



[2019] JMCC COMM.13

IN THE SUPREME COURT OF JUDICATURE OF JAMAICA

COMMERICAL DIVISION

CLAIM NO. 2019CD00056

BETWEEN	NATHAN HADDAD (T/A PEPPA TREE JAMAICA WEST INDIES)	CLAIMANT
AND	TONY J LIMITED	1ST DEFENDANT
AND	JOHN JEREMY McCONNELL (T/A PEPPERWOOD JERK PIT)	2ND DEFENDANT

IN CHAMBERS

Ms Annaliesa Lindsay and Mr Josemar Belnavis instructed by John G Graham & Company, Attorneys-at-Law for the Claimant

Ms Kayola Muirhead and Mr Christopher Dunkley, instructed by Phillipson Partners, Attorneys-at-Law for the 1st and 2nd Defendants

Heard: 5th and 12th April 2019.

Injunction – Principles to be applied- Whether there is a serious issue to be tried of infringement of copyright and/or the tort of passing off

Trade marks – Whether mark confusingly similar to registered trade mark – Principles to be applied in assessing similarity

LAING, J

The Application

[1] By his claim filed 14th February 2019, the Claimant claims against the Defendants for infringement of its registered trade mark pursuant to section 9 of the Trade Marks Act (“the TMA”) and/or for passing off. The following reliefs are sought:

- “(1) *An injunction to restrain the Defendants from infringing registered trade mark no. 594670.*
- (2) *Delivery-up to the Claimant of all articles and documents the use of which by the defendants in the course of trade would be a breach of the foregoing injunction, together with an order pursuant to section 36 of the Trade Marks Act, 2001 for the delivery-up of all infringing goods, material or articles.*
- (3) *An inquiry as to damages, or at the election of the Claimant, an account of profits, for infringement of the registered trademark, together with an order for payment of all sums found due to the Claimant with interest thereon pursuant to section 3 of the Law Reforms (Miscellaneous Provisions) Act and/or the equitable jurisdiction of the Court.*
- (4) *Costs.*
- (5) *Such further or other relief.”*

[2] In the interim, the Claimant by his Amended Notice of Application filed on 5th March 2019 has sought the following relief:

1. That the Defendants, whether by themselves, their servants, agents or otherwise, be restrained from infringing the Claimant’s Registered mark no 594670 first registered in or about 2011, by registering or purporting to register their mark by way of application dated February 13, 2017 to the Jamaica Intellectual Property Office (JIPO).

2. That the Defendants, whether by themselves, their servants, agents or otherwise, be restrained from infringing the Claimant’s registered trademark of “**PEPPATREE Jamaica West Indies**” by using and operating under the name of Pepperwood Jerk Pit in Portmore, in the parish of Saint Catherine, or at any other location.

3. That the Defendants whether by themselves, their servants, agents or otherwise, be restrained from using and operation and passing off Pepperwood Jerk Pit or any other combination or imitation of the Claimant’s registered trademark of “**PEPPATREE Jamaica West Indies**”.

4. Such further or other relief as this Honourable Court deems fit and just in the circumstances. (quotation reproduced with underlined amendments as filed)

[3] Most of the facts recited in the first affidavit of the Claimant in support of his application are not in dispute. On or about 20th December 2011, Mr Mark Haddad, the Claimant's brother, registered trade mark no. 594670 "PEPPATREE Jamaica West Indies" "(the PEPPATREE trade mark)" with the Jamaica Intellectual Property Office ("JIPO"). The documents exhibited in the application including the graphic representation in the certificate of registration of the Claimants trademark, represents it as one word "PEPPATREE". Throughout this judgment I will treat it as such, although I have observed that there have been a number of reference in the written submissions and elsewhere to the trade mark consisting of two separate words, that is. "PEPPA" and TREE".

[4] In his Particulars of Claim the Claimant pleaded that the PEPPATREE trade mark is registered in the following classes:

Class 29: "Meat, fish, poultry or game; meat extracts; preserved, frozen, dried and cooked fruits and vegetables; jellies, jams, compotes; eggs, milk and milk products; edible oils and fats"

Class 30: "Coffee, tea, sugar, spices, sauces, rice, bread, pastry and confectionaries, honey and condiments"

Class 32: "Beers; mineral and aerated waters and other non-alcoholic drinks; fruits drinks and fruit juices; syrups and other preparations for making beverages"

Class 43: "Jerk restaurant, barbecue restaurant, mobile restaurant or carts, and other restaurant services".

In or about October 2012, Mr. Mark Haddad assigned the PEPPATREE trade mark to the Claimant by an assignment of trade mark which was accepted and registered by JIPO on or about October 31, 2012.

[5] The Claimant developed a line of products that were initially launched in Jamaica in 2016 and the Claimant averred that on or about February 2017, he became aware that the 1st Defendant had filed an application with JIPO in order to register

the mark “PEPPERWOOD Jerk Pit” (the “PEPPERWOOD mark”) with JIPO in Class 43, which is one of the classes in which the PEPPATREE trade mark is registered. The Defendants were notified that their application received a “Potential Rejection” by letter dated 22nd June 2017, the reason given being “...*due to the likelihood of confusion and/or association with Trade mark No. 59467 “PEPPATREE Jamaica West Indies & logo.*

[6] In or about November 2017, the 1st Defendant, submitted an appeal to JIPO. The appeal was accepted and a notice of opposition dated 22nd May 2018 was filed by the Claimant’s Counsel relying on two grounds. The first was that the period for the Defendants to have lodged their appeal as provided for by section 21 of the TMA had expired, since the Defendants were given three months from the date of refusal of the application to make representation or amend the application and had failed to do so within that period. The second reason was that the PEPPATREE trade mark was an earlier mark.

[7] The parties are still awaiting the decision of the Registrar of JIPO and it is evident from the Claimant’s Amended Notice of Application, that one of the objectives of Claimant, (at least initially), was to prevent that process for the Registration of the PEPPERWOOD mark from being pursued by the Defendants to its conclusion.

Can the Court restrain the Defendants from pursuing the application to register the PEPPERWOOD Trade Mark?

[8] JIPO was established by section 3 of the Jamaica Intellectual Property Office Act which came into effect on 1st February 2002. Its duty as stated in that Act includes administering relevant laws such as the Copyright Act and the TMA.

[9] The Claimant has complained about the fact that to date JIPO has rendered no decision in respect of the Defendants appeal and it has been submitted that JIPO’s vacillation with respect to protecting the PEPPATREE trade mark has forced the Claimant to seek this Court’s assistance.

- [10] Counsel for the Claimant has submitted that an injunction in terms of paragraph 1 of the Amended Notice of Application is necessary to give effect to the protection afforded to the Claimant as a holder of a registered mark pursuant to section 13 of the TMA.
- [11] It is the statutory remit and duty of JIPO to determine whether a registration of the PEPPERWOOD mark would be in contravention of section 13 of the TMA and if that is so refuse to register it. JIPO has handed down a potential rejection of the application to have the mark registered and the appeal process is a part of the statutory procedure. Whether the appeal is out of time is an issue which is alive for determination before the Registrar since the Claimants have raised that as a point of objection to the Defendants appeal.
- [12] It clear that an injunction in the terms of paragraph 1 would have the effect of halting the appeal process which is duly provided for under the Trademarks Act. It would deprive the Defendants of pursuing the appeal to which they assert that they are entitled without the Registrar determination. It would have the effect of circumventing the procedure laid down by the TMA and would give the Claimant final relief.
- [13] There are ample provisions in the TMA for the Claimant to seek recourse to the Courts in the event that the Defendants succeed in their appeal. If the Claimant forms the view that the decision of the Registrar is erroneous, whether because of the decision to hear the appeal, which the Claimant asserts was out of time, or because of the bases on which the decision is made, an appeal lies to the Court. Section 60 of the TMA provides as follows:

“60. - (1) Except where otherwise expressly provided by rules, an appeal lies to the Court from any decision of the Registrar under this Act and on any such appeal the Court shall have and exercise the same discretionary powers as are conferred on the Registrar under this Act.

(2) For the purpose of this section "decision" includes any act done by the Registrar in exercise of a discretion vested in him by or under this Act”.

[14] Section 59 provides for the Registrar's participation in various proceedings before the Court as follows:

"59. – (1) The Registrar is entitled to appear and be heard in the proceedings before the Court in an application for -

- (a) the revocation of the registration of a trade mark;*
- (b) a declaration of the invalidity of the registration of a trade mark; or*
- (c) the rectification of the register,*

and shall appear if the Court so directs.

(2) Unless otherwise directed by the Court, the Registrar may, instead of appearing, submit to the Court a statement in writing signed by him giving particulars of –

- (a) any proceedings before him in relation to the matter in issue;*
- (b) the grounds of any decision given by him affecting it;*
- (c) the practice of the Office of the Registrar of Companies in like cases; or*
- (d) such matters relevant to the issues and within his knowledge, as the Registrar thinks fit,*

and the statement shall be deemed to form part of the evidence in the proceedings.

(3) Anything required to be done by the Registrar under this section may be done by an officer authorized by him."

[15] It is clear that section 60(1) of the TMA has a clear procedure to protect a person who questions the Registrar's decision and that is by way of an appeal to the Supreme Court. In my view, it would be improper for the Court to prevent the hearing of the appeal by restraining the Defendants or their agents from pursuing an appeal. Furthermore, it would be improper for this Court, in the context of an application for an injunction to make any findings as to any alleged procedural irregularities in the appeal process. Such findings would only become necessary should the Court at some point in the future be required to consider the complaints being made by the Claimant in respect of the appeal process. Granting an

injunction in terms of paragraph 1 of the Amended Notice of Application would amount to the Court allowing the established statutory regime to be circumvented. For this reason, which, by itself I find to be extremely compelling, I am of the view that, an injunction in the terms sought in paragraph 1 of the Amended Notice of Application is not the type of relief which this Court should grant. I have expressed these thoughts only with the intention that they may serve to guide Counsel in the future. Consideration of this paragraph has now been rendered otiose, because during the submissions of Ms Lindsay and following a number of questions from the Court, Counsel, quite admirably, withdrew the application in respect of this paragraph 1. I will therefore proceed to consider the other reliefs prayed for in the Claimant's Amended Notice of Application.

The Law relating to the granting of interim injunctions

[16] The principles applicable to the grant of an interim injunction have been clearly identified in the House of Lords case of **American Cyanamid v Ethicon** [1975] 1 All ER 504 and the issues to be resolved can be conveniently summarised as follows

- (a) Whether there is a serious issue to be tried;
- (b) Whether damages are an adequate remedy for either party; and
- (c) Where does the balance of convenience lie.

[17] These principles have been largely distilled from the judgment of Lord Diplock at page 510-511 of the judgment which details the approach to be followed especially in assessing whether damages are an adequate remedy for either party, as follows:

“So unless the material available to the court at the hearing of the application for an interlocutory injunction fails to disclose that the plaintiff has any real prospect of succeeding in his claim for a permanent injunction at the trial, the court should go on to consider whether the balance of convenience lies in favour of granting or refusing the interlocutory relief that is sought.

As to that, the governing principle is that the court should first consider whether if the plaintiff were to succeed at the trial in establishing his right to a permanent injunction he would be adequately compensated by an award of damages for the loss he would have sustained as a result of the defendant's continuing to do what was sought to be enjoined between the time of the application and the time of the trial. If damages in the measure recoverable at common law would be adequate remedy and the defendant would be in a financial position to pay them, no interlocutory injunction should normally be granted, however strong the plaintiff's claim appeared to be at that stage. If, on the other hand, damages would not provide an adequate remedy for the plaintiff in the event of his succeeding at the trial, the court should then consider whether, on the contrary hypothesis that the defendant were to succeed at the trial in establishing his right to do that which was sought to be enjoined, he would be adequately compensated under the plaintiff's undertaking as to damages for the loss he would have sustained by being prevented from doing so between the time of the application and the time of the trial. If damages in the measure recoverable under such an undertaking would be an adequate remedy and the plaintiff would be in a financial position to pay them, there would be no reason this ground to refuse an interlocutory injunction.

It is where there is doubt as to the adequacy of the respective remedies in damages available to either party or to both, that the question of balance of convenience arises. It would be unwise to attempt even to list all the various matters which may need to be taken into consideration in deciding where the balance lies, let alone to suggest the relative weight to be attached to them. These will vary from case to case."

Is there a serious issue to be tried for infringement of trade mark?

- [18] The starting point of the analysis is whether there is a serious issue to be tried. As the Court pointed out in **American Cyanamid** this simply means that the claim is not frivolous or vexatious.
- [19] The crux of the Claimant's Claim herein is that the Defendants have infringed the Claimant's registered PEPPATREE trade mark by the use in the course of trade of the PEPPERWOOD mark, because that mark is similar to the PEPPATREE trade mark and is used in relation to goods and services for which the PEPPATREE trade mark is registered, and as a consequence, there exist a likelihood that it will deceive or confuse the public.
- [20] The complaint surrounds the 1st Defendant's branding and marketing since mid 2015 of a restaurant under the name "PEPPERWOOD JERK PIT". In his

particulars of claim, the Claimant pleads the following particulars of confusion or likelihood of confusion:

e. In early 2017 Nic Davis, TV producer and BBC News correspondent contacted the Claimant about "PEPPERWOOD" which he had recently concluded a segment on. He believed "PEPPERWOOD" was the Claimant's undertaking given his knowledge of the Claimant's mark. On being informed that "PEPPERWOOD" and the Claimant's undertaking were not associated he expressed concern that the name "PEPPERWOOD" infringed on the Claimant's mark especially as both businesses are in the business of Jamaican Jerk products.

f. A mutual associate of both the Claimant's mark and the Second Defendant's business continually confuse the entities in correspondence to the Claimant.

g. The Claimant has received numerous inquiries from members of the public and possible business associates who thought the First Defendant's restaurant was the Claimant's endeavor since early 2017 when the First Defendant began operating under the name "PEPPERWOOD" and the later registration of the business name by the Second Defendant.

[21] The Claimant has supported these specific pleadings with evidence by exhibiting the evidence submitted in the appeal before JIPO. In his second affidavit he indicated that he has been approached by persons who assumed that Pepperwood Jerk Pit was associated with him or was his establishment.

[22] Section 9 of the TMA addresses the circumstances in which a trademark is infringed. It provides as follows:

"9. – (1) References in this Act to the infringement of a registered trade mark are references to the infringement of the rights of the proprietor in the trade mark.

(2) A registered trade mark is infringed by a person who, not being the proprietor of the trade mark or a person authorized by him, uses in the course of trade a sign that is identical with the trade mark, in relation to goods or services that are identical with the goods or services for which the trade mark is registered.

(3) A registered trade mark is infringed by a person who, not being the proprietor of the trade mark or a person authorized by him, uses in the course of trade a sign which is likely to deceive or confuse the public for the reason that –

(a) the sign is identical with the trade mark and is used in relation to goods or services that are similar to the goods or services for which the trade mark is registered; or

(b) the sign is similar to the registered trade mark and is used in relation to goods or services that are identical with or similar to the goods or services for which the trade mark is registered.

(4) A registered trade mark is infringed by any person who, not being the proprietor of the trade mark or a person authorized by him, uses in the course of trade, a sign that is identical with or similar to the registered trade mark in the circumstances referred to in subsection (5).

(5) The circumstances mentioned in subsection (4) are that –

(a) in relation to goods or services that are not similar to the goods or services for which the trade mark is registered; and

(b) the sign has a reputation in Jamaica and the use of the sign, being without due cause, takes unfair advantage of, or is detrimental to, the distinctive character or the reputation of the trade mark.

(6) For the purposes of this section, a person uses a sign if he does anything which associates or purports to associate the sign with any goods or services, in particular if he-

(a) affixes it to goods or the packaging thereof;

(b) offers or exposes goods for sale, puts them on the market or stocks them for the those purposes under the sign or offers or supplies services under the sign;

(c) imports or exports goods under the sign; or

(d) uses the sign on business papers or in advertising.

(7) A person who applies a registered trade mark to material intended to be used for labelling or packaging goods, as a business paper, or for advertising goods or services shall be treated as a party to any use of the material which infringes the registered trade mark if, when he applied the mark, he knew or had reason to believe that the application of the mark was not duly authorized by the proprietor or a licensee.

(8) Nothing in the foregoing provisions of this section shall be construed as preventing the use of a registered trade mark by any person for the purpose of identifying goods or services as those of the proprietor or a licensee, so, however, that any such use otherwise than in accordance with honest practices in industrial or commercial matters, shall be treated as infringing the rights in the registered trade mark if the use without due

cause takes unfair advantage of, or is detrimental to, the distinctive character or the reputation of the trade mark.”

[23] Ms Lindsay submitted that there was a serious issue to be tried as it relates to infringement of sections 9(3),9(4), (9(5)(b),9(6)(a)(b)(d) and 9(7) of the TMA. Ms Muirhead submitted that there is no resemblance between the PEPPERTREE Trade Mark and the PEPPERWOOD mark and accordingly there could be no infringement or passing off. Ms Muirhead has provided a detailed review of the differences which I will address in greater detail later in these reasons.

[24] Ms Muirhead also asserted in her written submission that because the Defendants are the only parties to the claim who actually conduct business within class 43 (restaurant services, etcetera), the Claimant would not be entitled to restrain their use of the unregistered PEPPERWOOD Jerk Pit mark and logo because of the operation of section 10(3)(a)(i) of the TMA which provides as follows:

“(3) Nothing in this Act shall be construed as entitling the proprietor of a registered trademark to –

(a) interfere with or restrain the use by any person of an unregistered trade mark that is identical with or nearly resembling such registered trade mark, in relation to goods or services in connection with which that person or his predecessor in title has continuously used that unregistered trade mark from a date prior to-

(i) the use of the registered trade mark in relation to those goods or services by the proprietor or a predecessor in title of his; or

(ii) the registration of the registered trade mark in respect of those goods or services in the name of the proprietor or a predecessor in title of his,…”

However, Counsel conceded that the factual state of affairs did not support reliance on this section since the PEPPATREE trade mark was registered since 2011. The 1st Defendant ceased its relationship with Scotchies Restaurants of Jamaica on or about the 7th February 2017 and would not have commenced using the PEPPERWOOD mark prior to the Claimants registration of his trade mark.

[25] The PEPPATREE trade mark is also registered in Class 43: *“Jerk restaurant, barbecue restaurant, mobile restaurant or carts, and other restaurant services”*.

The PEPPERWOOD mark is used in mainly relation to a jerk restaurant and therefore in the same class 43 in respect of which the Claimant's trade mark is protected. However, there was evidence that the Defendants also sell a PEPPERWOOD branded jerk sauce but only does so from the restaurant. This sauce would fall within class 30 which is also a class in respect of which the Claimant's trade mark is protected.

The passing off test

[26] Lord Oliver of Aylmerton in **Reckitt and Colman Products Limited v Borden Inc and Others** [1990] 1 All ER 873 at page 880 examined the elements of the tort of passing off as follows:

“...The law of passing off can be summarised in one short general proposition, no man may pass off his goods as those of another. More specifically, it may be expressed in terms of the elements which the plaintiff in such an action has to prove in order to succeed. These are three in number. First, he must establish a goodwill or reputation attached to the goods or services which he supplies in the mind of the purchasing public by association with the identifying 'get-up' (whether it consists simply of a brand name or a trade description, or the individual features of labelling or packaging) under which his particular goods or services are offered to the public, such that the get-up is recognised by the public as distinctive specifically of the plaintiff's goods or services. Second, he must demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by him are the goods or services of the plaintiff. Whether the public is aware of the plaintiff's identity as the manufacturer or supplier of the goods or services is immaterial, as long as they are identified with a particular source which is in fact the plaintiff. For example, if the public is accustomed to rely on a particular brand name in purchasing goods of a particular description, it matters not at all that there is little or no public awareness of the identity of the proprietor of the brand name. Third, he must demonstrate that he suffers or, in a quia timet action, that he is likely to suffer damage by reason of the erroneous belief engendered by the defendant's misrepresentation that the source of the defendant's goods or services is the same as the source of those offered by the plaintiff.”

[27] Adopting Lord Oliver's test above, the first issue that has to be addressed is whether goods and services supplied by the Claimant have acquired goodwill or reputation in the market. In the case of **The Commissioners of Inland Revenue**

v Muller & Co's Margarine Limited [1901] AC 217 the House of Lords offered a definition of goodwill at page 223-224 of the judgment as follows:

"...It is the benefit and advantage of the good name, reputation, and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start. The goodwill of a business must emanate from a particular centre or source. However widely extended or diffused its influence may be, goodwill is worth nothing unless it has power of attraction sufficient to bring customers home to the source from which it emanates. Goodwill is composed of a variety of elements. It differs in its composition in different trades and in different businesses in the same trade..."

[28] The dictum of Millett LJ in **Harrods Limited v Harrodian School Limited** [1996] RPC 697 at page 715 is also instructive where he said:

*"...In the classic case of passing off, where the defendant represents his goods or business as the goods or business of the plaintiff, there is an obvious risk of damage to the plaintiff's business by substitution. Customers and potential customers will be lost to the plaintiff if they transfer their custom to the defendant in the belief that they are dealing with the plaintiff. But this is not the only kind of damage which may be caused to the plaintiff's goodwill by the deception of the public. **Where the parties are not in competition with each other, the plaintiff's reputation and goodwill may be damaged without any corresponding gain to the defendant...**" (emphasis supplied)*

The fact that the Claimant has not yet entered into the jerk restaurant business covered by class 43, would therefore not be a defence if a court should find *"...misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by him are the goods or services of the [Claimant]"*.

[29] The evidence of the Claimant is that he has developed a line of products that was initially launched in Jamaica in 2016. He asserts that he is in the market with respect to classes 29 and 30 and that his trademark is well known. There is no evidence challenging these assertions and I find that there is goodwill attached to the PEPPATREE trade mark and the Claimants PEPPATREE branded goods and business.

[30] The next issue to be addressed is whether the Defendants have misrepresented their goods and services to be that of the Claimant. As a matter of convenience, this issue will be dealt with after I examine the issue of the similarity/dissimilarity of the respective marks.

The test for infringement

[31] Under section 2 (1) of the TMA, a "trade mark" means any sign that is capable of being graphically represented and capable of distinguishing the goods or services of one undertaking from those of another undertaking. A "sign" includes a word (including a personal name, design, letter, numeral, colour, combination of colours or a combination of the foregoing or the shape of goods or their packaging)

[32] Trademarks are protected by the TMA, Section 13 of which prevents registration of a trade mark in a number of instances:

"(1) A trade mark shall not be registered if –

(a) it is identical with an earlier trade mark; and

(b) 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 –

(a) it is identical with an earlier trade mark and the goods or services in relation to which application for registration is made are similar to those for which the earlier trade mark is registered; or

(b) it is similar to an earlier trade mark and the goods or services in relation to which application for registration is made are identical with or similar to those for which the earlier trade mark is protected,

and there exists a likelihood of confusion on the part of the public, including the likelihood of association with the earlier trade mark.

- (3) *A trade mark which is identical with or similar to an earlier trade mark and is to be registered in relation to goods or services that 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 Jamaica and 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.*
- (4) *A trade mark shall not be registered if, or to the extent that, its use in Jamaica is liable to be prevented –*
- (a) *by virtue of any 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) of this subsection, in particular, by virtue of the law relating to copyright or rights in designs.*
- (5) *A person who is entitled under this section 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.”*

[33] Sections 14(1) of the TMA defines an ‘earlier trade mark’ as follows:

- “(a) *a registered 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; or*
- (c) *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 paragraph (b), subject to its being so registered.”*

Are the PEPPATREE Trade mark and the PEPPERWOOD mark similar marks and is there a likelihood of confusion on the part of the public?

[34] In the case of **3M Company v Manufacturera 3M SA DE CV** [2017] JMCA Civ 21 the Jamaican Court of Appeal considered the dismissal of the opposition filed by

the 3M company to an application for registration of a mark. The Court accepted that the TMA has been heavily influenced by First Council Directive (89/104EEC) of 21 December 1988, and found that articles 4 and 5 as well as the tenth preamble to the directive were relevant to the resolutions of the issues on the appeal. One of the issues which fell for consideration in relation to 13(2) (a) and (b) of the TMA was whether the later mark in respect of which registration was being sought was identical or similar to the earlier 3M mark which was protected and whether there existed a likelihood of confusion on the part of the public. Phillips JA, (with whom the other Justices of Appeal agreed), performed a scholarly analysis of a number of cases including cases decided by Court of Justice of the European Community, and some of these cases will be referred to in due course.

[35] As the Author's of Kerly's Law of Trade Marks and Trade Names (twelfth edition) note at paragraph 17-01 in relation to what they term "deceptive resemblance":

"There are, however differences in the way the rules governing this matter must be applied in different proceedings. Thus actions for infringements and actions for passing off raise rather different questions: in infringement, the question is whether the marks as such are confusingly similar, whilst in passing-off, the question is rather whether what the defendant has actually done is confusing or deceptive in light of the plaintiffs actual reputation. Thus passing-off depends on circumstances of use that would be irrelevant to infringement, whilst infringement involves consideration of the use the plaintiff might (fairly and within his registration) make of his mark."

Therefore, although the 3M case was decided in the context of an application for registration, the approach to be taken in determining whether marks are similar for purposes of the registration of a trademark, the case provides useful guidance as to the approach to be taken by this Court in determining whether there is a serious issue to be tried in relation to infringement and also for passing off. This is because for passing off the Claimant must "*..demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by him are the goods or services of the plaintiff*" (see **Rickett v Colman Supra**). This misrepresentation is usually founded on the similarity of the marks used in relation to the products.

[36] An appropriate starting point in the analysis of the likelihood of confusion is the case of **Sabel BV v Puma AG, Rudolf Dassler Sport** [1988] RPC 199 in which it was decided by the Court of Justice of the European Communities (“CJEC”) that the likelihood of confusion is to be assessed globally taking into account all the relevant factors of the circumstances of the case. The facts of the case are that the Dutch Company Sabel BV sought to register the word ‘Sabel’ accompanied by what was described as a ‘bounding feline’. The Defendant already had a bounding feline registered as its trade mark and objected to the registration. The matter was eventually referred under Article 177 of the European Community Treaty to the CJEC for a preliminary ruling on the proper interpretation of Article 4 of the directive. The issue was considered as to whether the association which the public might make between two marks, because of a resemblance in their semantic content was a sufficient basis for a finding that there was a likelihood of confusion. A number of key points were made by the Court which are encapsulated in the paragraphs reproduced below:

“22. As pointed out in paragraph 18 of this judgment, Article 4(1)(b) of the Directive does not apply where there is no likelihood of confusion on the part of the public. In that respect, it is clear from the tenth recital in the preamble to the Directive that the appreciation of the likelihood of confusion ‘depends on numerous elements and, in particular, on the recognition of the trade mark on the market, of the association which can be made with the used or registered sign, of the degree of similarity between the trade mark and the sign and between the goods or services identified’. The likelihood of confusion must therefore be appreciated globally, taking into account all factors relevant to the circumstances of the case.

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. The wording of Article 4(1)(b) of the Directive — ‘... there exists a likelihood of confusion on the part of the public ...’ — shows that the perception of marks in the mind of the average consumer of the type of goods or services in question plays a decisive role in the global appreciation of the likelihood of confusion. The average consumer normally perceives a mark as a whole and does not proceed to analyse its various details.

24. In that perspective, the more distinctive the earlier mark, the greater will be the likelihood of confusion. It is therefore not impossible that the conceptual similarity resulting from the fact that two marks use images with

*analogous semantic content may give rise to a likelihood of confusion where the earlier mark has a particularly distinctive character, either **per se** or because of the reputation it enjoys with the public.*

25. *However, in circumstances such as those in point in the main proceedings, where the earlier mark is not especially well known to the public and consists of an image with little imaginative content, the mere fact that the two marks are conceptually similar is not sufficient to give rise to a likelihood of confusion.”*

[37] Guidance may also be derived from the judgment of the ECJ in *Canon Kabushiki Kaisha v MGM* [1999] RPC 117 where at paragraph 17 the Court opined as follows:

“A global assessment of the likelihood of confusion implies some interdependence between the relevant factors, and in particular a similarity between the trade marks and between these goods or services. Accordingly, a lesser degree of similarity between these goods or services may be offset by a greater degree of similarity between the marks, and vice versa. The interdependence of these factors is expressly mentioned in the tenth recital of the preamble to the Directive, which states that it is indispensable to give an interpretation of the concept of similarity in relation to the likelihood of confusion, the appreciation of which depends, in particular, on the recognition of the trade mark on the market and the degree of similarity between the mark and the sign and between the goods or services identified.”

I will therefore have regard to the fact that the Defendants produce a jerk sauce although not marketed outside its restaurant and although the Claimant does not yet operate a restaurant he intends to do so in short order. Accordingly, there is, or will increasingly be, a degree of similarity between the goods and services offered

Submissions of the Claimant on similarity

[38] Ms Lindsay submitted that:

“As far as class 43 is concerned, the Claimant and the Defendants are operating in the same market and the Claimant’s registered trade mark and the Defendants’ mark bear a similar colour palette and both incorporates the use of fire. They are also similar aurally and phonetically”

Counsel was pressed as to the reason why a more detailed analysis, similar to that performed by Ms. Muirhead was not done in order to more clearly demonstrate the

similarity which was being asserted by her. Counsel in response, relied on authorities such as **Sabel** (supra) which held that “*a 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.*”

- [39] During the hearing the Court raised a concern as to whether there was evidence that the Defendant’s mark did in fact bear a similar colour palette as the Claimant’s registered trademark and the parties were permitted to file additional affidavits providing clear evidence of the Claimant’s mark. The Defendants by an affidavit filed on their behalves, provided a copy of the relevant certificate of registration showing the Claimant’s mark in black and white. The Claimant also filed an affidavit in which he stated as follows:

“5. It is unfortunate that I am now realizing that the said certificate of registration reflects the registered mark of “PEPPATREE Jamaica West Indies “ as one being on the face of it as being in black and white. That was not the mark that was submitted to it for registration as the “A” in the center of “PEPPATREE”, as submitted to JIPO, had the “A” appearing as a fire flame and in the colour of and differing shades of orange”.

- [40] Whatever the explanation is, the fact is that the Claimant’s registered Trademark is in black and white (or shades thereof) and that is the trademark in respect of which this Court is presently concerned. For purposes of determining similarity that is the form which will be considered subject to the appropriate qualifications I will express when the issue of colour is analysed.

Submissions of the Defendants on dissimilarity

- [41] Ms Muirhead in her written submission performed an admirable dissection of the various elements of the Claimant’s trademark and the Defendants’ mark. I reproduce that analysis hereunder:

As previously submitted in the Defendants’ Submissions of March 18, 2019, in Opposition to Injunction [at paragraphs 27 and 28], the colour and the style of each letter of the respective marks are visibly different, viz;

The Claimant's mark is black whilst the 1st Defendant's mark is orange and so is distinguishable and quite different from the Claimant's mark.

The Claimant's use of a flame to form the letter "a" at the end of Peppa makes his mark noticeably different; likewise the 1st Defendant's use of logs to form each letter, makes its mark distinctive.

The 1st Defendant's use of a wood fire with a brown haloed background is also distinguishable from a single flame used in the Claimant's mark. The location of the respective single flame and wood fire images are also different.

An additional visible feature of the Claimant's mark is that the Peppa Tree logo has the words Jamaica West Indies styled to give a circular effect above and below the words Peppa Tree, whilst the 1st Defendant's mark has the words "Jerk Pit" in a normal literary line below "Pepperwood".

5. *Pepperwood is the combination of two standard English words – "Pepper" and "Wood" whilst Peppa Tree are two separate words "peppa" being the patois variation of "pepper" and the English word "tree".*

[42] Whereas it must be appreciated that the trade mark is the entire mark, which must be viewed as a whole and therefore the complete picture and overall impression given by the trademark/mark considered, an important element of the comparative analysis suggested by **Sabel** which ought not to be lost, is that one must bear in mind in particular "*their distinctive and dominant components*". In order to do so effectively it is necessary to examine the way in which the parts are put together to make the whole, and then consider whether the similarity of the parts is enough to make the whole similar, or *vice versa*. It is this analysis that Ms Muirhead has performed and it is necessary for the Court to determine whether her conclusion as to the marks being dissimilar is sound. Accordingly, I will review her submissions with this objective in mind.

A. *The Claimant's mark is black whilst the 1st Defendant's mark is orange*

[43] Marks that are registered in black and white are protected against persons using confusingly similar marks regardless of the fact that those similar marks may be in colour. The Claimant having not registered his mark in any particular colour is entitled to use it in any colour including the colours of the PEPPERWOOD mark and for this reason this difference is not as significant as one might think it should

be, though undoubtedly, it is a factor of relevance, particularly as it relates to the identification of the “A” in PEPPAWOOD as being formed by a flame. I will address this point more fully below in exploring the issue of the use of flames.

- B. *The Claimant’s use of a flame to form the letter “a” at the end of Peppa makes his mark noticeably different likewise the 1st Defendant’s use of logs to form each letter, makes its mark distinctive.*
- C. *The use of a flame 1st Defendant’s use of a wood fire with a brown haloed background is also distinguishable from a single flame used in the Claimant’s mark. The location of the respective single flame and wood fire images are also different.*

[44] In my view these two points can be conveniently addressed together. The use of a flame or flames is not a unique feature of the Claimant’s trademark. Interestingly, by way of example, one sees the use of flames in the “*Fyah Side Jerk and Bar*” mark and the 10 Fyah side marks which were the subject in the case of **David Orlando Tapper v Heneka Wakis-Porter** [2016] JMCA Civ 11. As a consequence of the use of fire or a flame not being unique to the Claimants’ mark, the creative placement and use of the fire or flames in the marks before this Court, takes on heightened significance.

[45] I am of the opinion that one difficulty created by the Claimant’s trademark being in black and white is that it would not be readily apparent to the average consumer that the “A” in PEPPATREE is supposed to represent a flame. The absence of a colour or colours in the Claimant’s flame considerably weakens Ms Lindsay’s submission that this is an element of similarity to which significant weight should be attached. The absence of colour makes it particularly difficult to determine whether the “A” is not supposed to represent a pepper for example, as opposed to a flame. Nevertheless, even assuming that the average consumer is able to determine that this is indeed a black and white flame, I find that there is merit in the differences in the manner of use and placement of the fire/flames as identified by Ms Muirhead in aiding to support her argument that the Claimant’s trade mark

and the mark of the Defendants are not similar. The average consumer looking at the Defendant's mark can easily recognize its wood-fire flame but will struggle to identify the Claimants "A" flame. For these reasons, the identified differences would militate against a finding that the use of a flame, per se, is evidence of similarity.

D. *1st Defendant's use of logs to form each letter, makes its mark distinctive.*

[46] I do not agree with Counsel that in the Defendants' mark, "logs", (which I understand to be unhewn portions of the trunk or limb of a tree), are used to form the letters "PEPPERWOOD". The letters do not appear to be round like logs but appear to me to be pieces of timber, (i.e wood prepared for use in carpentry and building). The edges of some of the letters are slightly irregular which suggests that the lumber is not finely finished and the edges are not perfectly cut or smoothed.

[47] An additional detail which is visually, very effective, are the strategically placed dots on the pieces of timber, which give the impression that the pieces of timber have been nailed, screwed or similarly affixed. Especially in the case of some letters such as the "P", the "E" and the "D", the impression is given that more than one piece of timber was joined together to form those letters. This provides an illusion of depth and adds a three dimensional feel to the letters. I am reminded of the observation in **Sabel** that the average customer usually perceives a mark as a whole and usually does not proceed to analyse its various component details. With this in mind, I appreciate that these subtle touches to which I have referred might (individually), not be immediately apparent to the average customer. Nevertheless, I highlight them only for the sake of analysis and in order to identify the tools used in achieving the overall effect and the impression which is conveyed. However, what will be apparent to the average customer, on even a cursory glance, is the combined effect of these artistic devices, which is to make it patently clear to the observer, that the Word "PEPPERWOOD" is fashioned from timber or wood. The observer would recognise that wood, (whether he interprets it to be logs or timber),

is what is used to form the word which reinforces the “wood” element of the word. In my view, this is the most distinguishing feature and leading characteristic of the Defendant’s mark. It is the main idea left on the mind of the viewer and it is the main “*idea of the mark*”. It is an idea which is markedly different from that conveyed by the Claimant’s trade mark. It is the feature which creates the most distinctiveness.

- E. *An additional visible feature of the Claimant’s mark is that the Peppa Tree logo has the words Jamaica West Indies styled to give a circular effect above and below the words Peppa Tree, whilst the 1st Defendant’s mark has the words “Jerk Pit” in a normal literary line below “Pepperwood”.*

[48] I agree with Ms Muirhead that this circular arrangement gives a distinctive visual impression of the Claimant’s trade mark which compared with the Defendant’s mark. It is quite noticeable when compared with the manner in which “Jerk Pit” features in the Defendants’ mark. This difference in arrangement conveys a different shape and idea of the trade mark which is so significant that in my view, a person familiar with one mark would not confuse it with the other.

[49] Counsel also reproduced the definition of pepper as found in the Merriam Webster dictionary, (which is not disputed). She submitted that “Pepper” is a generic word and that case law supports the principle that economic competition dictates that a trader cannot monopolise a descriptive word, such as “*pepper*”. Counsel submitted further that, “*Although one can hear some similarity, “Peppa” and “Pepper” are often pronounced quite differently.*”

[50] In comparing the similarity between marks, there must of course be consideration of aural similarity. Although we do not have expert linguistic evidence on this point, I do not think it can be gainsaid that because of the widespread of usage of the Jamaican language by the vast majority of the Jamaica population, the pronunciation of “Pepper” and “Peppa” is often indistinguishable. This is mainly because of what I consider to be a notorious fact, that is, that there is a general

tendency in the population not to enunciate the termination of words ending in “er” such as “mother” and “father”, especially in everyday informal speech. I therefore will not place much stock in Counsel’s submissions that they are “often pronounced quite differently and I find that there is aural similarity in those prefixes. However, I find that the impact of this aural similarity is reduced because of the suffixes. One has to consider the entire word and when that is done the aural similarity is reduced, that is between “Peppertree” and “Pepperwood”.

[51] I also find that there is some amount of visual similarity between the words “Pepper” and “Peppa” owing to the identical occurrence of the “Pepp” portion of each word. I also find that this is the only significant resemblance between the two marks. I am aware of the principle sometimes employed in the evaluation of similarity of marks, that if two marks are very similar or identical at the beginning they are more likely to be confusing than if the similarity is in their endings. In the Privy Council case of **Coca-Cola Company of Canada Limited v Pepsi-Cola Company of Canada Limited** [1942] 1 All ER 615, at page 618 Lord Russell of Killowen delivering the judgments of their Lordships made the following observations:

“If it be viewed simply as a word mark consisting of “Coca” and “Cola” joined by a hyphen, and the fact be borne in mind that Cola is a word in common use in Canada in naming beverages, it is plain that the distinctive feature in this hyphenated word, is the first word “Coca” and not “Cola”. “Coca” rather than “Cola” is what would remain in the average memory. It is difficult, indeed impossible, to imagine that the mark Pepsi-Cola, as used by the defendant, in which the distinctive feature is, for the same reason, the first word “Pepsi” and not “Cola”, would lead anyone to confuse it with the registered mark of the plaintiff.”

[52] However, I am convinced that the more appropriate principle to be applied in this case is the one used by the Registrar in **Harrods (In the Matter of an application by Harrods Ld to Register a Trade Mark in Part B of the Register)** (1935) 52 R.P.C. 65 at page 70 as follows:

“Now it is a well recognised principle, that has to be taken into account in considering the possibility of confusion arising between any two trade marks, that, where those two marks contain a common element which is

also contained in a number of other marks in use in the same market, such a common occurrence in the market tends to cause purchasers to pay more attention to the other features of the respective marks and to distinguish between them by those other features. This principle, however, clearly requires that the marks comprising the common element shall be in fairly extensive use and, as I have mentioned, in use in the markets in which the marks under consideration are being or will be used."

- [53] I do not think there is any dispute that "Peppa" is the Jamaican language spelling and pronunciation of "Pepper". Pepper is a popular component in Jamaican cuisine and culture, the pepper being descriptive of heat and intensity as reflected in common phrases like "*hot like pepper*". Therefore, although there are not many registered trademarks in Jamaica using Pepper or Peppa, the use of these terms in business endeavours is so significant that in my view, the principle referred to in **Harrods** above would be applicable since the average customer would be likely to be naturally tuned to appreciate the difference between "PEPPATREE Jamaica West Indies" and "PEPPERWOOD Jerk Pit". The popularity of the use of the words "Peppa" and "Pepper" is noted by the 2nd Defendant in his affidavit where he stated in paragraph 17 that:

'The other directors of the 1st Defendant and I noted the fact that both "pepper" and "peppa" are popular company and business name appendages inn the island, to name a few: "Pepper Pot Limited", Pepper Scotch Cocktails", "Pepperseed Restaurant & More", "Peppers Jerk Center Sports bar and Grill", Peppa Thyme Limited", "Peppa-Pot", "Peppas Yard Style Restaurant. And "Fi Wi Jerk Peppa". Also, among the trademarks registered in similar categories as Peppa Tree Jamaica West Indies & Logo" are "Peppers" and Peppa Swims'.

- [54] "Tree" is defined by oxford dictgionaries.com as "*a woody perennial plant, typically having a single stem or trunk growing to a considerable height and bearing lateral branches at some distance from the ground*". A secondary meaning is offered as: "*(in general use) any bush, shrub, or herbaceous plant with a tall erect stem, e.g. a banana plant.*" It is this general usage which the average consumer would apply to "PEPPATREE" that is, the "tree" that produces peppers. What exactly is "Pepperwood"? The is not a notorious fact. Would it be widely known to the reasonably well-informed customer that the plant which produces peppers is not a woody perennial plant from which wood is derived?. I tread very carefully here, but

I doubt that the average reasonably well-informed consumer would understand “pepperwood” to be the wood from the Pepper Tree. It is difficult to form an opinion as to what the average customer would understand “Pepperwood” to mean. The 2nd Defendant in his affidavit said that the 1st Defendant’s board of directors were considering names with a play on the word “Pepper” and the name was selected after a vote. He did not state the origin of the word. Nevertheless, in my opinion, what is a more factor is that the word “wood” (which controls the prefix “Pepper”) is instantaneously recognizable to the customer and that recognition is reinforced visually by the design of the letters forming the word. Wood is not abstract or foreign concept which might not be known by the customer.

[55] I therefore find that different considerations apply in the case herein, than applied in the case of **Coco de Mer v Chanel Ltd** [2004] All ER 120. In that case Chanel Ltd., a well known retailer of luxury goods was the owner of the “COCO” trademark which was the affectionate name of its founder, Gabrielle “Coco” Chanel. The applicant sought to register the mark “COCO DE MER” in classes in respect of which the COCO mark was registered. Coco de Mer was a species of palm tree which grew in Seychelles. The hearing officer concluded that there would be an association between the two marks and in the case of the identical classes of goods concerned, would lead consumers to believe the goods came from the same or economically linked undertakings. On appeal to the Chancery Division of the Court in England, the Appellant argued that there was no risk of association between the brands and that its branding and marketing was intended to be based on the name of the fruit. Mr Justice Patten made the following observations at paragraph 24:

24. If (as is all but common ground) the majority of consumers, and therefore the average consumer, will have no actual understanding of what the COCO DE MER mark in fact describes and no ability to translate the words as a complete phrase, then the significance of the applied-for mark, like that of the registered mark COCO, will largely depend upon the impact it makes in effect as an invented phrase or words. The average consumer's lack of understanding of what COCO DE MER means will, by the same token, diminish the ability of the words DE MER to control the impact of what is otherwise the most eye- and mind-catching word in the phrase.

Views may differ as to the degree to which the word COCO has any distinctive visual significance or impact, but that seems to me to be less important than the attraction which it has as a word. It is, to my mind, clearly the most catchy part of the phrase and the one element in it which is more likely to attract consumers' attention than the remaining two words DE MER or the graphic style in which the words are presented. The Hearing Officer was therefore, in my judgment, entitled to conclude that, when taken together, the combination of the conceptual, aural and visual characteristics of the mark left COCO as a strong and obvious element in it.

- [56] Therefore, although the average customer might have no actual understanding of what the PEPPERWOOD mark in fact describes, that is to say, whether it is supposed to represent the wood from a pepperwood tree, or pepper infused wood or some other thing, unlike the situation in the **Coco de Mer** case, the average customer would not need to know what “pepperwood “ is or whether it refers to a tree in Seychelles or another jurisdiction outside Jamaica in order not to confuse “Pepperwood” with “Peppertree”. This is so because he will know what “wood” is, and wood can therefore serve to effectively control the impact of the “pepp” “peppa” or “pepper” prefixes.
- [57] Therefore, whatever the meaning attributed to “pepperwood” by the average consumer, I am of the opinion that the he or she would not confuse it with a “pepper tree” or “Peppatree”. The consumer will be able to grasp that there is a difference in the marks with which we are concerned and is unlikely to conclude that they are “*from the same or economically linked undertakings*”. Because of the clear and obvious difference between a “pepper tree” on the one hand, (the likely image conjured up by the word “Peppatree”) and on the other hand, whatever “woody” image or association is generated in the mind of the average consumer by “pepperwood”, I find that this distinction is a reason why it is unlikely that the average consumer, viewing each mark as a whole, separately, would find the marks confusingly similar.
- [58] I also at this juncture should reiterate for the sake of ensuring focus, that the marks being compared are not are not just the words “Peppatree” and “Pepperwood”. These are only components of the respective marks. The marks have to be

considered in their entirety, that is, “Peppatree Jamaica West Indies” versus “Pepperwood Jerk Pit”.

[59] As it relates to the submission on behalf of the Defendants that pepper is a generic word, a mark is considered to be generic when it defines a category or type to which the goods belong. When used to describe pepper as a product (such as “*Brand X Scotch Bonnet Pepper*”) or a pepper derived product (such as “Brand X Pepper Sauce”), the word is clearly being used in a generic sense. This is demonstrated in the case of **Office Cleaning Services Ltd. v Westminster Window and General Cleaners Ltd** (19460 63 RPC 39 to which Counsel referred. It is not entirely clear to me that in the case of PEPPATREE and PEPPERWOOD, “pepper” or “peppa” is being used to define or describe a category or type to which the goods or services belong (since neither sells pepper trees or pepper wood). I do appreciate that the use of “pepper” or “peppa” may have been intended to be descriptive of an ingredient used by the parties. However, I am not of the view that because pepper is a word which can be used in a generic sense as defined above, that this would prevent a mark using that word from being confusingly similar or prevent the Registrar from refusing to register it as a trade mark.

The role of the average consumer

[60] It is essential for the avoidance of doubt that I expressly state that I acknowledge the guidance contained in the case of **Lloyd Schuhfabrik Meyer and Company GmbH v Klijsen Handel BV** [1999] ALL ER 9EC) 587. The Court ruled that the likelihood of confusion must be appreciated globally, taking in to account all the relevant considerations the matter must be judged through the eye of the average consumer. In offering a description of the average consumer at paragraph 26 of the Judgment the Court stated as follows:

“For the purposes of that global appreciation, the average consumer of the category of products concerned is deemed to be reasonably well-informed and reasonably observant and circumspect (see, to that effect, Case C-210/96 Gut Springenheide and Tusky [1998] ECR 1-4657, paragraph 31). However, account should be taken of the fact that the average consumer

only rarely has the chance to make a direct comparison between the different marks but must place his trust in the imperfect picture of them that he has kept in his mind. It should also be borne in mind that the average consumer's level of attention is likely to vary according to the category of goods or services in question"

[61] In performing my analysis of Ms Muirhead's formulation of the differences between the marks, I have analysed those differences in a manner in which I believe the average consumer of the products in the classes in which the Claimant's trademark is registered would perform an analysis. The identified features of each mark are so significant, that in my view, the average consumer would note them even on a cursory glance of each mark individually, and these are the features which would have the most impact on his imperfect memory. I have deliberately to the best of my ability not assessed the differences as a judge and accordingly the conclusions I have expressed are those conclusions I believe would be reached by the average consumer through his lens, from his viewpoint and perspective. Therefore, the manner in which I have expressed my conclusions ought not to be mistakenly used to infer that these are conclusions arrived at purely from a judge's perspective without appreciation of the guidance contained in **Lloyd Schuhfabrik Meyer** (supra) and a recognition of the importance of the average customer's assessment.

The view of the Registrar

[62] In **3M Company v Manufacturera 3M SA DE CV [2014]JMSC 90** (at first instance) Sykes J (as he then was) made the following studied observations:

"[6] Even though this court has the authority to differ from the Registrar and make its own independent judgment, it is prudent that the court shows full respect for the Registrar's decision. This is so for a number of reasons. First, the Supreme Court's decisions, being a superior court of record, generally provide guidance to decision makers exercising statutory functions. If the court sets out its reasons and lays down some principle, it may go a far way in resolving future disputes without the necessity and additional cost of court action. Second, the Registrar has far more experience in these matters than many if not most members of the judiciary including the Court of Appeal. The Registrar is tasked with the responsibility of interpreting and applying the TMA on a day to day basis and if for no other reason, any judge would be well advised to pay close attention to the

Registrar's reasoning since it may reveal nuances in application, which would be missed by the untrained eye and mind, in this area of law. The greater experience of and the practiced eye of the Registrar should not be lightly cast aside. Third, the Registrar ought to know, where the court differs, why the court has taken a different view."

The Appeal Process

[63] In support of the submission that there is a serious issue to be tried as to infringement of the Claimants mark, Ms Lindsay submitted that "*..it is arguable that this issue was also recognized by JIPO in its initial refusal to register the Defendant's mark when it first applied.*" Both Counsel agreed that what has been loosely described as the appeal procedure has progressed and that what is currently underway, is the opposition to the Registration of the Defendants' mark by the Claimant. The Defendant's mark has now been deemed registrable and on the evidence, JIPO published the mark on 22nd May 2018. This step gave the Claimants the opportunity to oppose its registration. Implicit in the stage at which the process has reached, is the acceptance by the Registrar, (with her wealth of experience to which Sykes J referred and to which reference has already been made) that the Defendants' mark is registrable, because, *prima facie*, there is no likelihood of confusion between it and the Claimant's registered trademark. Notwithstanding JIPO's initial stance, it is clear that on more mature consideration, the Registrar has now decided that the Defendant's mark is registrable and I place very little weight on the fact that there was an earlier indication to the contrary.

[64] Whether a mark is similar to another is a finding of fact for the Judge to decide. Having regard to my analysis, I have placed very little weight on the evidence in support of the Claimant's case by persons who claim to have found the marks confusingly similar since in my opinion they consist of mere statement without any reasonable factual basis. I have had due regard to the opinion of the Registrar as reflected in the current status of the appeal and the fact that the Defendant's mark is deemed registrable and will be registered unless the Claimant's opposition prevails. However, I formed my own view and arrived at my own conclusion which I hope is amply demonstrated in the reasons herein. My conclusion is that the

PEPPERWOOD mark of the Defendant is not confusingly similar to the Claimant's PEPPATREE registered trade mark.

- [65] Based on this finding I am of the view that there is no serious issue to be tried as to infringement of the Claimant's trade mark under the TMA. Similarly, the Claimant will not be able to demonstrate a misrepresentation by the 1st and/or 2nd Defendant to the public leading or likely to lead the public to believe that the goods or services offered by the Defendants are the goods or services of the Claimant. Accordingly, there is no serious issue to be tried as it relates to the tort of passing off.

Serious issue to be tried – the boundaries

- [66] As Lord Diplock established in the case of **American Cyanamid** (supra) the Claimant needs to establish to the satisfaction of the Court that "*that the claim is not frivolous or vexatious; in other words, that there is a serious question to be tried*". The learned Judge, at page 510 followed this direction with these words of caution:

"It is no part of the court's function at this stage of the litigation to try to resolve conflicts of evidence on affidavit as to facts on which the claims of either party may ultimately depend nor to decide difficult questions of law which call for detailed argument and mature considerations. These are matters to be dealt with at the trial. One of the reasons for the introduction of the practice of requiring an undertaking as to damages on the grant of an interlocutory injunction was that "it aided the court in doing that which was its great object, viz abstaining from expressing any opinion upon the merits of the case until the hearing "(Wakefield v Duke of Buccleugh [1865] 12 L.T. 628 at 629). So unless the material available to the court at the hearing of the application for an interlocutory injunction fails to disclose that the plaintiff has any real prospect of succeeding in his claim for a permanent injunction at the trial, the court should go on to consider whether the balance of convenience lies in favour of granting or refusing the interlocutory relief that is sought."

- [67] I do not think that I have transgressed these directions because of the nature of the enquiry which I undertook. The test as to confusing similarity is a finding of fact based primarily on the evidence before the Court. The Court had all the tools necessary to conduct that exercise and the analysis would not be affected by cross examination or any additional evidence. There can only be a serious question to

be tried if there is evidence which supports a level of similarity which is sufficient to support the various heads of the claim. The Court needs to determine whether the marks are confusingly similar and capable of causing an infringement. In relation to the tort of passing off, the Court has to examine whether on the evidence adduced there is a serious issue to be tried as to whether what the Defendants have actually done with the PEPPERWOOD mark is confusing or deceptive. This has to be assessed in light of the Claimant's actual goodwill or the reputation attached to the goods or services which he supplies thereby causing the Claimant loss "*as a result of such erroneous belief engendered by the defendant's misrepresentation*".

[68] I fully appreciate that in some cases it is undesirable for the Court to conduct a detailed assessment of the evidence and to express an opinion on the merits, as I have done in concluding that there is not a serious issue to be tried. This is because, *in iter alia*, this may create a risk of inconsistent opinions which may be embarrassing to this court or to another Judge who will have conduct of the matter and who may be otherwise inclined. However, I am not of the opinion that this is such as case. In my view. I would not do justice to the parties or adhere to the overriding objective if I simply accept, without more, the unsubstantiated submissions of Ms Lindsay that the marks are similar and then proceed to the other elements of the tests in order to determine whether there is a serious issue to be tried in respect of infringement and/or passing off. I am of the opinion that it was incumbent on the Court to analyse in detail the submissions on behalf of the Defendants and to give an opinion as to whether they were meritorious or not.

Failure to cross the first hurdle

[69] Based on the Court's finding that the marks are not confusingly similar, the Claimant cannot satisfy the first condition that there is a serious issue to be tried as it relates to infringement or passing off and the application fails "*in limine*". There is no need for me to consider the other elements of the test for the grant of an injunction.

[70] In any event even if I am wrong on this issue, I am not of the view that it would make a difference as to whether the application for the injunction should be granted, and I will proceed explain why that is so.

Are damages an adequate remedy?

[71] Neither Counsel submitted that damages would be an adequate remedy for either party and this was not an issue which occupied considerable time during the application. No issue was raised as to the inability of the Claimant to satisfy an undertaking as to damages or as the inability of the Defendants to satisfy a judgment against them. The claim for damages would be grounded primarily on damages to the Claimant's goodwill because the Claimant does not as yet operate in class 43 –Jerk Restaurants etc. (although he has expressed an intention to do so shortly and there was ample evidence of the preparatory steps he has been making to achieve this). The "Pepperwood" branded sauce which has been sold by the Defendants has only been sold at their restaurant and so the volume is not significant. It was not disputed that the major difficulty associated with an assessment of the damages to which the Claimant might be entitled, if successful, would be in quantifying the damage to the goodwill associated with his registered trademark, which Ms Lindsay submitted was "*immeasurable*".

[72] If the Defendants are restrained by an injunction and it is later found that it should not have been granted, any resultant fall off in business at their current restaurant location would be calculable. Similarly, the attendant losses and expenses consequent upon the Defendants having to rebrand its operations ought to be calculable. What would prove difficult to calculate and to compensate for, would be the loss of the goodwill associated with the Pepperwood brand which has been built up since the Defendants' operations commenced. It must be appreciated, that the effect of granting an injunction is likely to have final effect for all practical commercial purposes. If the Defendants are to be now restrained, they would have to rebrand in order to continue their restaurant operations. Having done this rebranding, if successful in their defence, it does not appear to me that it would

make commercial sense to embark on a fresh rebranding again, be resuscitating the PEPPERWOOD mark.

- [73] If the Defendants are restrained and should decide to open another Jerk Restaurant in Portmore, St. Catherine (to which paragraph 2 of the Amended Notice of Application specifically refers) for example, or any other location, their ability to piggy-back on the goodwill associated with the PEPPERWOOD mark, (which goodwill would have been derived largely from the operations at the current Jerk Restaurant), would be lost and in my opinion would be similarly “*immeasurable*” as would be the case of the Claimants losses to his goodwill. I also do not find that it would be easier to assess the Defendants’ potential damages in this regard as opposed to the Claimant’s potential damages or which might be greater (if any).

The Balance of Convenience

- [74] The Court having concluded that damages would not be an adequate remedy for either party, it next has to consider the balance of convenience. The **American Cyanamid** principles have been endorsed by the Privy Council in **National Commercial Bank Jamaica Limited v Olint Corp. Ltd.** [2009] UKPC 16. Helpful guidance as to how the Court should approach the determination of the balance of convenience is contained in the Judgement of the Court delivered by Lord Hoffman in particular at paragraph 16-18 where he said as follows:

*“[16] ...It is often said that the purpose of an interlocutory injunction is to preserve the status quo, but it is of course impossible to stop the world pending trial. The court may order a defendant to do something or not to do something else, but such restrictions on the defendant's freedom of action will have consequences, for him and for others, which a court has to take into account. The purpose of such an injunction is to improve the chances of the court being able to do justice after a determination of the merits at the trial. At the interlocutory stage, the court must therefore assess whether granting or withholding an injunction is more likely to produce a just result. As the House of Lords pointed out in **American Cyanamid Co v Ethicon Ltd** [1975] 1 All ER 504, that means that if damages will be an adequate remedy for the plaintiff, there are no grounds for interference with the defendant's freedom of action by the grant of an injunction. Likewise, if there is a serious issue to be tried and the plaintiff*

could be prejudiced by the acts or omissions of the defendant pending trial and the cross-undertaking in damages would provide the defendant with an adequate remedy if it turns out that his freedom of action should not have been restrained, then an injunction should ordinarily be granted.

[17] *In practice, however, it is often hard to tell whether either damages or the cross-undertaking will be an adequate remedy and the court has to engage in trying to predict whether granting or withholding an injunction is more or less likely to cause irremediable prejudice (and to what extent) if it turns out that the injunction should not have been granted or withheld, as the case may be. The basic principle is that the court should take whichever course seems likely to cause the least irremediable prejudice to one party or the other. This is an assessment in which, as Lord Diplock said in American Cyanamid [1975] 1 All ER 504 at 511:*

'It would be unwise to attempt even to list all the various matters which may need to be taken into consideration in deciding where the balance lies, let alone to suggest the relative weight to be attached to them.'

[18] *Among the matters which the court may take into account are the prejudice which the plaintiff may suffer if no injunction is granted or the defendant may suffer if it is; the likelihood of such prejudice actually occurring; the extent to which it may be compensated by an award of damages or enforcement of the cross-undertaking; the likelihood of either party being able to satisfy such an award; and the likelihood that the injunction will turn out to have been wrongly granted or withheld, that is to say, the court's opinion of the relative strength of the parties' cases."*

[75] Infringement and passing off cases pose a particular difficulty in determining where the balance of convenience lies and which course will result in the least irremediable prejudice. Ms Lindsay submitted that the case of **David Orlando Tapper** (supra) supports the Claimant's application for the granting of an injunction. In that case, both parties had pending applications before JIPO for the registration of similar marks, but it was undisputed that although the Defendant had filed her application first, the Claimant had been using his mark much earlier than she had been. The trial judge considered that having regard to all the circumstances of the case the balance of convenience distinctly favoured the status quo being maintained, (with the parties continuing to compete in the market until JIPO gave a decision) and refused the Claimant's application for the grant of an injunction. The Court of Appeal in overturning the trial Judge's decision, granted an injunction to the Claimant and criticised the decision of the trial Judge not to

have examined the relative strength of each parties case. In concluding, the Court of Appeal found as follows:

*“[64] While the learned judge was correct to find that damages were not adequate remedies for either party, he failed to conduct a balancing exercise as required by **American Cyanamid Co. v Ethicon Ltd, McDonald’s Corporation v McDonald’s Corporation Ltd and Another and National Commercial Bank Jamaica Ltd v Olint Corp Ltd**. Upon a proper assessment of each party’s case, it would appear arguably, *prima facie*, that the appellants has a stronger case than the respondent.”*

[76] Counsel submitted that the fact that the Claimant herein has already obtained a registered trademark and has been in the market prior to the Defendants is one factor that makes his case superior to that of the Claimant in **Orlando Tapper**. Counsel cited other elements of the Defendants’ conduct in this case such as their knowledge of the Claimants mark and the fact that they continued to use the PEPPERWOOD mark despite JIPO’s Initial objection, to submit that this was a stronger case for the grant of an injunction than in **Orlando Tapper**.

[77] I accept the submission of Ms Lindsay that the fact that the Claimant is the holder of a registered mark is indeed a very important consideration. I have considered the possible consequence of a wrongful refusal to protect the Claimant by an injunction and the damages which could flow from the injury to the goodwill associated with the registered mark. I have applied the guidance in the **Olint** case that *“the court has to engage in trying to predict whether granting or withholding an injunction is more or less likely to cause irremediable prejudice (and to what extent) if it turns out that the injunction should not have been granted or withheld, as the case may be”*. In keeping with the **Olint** case and the decision in **OrlandoTapper**, it was necessary for me to assess each parties case. In doing so, I have concluded that it would appear, at the very least *prima facie*, that the Defendants have a much stronger case than the Claimant. The reasons for this conclusion are reflected earlier in this judgment where I considered whether the Claimant had a good arguable case of infringement or passing off. Based on this conclusion, although the Claimant has a registered mark, it is unlikely that he will

suffer any legally recoverable damages as a result of any breach by the Defendants.

[78] In applying **Olint**, I have considered “*whether granting or withholding an injunction is more or less likely to cause irreparable prejudice (and to what extent) if it turns out that the injunction should not have been granted or withheld, as the case may be.*” I find that the withholding of an injunction is less likely to cause irreparable prejudice if it turns out that the injunction should not have been withheld than would be caused if the injunction is granted and it turns out it should not have been granted. Based on the relative strengths of each party’s case, I am also of the view that there is very little likelihood that the injunction will turn out to have been wrongly withheld.

Conclusion and disposition

[79] Whether the Court (a) finds that there is no serious issue to be tried in respect of infringement of the Claimant’s trade mark or the tort of passing off; or (b) finds that there is a serious issue to be tried in respect of either; the ultimate conclusion and result will be the same. That is, that this is not an appropriate case for the grant of an injunction restraining the Defendants in the manner in which the Claimant wishes to do.

[80] For the reasons stated herein, I make the following orders:

1. The Claimant’s application by Amended Notice of Application filed on 5th March 2019 is refused.
2. Costs of the application are awarded to the 1st and 2nd Defendants in any event, to be taxed if not agreed.