to prevent the use of a later mark without due cause which would result in unfair advantage of or be detrimental to the distinctive character or repute of an earlier mark**.

49. In assessing the similarity of the trade marks in question in this case and based on my own analysis, I am satisfied that the Registrar came to the correct and only conclusion opened to him when he found, after a correct appreciation and application of the leading case law in this area, namely **Sabel SV v Puma AG** (decided by the ECJ on 11th November 1997), at para. 17 of his decision that the respective marks are not similar.
50. Therefore, guided by the statement of the ECJ in **Sabel v Puma** at para. 23:

“That global appreciation of the visual aural or conceptual similarity of the marks in question must be based on the overall impression given by the marks, bearing in mind, in particular, their distinctive and dominant components.”

I am satisfied and convinced that the two marks in issue here are not identical or similar. I am satisfied that the **dominant and distinctive component of Philip Morris’ trademark is its Roof device, whereas that of BAT is its horizontal ribbon.**

51. I am also satisfied and convinced that because of the distinct marks of each of the parties, there does not exist any likelihood of confusion between their marks so as to impact on the sales of their similar goods, or that the use of BAT’s mark would take unfair advantage of or be detrimental to the distinctive character (the Roof device) or the repute of Philip Morris’ trade mark. I am also persuaded that given the nature of the goods both parties sell and as denominated by their respective trade marks, the average consumer does not engage in any detailed analysis of their marks, but rather commonly requests the product he wants by name: either MARLBORO or EMBASSY. There is surely a phonetic and aural

world of difference between the two. I am convinced the two marks can co-exist in Belize

52. I am fortified in the conclusion I have reached in this appeal by the many foreign Intellectual Property decisions given in favour of BAT in disputes with Philip Morris regarding its EMBASSY mark or similar ones. The learned attorney for BAT helpfully brought to the court's attention three decisions in particular, one from **Australia** in **Philip Morris Products inc v NV Sumatra Tobacco Trading Co** decided on 30 December 1998; one from **Colombia** by that country's Superintendency of Industry and Commerce in **Resolution 36398** of 23rd July 2009 and the other from the Korean Intellectual Property Tribunal in Korean Trade Mark Application No. 40-2008-0001382, decided on 30th September 2009. In all of these cases application to register trade marks were opposed by Philip Morris. because of its earlier brand MARLBORO, two of the trade marks were for EMBASSY mark, but registration was approved in all three in favour of BAT, including its HERO mark in Australia.

Conclusion

For the reasons stated in this judgment, I am satisfied that the Registrar's decision that BAT's trade mark proceed to registration because the mark is nor similar to Philip Morris' earlier trade mark, and that there exists no likelihood of confusion on the part of the public, nor does there exist the likelihood of association with the earlier Philip Morris' trade mark under section 37(2)(b) of the Act should not be disturbed.

That the Registrar did not advert to sections 37(3), 61 and Article 6 bis of the Paris Convention do not, I find in the event, undermine his decision or make it untenable. I am satisfied that he came to the right conclusion on the application before him.

In the result, the Registrar's decision stands and the appeal is dismissed with prescribed costs to BAT.

A. O. CONTEH
Chief Justice

DATED: 28th July 2010.