



BELIZE INTELLECTUAL PROPERTY OFFICE

Vol. 5 - No. 11A

Belmopan, June, 2, 2006,

Page 685

INTELLECTUAL PROPERTY SPECIAL JOURNAL

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

**IN THE MATTER OF APPLICATION NOS. 3186.05 AND 3187.05 BY
WAL-MART STORES, INC. TO REGISTER THE TRADEMARKS:
EVERACTIVE
EVERSTART**

AND

**THE CONSOLIDATED OPPOSITIONS THERETO BY EVEREADY
BATTERY COMPANY INC.**

T.M. RULING NO. 1/2006

**The Registrar
Intellectual Property Office
Belize**

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

In the Matter of Application Nos. 3186.05 and 3187.05 by Wal-Mart Stores, Inc., to register the trademarks:

EVERACTIVE

EVERSTART

And the Consolidated Oppositions thereto by Eveready Battery Company, Inc.

BACKGROUND

1) This case concerns two applications made by Wal-Mart Stores, Inc. (hereinafter referred to as Wal-Mart), to register the above trademarks. Both applications were filed on July 8, 2005, and were published for opposition purposes in the 'Intellectual Property Journal' on July 29, August 12 and 26, 2005, with the following specification:

Scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching apparatus and instruments; apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs; automatic vending machines and mechanisms for coin-operated apparatus; cash registers, calculating machines, data processing equipment and computers; fire-extinguishing apparatus.

The above goods are in Class 9 of the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks.

2) Eveready Battery Company, Inc. (hereinafter referred to as Eveready), has filed oppositions against the two applications. Eveready is the owner of the Belize trademark registration No. 2194.04 for the trademark EVEREADY. This mark was registered on March 22, 2004, with the following specification:

Scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching apparatus and instruments; apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs; automatic vending machines and mechanisms for coin-operated apparatus; cash registers, calculating machines, data processing equipment and computers; fire-extinguishing apparatus.

The above goods are in Class 9 of the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks.

Eveready claims that the trademarks of Wal-Mart are similar to its trademark and that the respective goods are identical with or similar to those for which Eveready's earlier mark is protected. As a result, Eveready claims that there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with its earlier

trademark, and that the registration of the Wal-Mart's applications would be contrary to section 37(2) (b) of the Trade Marks Act. Eveready claims that its earlier trademark (EVEREADY) has gained international recognition and that registration of the Wal-Mart applications may cause confusion in the minds of the public and give rise to the passing off of one mark for the other. Further, Eveready claims that if registration is permitted in Belize, the use of Wal-Mart's later EVERSTART and EVERACTIVE marks would take advantage of, or be detrimental to, the distinctive character or the repute of its earlier EVEREADY trademark, and would be contrary to section 37(3) of the Trade Marks Act.

3) Eveready requests that the applications are refused.

4) Wal-Mart filed answers to Eveready's oppositions. It denies that its EVERSTART and EVERACTIVE marks are similar to the EVEREADY trademark. Wal-Mart claims that the only common feature between its marks and that of Eveready is the use of the prefix "EVER" and asserts that save and except this prefix, there is no similarity between Wal-Mart's marks and Eveready's mark. Wal-Mart claims that the registration of the EVEREADY trademark did not, at the time of registration, and does not presently confer on Eveready the exclusive right to the use of the prefix "EVER".

Wal-Mart claims that its trademarks have gained international recognition and are registered in several countries throughout the world. It claims that it had filed for the registration of two EVERSTART trademarks in the United States of America, identical to the one for which registration is now sought in Belize, on November 6, 1989 and June 5, 1998. These marks were registered in the United States of America on July 17, 1990, and November 7, 2000 respectively. Wal-Mart also claims that it had filed for the registration of two EVERACTIVE trademarks in the United States of America, identical to the one for which registration is now sought in Belize, on July 28, 1999, and September 11, 2000. These marks were registered in the United States of America on July 3, 2001, and February 25, 2003 respectively. Wal-Mart states that both the EVERSTART/EVERACTIVE trademarks and the EVEREADY trademark are registered and currently co-exist for the relevant goods on the trademark register of the United States Patent and Trademark Office.

Wal-Mart claims that there is no likelihood of confusion between its EVERACTIVE and EVERSTART trademarks and the EVEREADY trademark which may mislead the public into thinking that the marks are associated and owned by the same company. It denies that there exists any likelihood of passing off of one mark for the other which would lead the public to believe that the goods offered by Wal-Mart are the goods of Eveready.

Wal-Mart claims that it does not by the use of its mark make a representation to the public, whether intentionally or not, which would lead or is likely to lead the public to believe that the goods offered by Wal-Mart are the goods of Everyday; that its products are very well and explicitly labeled and it is highly unlikely that the public would believe that Wal-Mart's goods are those of Eveready; that the use of its mark or, the registration of its marks is not calculated to injure the business or goodwill of Eveready; that the use of its mark will not cause any loss or damage to the business or goodwill of Eveready; that Eveready will not suffer any loss or damage to its business or goodwill due to any erroneous belief that Wal-Mart's goods or use of the mark are the goods or mark of Eveready.

Wal-Mart claims that the EVERSTART and EVERACTIVE trademarks have been used by it since 1989 and 1999 respectively, and that the two marks have acquired sufficient distinctiveness and reputation in the marketplace. Wal-Mart does not admit that there is a distinctive character or repute of the EVEREADY trademark so as to prevent the registration of Wal-Mart's EVERACTIVE and EVERSTART trademarks. It adds that in the event that there is a distinctive character or repute of the EVEREADY trademark, the use of Wal-Mart's trademarks has not taken advantage of and has not been of detriment to the distinctive character or repute of the EVEREADY trademark and will not take advantage of or be of detriment to such character or repute.

5) Wal-Mart seeks the dismissal of the oppositions.

6) Both sides filed evidence.

7) The case was heard on April 5, 2005. Wal-Mart was represented by Mrs. Melissa Balderamos-Mahler of Musa and Balderamos. Eveready was represented by Mrs. Liesje Barrow-Chung of Barrow and Co.

EVIDENCE

Evidence of Eveready

8) This is furnished by way of a sworn affidavit by Guido DeVito, who has been the Area Marketing Director, Pan Am, for Energizer Battery, Inc., since September 1, 2004. Energizer Battery, Inc., is a wholly-owned subsidiary of Eveready Battery Company, Inc. He has been in the employment of the company for seventeen years and his duties as Area Marketing Director involve the marketing and advertising of all of Eveready's battery products throughout Central and South America and Mexico, including those bearing the EVEREADY trademarks.

9) Mr. DeVito states that gross sales for products bearing the EVEREADY trademarks in Belize since 2002 to the present are in excess of \$1 million. Mr. DeVito states that since 2002 to present Eveready has spent more than \$43,000 in advertising and promotions in Belize. 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 Mr. DeVito in the affidavit. However, I will consider these claims in the decision part of the ruling. In *Academy* (BL O/169/00) Mr. Simon Thorley, acting as the appointed person stated that:

'It is as important in proceedings before the Registry as in any other proceedings that a proper line is drawn between that which is truly evidence, which should be the subject of a...affidavit, statutory declaration or witness statement as the case may be, and submissions or arguments in relation to the matter in dispute which need not. To allow the two to be present in the same document is bound to lead to confusion and misunderstanding.'

Evidence of Wal-Mart

10) This is furnished by way of a sworn affidavit by Mike Cockrell, Vice President, International Marketing, Wal-Mart Stores, Inc. He states that the EVERACTIVE and EVERSTART trademarks are registered in several countries throughout the world. Copies of the lists of registrations of the EVERACTIVE and EVERSTART trademarks, including the countries where registered, are exhibited. The EVERSTART exhibit shows that the EVERSTART trademark is registered in Canada, South Korea (Republic of Korea), Australia, European Community, Spain, France, Japan, Mexico, Germany, United States of America, Venezuela, Argentina, China, Russian Federation, Switzerland, and the United Kingdom. The EVERACTIVE exhibit shows that the EVERACTIVE trademark is registered in the aforementioned countries (excluding Venezuela), and also in El Salvador and the Philippines.

Mr. Cockrell states that Wal-Mart filed for the registration of two EVERACTIVE trademarks in the United States of America on July 28, 1999 and September 11, 2000, and filed for the registration of two EVERSTART trademarks in the United States of America on November 6, 1989 and June 5, 1998. He states that the two EVERACTIVE trademarks were registered in the United States of America on July 3, 2001, and February 25, 2003 respectively, and that the two EVERSTART trademarks were registered in the United States of America on July 17, 1990, and November 7, 2000 respectively. Copies from the United States Patent and Trademark Office database showing such registrations are exhibited. The exhibits show that the EVERACTIVE trademark is registered in the United States for batteries and flashlights in International Classes 9 and 11 respectively, and that the EVERSTART trademark is registered in the United States for automotive battery accessories and electric storage batteries in International Class 9.

Mr. Cockrell further states that both the EVERACTIVE/EVERSTART trademarks and the EVEREADY trademark are registered and currently co-exist for the relevant goods on the trademark register of the United States Patent and Trade Mark Office. Copies from the United States Patent and Trademark Office database showing the co-existence of both marks are exhibited. The exhibits show that the EVEREADY trademark is also registered in the United States for batteries and flashlights in International Classes 9 and 11 respectively.

He states that the labeling and packaging of the EVERACTIVE/EVERSTART marks are distinctive and different from that utilized for the EVEREADY mark. Copies of labeling and packaging of the EVERACTIVE/EVERSTART trademarks and the EVEREADY trademark are exhibited. I will comment on these exhibits in the decision part of this ruling.

According to Mr. Cockrell, the EVERSTART and EVERACTIVE trademarks have been in use by Wal-Mart since 1989 and 1999 respectively and are well-known internationally. He adds that gross sales of the EVERSTART and EVERACTIVE products are over \$500 million and \$25 million respectively in the past two years alone. I would like to respectfully observe that I cannot attach much weight to these statements due to the lack of exhibited documents supporting the claims contained in the statements.

I have also not summarized certain claims made by Mr. Cockrell in the affidavit due the reasons outlined at the end of paragraph 9 of this ruling. These claims will be considered in the decision part of the ruling.

DECISION

Relevant Law

11) According to section 37(2) (b) of the Trade Marks Act (hereinafter referred to as ‘the Act’) a trademark shall not be registered if because:

‘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.’.

Section 38(1) (a) of the Act defines an ‘earlier trade mark’ as:

‘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.’.

Eveready’s trade mark is an earlier trademark in terms of section 38(1) (a) of the Act and a valid one for purposes of this opposition. Section 67 of the Act states that:

‘In all legal proceedings relating to a registered trademark...the registration of a person as proprietor of a trade mark shall be *prima facie* evidence of the validity of the original registration....’.

In determining the issues under section 37(2) (b) of the Act, I am guided by the cases of *Sabel BV v Puma AG* [1998] RPC 199; *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] ETMR 1; *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV* [2000] FSR 77; *Recot, Inc. v M.C. Becton* 214 F.3d 1322, 1329, 54 USPQ2d 1894, 1897 (Fed. Cir. 2000); *Sealed Air Corp.v Scott Paper Co.*, 190 USPQ 106, 108 (TTAB 1975); and *Century 21 Real Estate Corp. v Century Life of America* 970 F.2d 874, 877, 23 USPQ2d 1698, 1701 (Fed. Cir. 1992), cert. denied 506 U.S. 1034 (1992). I am also guided by European Court of Justice’s judgment in *Sabel BV v Puma AG* in my decision on the distinctiveness of the EVEREADY trademark.

12) I see 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. Also, I see no reason to decide upon the ground of opposition relating to passing off because the relevant provision of the Act covers passing off in relation to an unregistered trademark (section 37(4) (a)). The contents of the Trade Marks Register clearly show that EVEREADY is a registered trademark.

Comparison of goods

13) The goods of the EVERACTIVE and EVERSTART applications are:

Scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching apparatus and instruments; apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs; automatic vending machines and mechanisms for coin-operated apparatus; cash registers, calculating machines, data processing equipment and computers; fire-extinguishing apparatus.

The goods of EVEREADY earlier trademark are:

Scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching apparatus and instruments; apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs; automatic vending machines and mechanisms for coin-operated apparatus; cash registers, calculating machines, data processing equipment and computers; fire-extinguishing apparatus.

14) It is clear that the identical specifications satisfy the test for identical goods in section 37(2) (b) of the Act. Unlike the exhibited specifications of the United States registrations, it is also clear that the specifications of Wal-Mart's Belize applications were drafted based on the exact class headings 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 Classification). One can only repeat the following wise warning in the *Guidance for the User* of the aforesaid Nice Classification:

- '1. The class headings indicate in a general manner the fields to which the goods and services in principle belong.
2. For ascertaining the correct classification of each individual product or service, the Alphabetical List of goods and services and the Explanatory Notes, relating to the various classes, should be consulted. If a product or service cannot be classified with the aid of the List of Classes, the Explanatory Notes and the Alphabetical List, the General Remarks....set forth the criteria that should be applied.'

15) **I find that the respective goods are identical.**

Comparison of trade marks

16) The trademarks to be compared are:

Earlier Eveready trade mark:

EVEREADY

Trademarks of the Wal-Mart applications: **EVERSTART**

EVERACTIVE

17) The average consumer usually perceives a trademark as a whole and does not analytically examine the various details of the trademark (*Sabel BV v Puma AG*). The

assessment of the visual, aural and conceptual similarities of the trademarks 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*).

As I stated earlier, Wal-Mart claims that the labeling and packaging of the EVERACTIVE/EVERSTART mark are distinctive and different from that utilized for the EVEREADY mark. The EVERACTIVE exhibits show that the labeling and packaging of Wal-Mart's EVERACTIVE trademark uses some colours that are not used on the EVEREADY trademark and the EVERACTIVE exhibits also show that representation of the EVERACTIVE trademark is stylized, while the EVERSTART exhibits also show that the representation of the EVERSTART trademark is initialized. Nevertheless, I must note that five out of the six EVERSTART exhibits show the use of similar colours as those used on the labeling and packaging of the EVEREADY trademark. Further, the representations of the trademarks in the present dispute are all in uppercase Roman characters.

I note that Wal-Mart claims that the only common feature between its marks and that of Eveready is the use of the prefix "EVER" and asserts that save and except this prefix, there is no similarity between the Applicant's mark and the Opponent's mark. Nevertheless, it is my opinion that this argument is definitely an admission of a certain visual and aural similarity between Wal-Mart's EVERSTART/EVERACTIVE trademarks and Eveready's EVEREADY trademark.

I note also, that Wal-Mart claims that the registration of the EVEREADY trademark did not, at the time of registration, and does not presently confer on the Eveready the exclusive right to the use of the prefix "EVER". However, as stated in the above-mentioned cases the assessment of the visual, aural and conceptual similarities of the trademarks must be done globally rather than by dissecting the trademark. I believe that a global assessment of the EVERSTART/EVERACTIVE trademarks and the EVEREADY trademark reveals a visual and aural similarity between the marks. The global similarity is completed by the fact that all the trademarks share a similar conceptual similarity in the sense that the marks suggest the concept of an always performing product.

Further, a lesser degree of similarity between the trademarks may be counter-balanced by a greater degree of similarity between the goods, and vice versa (*Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc*). As indicated in paragraph 14 above, it is clear that the goods in the specifications of the EVERACTIVE/EVERSTART applications and the EVEREADY registration satisfy the test for identical goods in section 37(2) (b) of the Act.

18) I find that the respective marks are similar.

Likelihood of confusion

19) The likelihood of confusion must also be assessed globally while taking note of all relevant factors, and the issue must be decided through the eyes of the average consumer of the goods in question (*Sabel BV v Puma AG*). The average consumer is deemed to be reasonably well informed and observant (*Lloyd Schuhfabrik Meyer & Co Gmbh v Klijsen Handel BV*). However, he or she rarely has the time to make direct comparisons between trademarks and must rely upon the imperfect picture of the trademarks that he or she has kept in his or her mind (*Lloyd Schuhfabrik Meyer & Co Gmbh v Klijsen Handel BV*).

A similar line of legal reasoning can be found in the arena of American trademark law and practice. According to the Trademark Manual of Examining Procedure of the United States Patent and Trade Marks Office, the test of likelihood of confusion is not whether the trademarks can be distinguished on the basis of a side-by-side comparison, but whether the trademarks have sufficient similarity to cause a likelihood of confusion as to the source of the goods. In making a decision on the similarity of trademarks, account should be taken of all relevant factors relating to the appearance and connotation (*Recot, Inc. v M.C. Becton*). The emphasis must be on the average purchaser who usually only has a general rather than specific impression of trademarks (*Sealed Air Corp. v Scott Paper Co.*). Further, if the goods are similar, the level of similarity between the marks that is necessary to support a conclusion of likely confusion declines (*Century 21 Real Estate Corp. v Century Life of America*).

In comparing the EVERSTART/EVERACTIVE trademarks and the EVEREADY trademark, despite the fact that, unlike the average consumer, I had the time to make direct comparisons between the trademarks, I was immediately drawn by the similarity of the trademarks and the strong likelihood of confusion as to the source of the goods. This attraction was further reinforced by the fact that, as indicated in paragraph 14 above, the goods in the specifications of the EVERACTIVE/EVERSTART applications and the EVEREADY registration are identical. This fact even surpasses the test outlined in the above case of *Century 21 Real Estate Corp. v Century Life of America*.

I note that Wal-Mart claims that there is no likelihood of confusion and has exhibited registrations of the EVERACTIVE and EVERSTART marks in a host of countries. I note also that Wal-Mart exhibited evidence showing that both the EVERACTIVE/EVERSTART trademarks and the EVEREADY trademark are registered and currently co-exist for the relevant goods on the trademark register of the United States Patent and Trade Mark Office.

Nevertheless, I must respectfully state that the relevant market for this analysis is the Belize market and the relevant purchaser is the Belizean purchaser. This reasoning is based on the fact that trademarks are territorial in nature. The decision by the Belize Intellectual Property Office on whether to grant a trademark is independent of a similar decision by the United States Patent and Trademark Office, the United Kingdom Patent office or any other intellectual property office. The legislative basis for this reasoning can be found in Article 6(3) of the Paris Convention for the Protection of Industrial Property, which states that:

‘A mark duly registered in a country of the (Paris) Union shall be regarded as independent of marks registered in the other countries of the (Paris) Union, including the country of origin.’

The independence of the Belize trademark granting procedure was officially declared on the 5th day of January, 2001, when the Act came into force. This independence is further symbolized in section 82(1) of the Act as follows:

‘The United Kingdom Trade Marks Act....shall stand repealed at the commencement of this Act.’

20) I find that there is a likelihood of confusion.

Distinctive character of the earlier trademark

21) The EVEREADY trademark is a valid trademark under section 67 of the Act which states that:

‘In all legal proceedings relating to a registered trademark...the registration of a person as proprietor of a trade mark shall be *prima facie* evidence of the validity of the original registration....’.

Although Wal-Mart refuses to admit that there is a distinctive character in the EVEREADY trademark so as to prevent the registration of its EVERACTIVE and EVERSTART trademarks, Wal-Mart did not offer any evidence to counter the above legislative presumption of validity. It is also clear that the EVEREADY trademark is a suggestive mark which gives a hint as to the concept of the goods but requires imagination to determine the nature of the goods. This fact satisfies the test for distinctiveness of a trademark.

It is also clear from the European Court of Justice’s judgment in the case of *Sabel BV v Puma AG* that the likelihood of confusion increases where the earlier trademark has a highly distinctive character.

22) I find that the EVEREADY trademark is highly distinctive when applied to the goods under consideration.

CONCLUSION

23) Wal-Mart’s EVERACTIVE and EVERSTART trademarks are therefore refused because the marks are similar to Eveready’s valid and distinctive earlier trademark (EVEREADY) and are applied for with respect to goods that are identical with those for which the earlier EVEREADY trademark is protected, thus there exist a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier EVEREADY trademark under section 37(2) (b) of the Act.

COSTS

24) Eveready Battery Company Inc., having been successful is entitled to a contribution towards its costs. I order Wal-Mart Stores Inc. to pay Eveready Battery Company Inc., the sum of \$1,425.00 (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 30th day of May, 2006.

Alhaji Tejan-Cole
Deputy Registrar
for Registrar of Intellectual Property

APPENDIX

AWARD OF COSTS

<u>ITEM</u>	<u>\$BZ</u>
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	<u>600.00</u>
Total Costs	1,425.00



BELIZE INTELLECTUAL PROPERTY OFFICE