

1985 May 23

[L. LOIZOU, J.]

IN THE MATTER OF ARTICLE 146
OF THE CONSTITUTION

PEPSI CO. INC., OF NEW YORK,

Applicant,

v.

THE REPUBLIC OF CYPRUS THROUGH
THE REGISTRAR OF TRADE MARKS,

Respondent.

(Case No. 104/75).

Trade marks—Registration—Objection—Sections 14(1) and 13 of the Trade Marks Law, Cap. 268—Discretion of the Registrar of Trade Marks—Judicial control—Principles applicable—“PEPSI-COLA” in respect of non-alcoholic beverages—“ALLATINI” and “PEPSY” in respect of, inter alia, flour products—Registrar could examine objection under s. 14(1) of the Law first—His findings that the goods were not of the same description, that they were neither so closely related and connected nor so similar as to be likely to cause confusion and that the said trade marks were different both visually and phonetically reasonably open to him—And his discretion was properly exercised—Article 6 (bis) of the International Convention for the Protection of Industrial Property applies only in cases of identical or similar goods.

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The applicants, a company incorporated in New York, were the registered proprietors in Cyprus of, inter alia, the words “PEPSI-COLA” in Design, in class 44 in respect of non-alcoholic carbonated beverages and of the words “PEPSI-COLA” in class 32 in respect of non-alcoholic beverages and syrups for use in the manufacture of such beverages.

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The interested parties, a company named “ALLATINI”

incorporated in Athens, applied for registration of the word "PEPSY" written in plain block letters in respect of, inter alia, dietetic flour* tonic flour for invalids and infants, meat, fish, dried fruits and biscuits of all kinds.

5 The respondent Registrar accepted the application and upon an opposition to the registration by the applicants a hearing took place before the Registrar. At the commencement of the hearing the interested parties, with the leave of the Registrar, amended their trade mark in a way
10 that the words "ALLATINI" appear above the word "PEPSY" and the words Digestive Biscuits under it and still lower again the word "ALLATINI."

15 In considering the case under section 14(1) of the Trade Marks Law, Cap. 268 the Registrar, after applying the test laid down in the case of *Jellinek's Application* [1946] 63 R.P.C. 59 at p. 70, decided that the goods were not of the same description; and on the basis of this finding he came to the conclusion that the opposition failed under
20 section 14(1) since it only applied in respect of the same goods or description of goods. In dealing with the case under s. 13 he found that although that section is not limited to goods of the same description the matters to be considered in deciding the likelihood of deception are
25 necessarily somewhat similar to those to be considered under s. 14(1); and proceeded to find, in the result, that the relevant goods were neither so closely related and connected nor so similar as to be likely to cause confusion under s. 13. He, further, found that the trade marks in question were different both visually and phonetically
30 and thus no likelihood of confusion or deception arose; and, consequently, he dismissed the oppositions.

Upon a recourse by the applicants it was mainly contended that the Registrar should have examined the case under section 13 first.

35 *Held*, (1) that though section 13 comes first in the Law and it is a more general section, there is no rule of Law that section 14(1) cannot be examined first, and there was nothing to prevent the Registrar from considering section

* The full list of items appears at p. 1096 post.

14(1) first; that this Court will not interfere with the exercise of the discretion of the Registrar unless such discretion was improperly exercised (see, in this respect *Merck v. The Republic* (1972) 3 C.L.R. 548); that after examining the whole basis of his findings this Court could find nothing in the nature of a misdirection or misconception of either fact or Law; that his decision is in fact duly and properly reasoned and his discretion was properly exercised and it cannot be faulted on any of the grounds advanced and, therefore, the case with regard to section 14(1) must fail.

Held, further, that the finding of the Registrar that Article 6 (bis) of the International Convention for the Protection of Industrial Property applies only in cases of identical or similar goods is correct and this is obvious from the very wording of the Article itself; and that since the Registrar had already properly found that the goods were of a different description his finding concerning this Article was also justified.

(2) That, with regard to the finding of the Registrar that the two trade marks were different both visually and phonetically, this is, also, a matter of discretion and in the circumstances it was entirely open to him to decide as he did in the light of the amendment of the proposed trade mark and the different description of the goods concerned; and that, therefore, the findings of the Registrar with regard to this part of his decision were also reasonably open to him and that his discretion was properly exercised; accordingly the recourse must fail.

Application dismissed.

Cases referred to:

Jellineck's Application [1946] 63 R.P.C. 59 at p. 70;

Smith Hayden and Co. Ltd's Application [1946] 63 R.P.C. 97 at p. 101;

Lifeguard Milk Products Proprietary Ltd's Application [1957] R.P.C. 79;

Merck v. Republic (1972) 3 C.L.R. 548;

Seven-Up Co. v. Republic (1973) 3 C.L.R. 612;

Curzon Tobacco Co. Ltd. v. Republic (1979) 3 C.L.R. 151.

Recourse.

5 Recourse against the decision of the respondent to allow registration of the trade mark "PEPSI" in favour of interested parties and dismiss applicants' opposition against such registration.

K. Chrysostomides, for the applicants.

Gl. Michaelides, for the respondent.

10 *A. Dikigoropoulos*, for the interested parties.

Cur. adv. vult.

15 L. LOIZOU J. read the following judgment. The present recourse is directed against the decision of the Registrar of Trade Marks dated 20th May, 1975, to allow registration of the trade mark "PEPSI" in favour of the interested parties and dismiss the opposition of the applicants against such registration.

20 The applicants, a company incorporated in New York, are the registered proprietors in Cyprus, of the following trade marks:

1. No. 1808A for the words "PEPSI-COLA" in Design, in class 44 in respect of non-alcoholic carbonated beverages.

25 2. No. 6157 for the words "PEPSI-COLA" in class 32 in respect of non-alcoholic beverages and syrups for use in the manufacture of such beverages.

3. No. 6158 for the words "PEPSI-COLA" (in Greek) in class 32.

4. No. 10232 for the word "PEPSI", in class 32.

30 5. No. 10313 for the word "PEPSI" (in Greek) in class 32.

6. No. 10708 for the words "DIET PEPSI-COLA" in class 32.

7. No. 10815 for the words "DIET PEPSI" in class 32.

The interested parties, a company named "ALLATINI" incorporated in Athens, applied in 1969 for registration of the word "PEPSY" written in plain block letters for the following classes:

a) Application No. 12004 under class 5 in respect of dietetic flour, tonic flour for invalids and infants.

b) Application No. 12005 under class 29 in respect of meat, fish, poultry and game, meat extracts, preserved fruits and vegetables, dried fruits, broths, broth concentrates, broths in cubes, powder for broths, substitutes for broths, marmalades, food preserves, sugar-coated preserved fruits, eggs, milk, edible foods, salads in vinegar, pickles, cheese, sago and potato chips.

c) Application No. 12006 under class 30 in respect of flour of all kinds, preparations made from cereals and from products from flour-mills in general, semolina, biscuits of all kinds, bread, cakes, poultry and confectionery, ices, ice, honey, treacle, pepper and concentrates for making biscuits and cakes.

d) Application No. 12007 under class 31 in respect of flours and their substitutes for animals' foods of all kinds. Nourishing substances for animals maize. Fresh fruits and vegetables. Agricultural, horticultural and forestry products. Seeds. Live plants and flowers. Living poultry. Wheat, Cerials.

The applications were accepted and were advertized in the official Gazette on the 27th March, 1970. The applicants opposed the registration and hearing took place before the Registrar of Trade Marks on the 9th December, 1974. At the commencement of the hearing the interested parties, with the leave of the Registrar, amended their trade mark in a way that the words "ALLATINI" appear above the word "PEPSY" and the words Digestive Biscuits under it and still lower again, the word ALLATINI (exhibit 1). The applicants maintained their objections in the oppositions and the Registrar, after a hearing, issued his decision on the 20th May, 1975, dismissing the applicants' oppositions and directing that the trade mark in qu-

estion, as amended, do proceed for registration in the classes applied for.

5 The gist of the lengthy and elaborate arguments of learned counsel for the applicants is that the discretion of the Registrar was not properly exercised. in that it was based on misconceptions both of Law and of fact and on wrong reasoning. More specifically learned counsel argued that the Registrar should have considered the case under section 13 first which is a more basic and general provision and if he found that there was similarity he should then proceed to examine the provisions of section 14(1) which provides for the exception, which would apply only if the goods were of a different description and submitted that the Registrar should have found on the evidence that the goods were of the same description and that as a result deception and confusion would arise.

I consider it appropriate and convenient to refer briefly to the decision of the Registrar first.

20 After going into the history of the applications and the grounds of opposition, the Registrar describes the amended trade mark as follows (p. 3 of his decision):

25 "A label in three striking colours, green, gold and white with the words AAAATINI on top and the words pepsy digestive biscuits under it. Still below again the words AAAATINI in big capital block letters and other words in smaller type with the word PEPSY again. All these, written across the green part of the label. The device of four biscuits appear across the white part of the label with the word Digestive on them. Three small Greek letters "a" written in fancy and very prominent size appear across the gold coloured part of the label. At the side appears the name of the applicants, their address and certain words of a descriptive and non trade mark nature."

35 Then he quotes sections 13 and 14(1) of Cap. 268 and Article 6 (bis) of the International Convention for the Protection of Industrial Property (Law 63/65).

At p. 4 he starts the examination of the case on the basis

of the above legal provisions, starting with section 14(1).

In considering the case under section 14(1) the Registrar examined first whether the goods in the trade marks of both the applicants and the interested parties were of the same description and after analyzing the legal position with reference to Kerly's Law of Trade Marks and decided cases cited therein, proceeded to apply the test laid down in the case of *Jellinek's Application* [1946] 63 R.P.C. 59 where at p. 70 Romer, J., classified the various matters to be taken into account in deciding whether goods are goods of the same description in three classes as follows: Firstly, the nature and composition of the goods; secondly, the respective uses of the articles; and thirdly, the trade channels through which the commodities are bought and sold. And decided that, in the light of the above test, the goods were not of the same description. On the basis of his finding he came to the conclusion that the opposition fails under section 14(1) since it only applies in respect of the same goods or description of goods.

At p. 7 of his decision the Registrar deals with the matter under Article 6 (bis) of the International Convention for the Protection of Industrial Property and finds that it is not applicable since the goods are neither identical or similar as provided in the Article.

Lastly, he deals with the case under s.13 and finds, after referring to Kerly and certain decided cases, that although that section is not limited to goods of the same description, the matters to be considered in deciding the likelihood of deception are necessarily somewhat similar to those to be considered under s.14(1) and makes particular reference to the question formulated in the case of *Smith Hayden and Co. Ltd's Application* [1946] 63 R.P.C. 97 at 101; he also cites a passage from Kerly, 9th ed., p. 334 to the effect that usually if an opposition fails, under s.14 because the goods are not of the same description it also fails under s. 13 and refers to the case of *Lifeguard Milk Products Proprietary Ld's Application* [1957] R.P.C. 79 where milk and milk products on the one hand and tea on the other were held not to be of the same description under s. 14(1) and although the products were somewhat related and connected it was found that no confusion was likely inspite of

the fact that both trade marks concerned exactly the same word. In the result he found that the relevant goods were neither so closely related and connected nor so similar as to be likely to cause confusion under s. 13.

5 Finally, after commenting shortly on the evidence adduced by the applicants, the Registrar proceeds to make a comparison between applicants' trade mark with that of the interested parties, as amended, and finds that they are different and thus no likelihood of confusion or deception
10 arises and consequently he dismissed the oppositions.

It was held in a number of cases that this Court will not interfere with the exercise of the discretion of the Registrar unless such discretion was improperly exercised. (See, in this respect *Merck v. The Republic* (1972) 3 C.L.R. 548;
15 *Seven-Up Co. v. The Republic* (1973) 3 C.L.R. 612; and *Curzon Tobacco Co. Ltd. v. The Republic* (1979) 3 C.L.R. 151).

As to the argument of learned counsel for the applicants that the Registrar should have examined the case under
20 s. 13 first all I can say is that although s. 13 comes first in the Law and it is a more general section, there is no rule of Law that section 14(1) cannot be examined first. In fact this is not an unusual practice as it appears from the relevant case Law. Besides the fact that the passage
25 cited by the Registrar from Kerly that usually if an opposition fails under s. 14 because the goods are not of the same description it fails under s. 13 too—which is repeated in a footnote at p.183 of Kerly's 10th Edition in relation to the *Lifeguard* case—is an indication that it
30 was often found more convenient to follow this course of examining s. 14(1) first. (See, e.g. the cases of *Jellinek's Application* and the *Lifeguard* case both cited above.

With the above in mind I find that there was nothing to prevent the Registrar from considering s. 14(1) first. But
35 even assuming that he had to consider s. 13 first it is difficult to see how, in the light of his findings, this would have helped the applicants in any way.

In considering s. 14(1) he found that the goods were neither the same nor of the same description. His reasons
40 for finding so appear in detail in his decision (pp. 4-7) and

after examining the whole basis of his findings I could find nothing in the nature of misdirection or misconception of either fact or Law. His decision is in fact duly and properly reasoned and his discretion was properly exercised and it cannot, in my view, be faulted on any of the grounds advanced and, therefore, the case with regard to this section must fail. 5

The contention of counsel that the Registrar should have compared each one of the goods sought to be registered with those of the applicants and that he failed to do so, cannot be sustained either because it may clearly be discerned from his decision (p. 4 et seq.) that this he did. And in any case the Registrar had already described and listed those goods at the beginning of his decision and going through it there is nothing that could reasonably point to the conclusion that he did not direct his mind to this matter. Relevant in this respect is the *Seven-Up Co. v. The Republic* (supra) where it was found that it was reasonably open to the Registrar to decide that the marks "Bubble-Up" and "Seven Up" did not so closely resemble each other as to be likely to cause confusion, although they both belonged to the same description of goods. 10 15 20

Also the fact that the Registrar did not list the cases where goods were held to be of the same description does not in my view mean, as is the contention of learned counsel, that he failed to direct his mind to them. On the contrary it is evident from the cases cited by him and his reference to various pages from Kerly where such cases are cited right next to those cited by him in support of his findings that he has made a detailed examination of the relevant case Law. 25 30

Similarly the finding of the Registrar that Article 6 (bis) of the International Convention applies only in cases of identical or similar goods is, in my view, correct and this is obvious from the very wording of the Article itself. Since the Registrar had already properly found that the goods were of a different description his finding concerning this Article was also justified. 35

Lastly with reference to the arguments of counsel concerning comparison of the proposed trade mark with that 40

of the applicant under s. 13 it is clear that the Registrar, having explained in detail the proposed trade mark, and compared it with that of the applicants he found that there was no similarity. The relevant part of his decision on this point reads as follows: (at p. 9)

“The arguments and evidence of the opponents were wholly based on the similarity of the two words before the applicants amended their applications as per label produced at the hearing copy of which had already been delivered to the opponents. Before the amendment the words were PEPSY on one hand and PEPSI COLA and PEPSI on the other hand but after the amendment the applicants’ label is a completely new, distinctive and dissimilar trade mark. It incorporates the name of the applicants i.e. ALLATINI in several spots, it has striking and vivid colours contains the representation of the goods, the small Greek letter ‘a’ prominently represented on the label, the address of the applicants etc. In making a comparison of the two trade marks I could at a glance see that the two trade marks are entirely different both visually and phonetically and, consequently there is no likelihood at all of deception or confusion arising in the minds of a substantial number of purchasers. And there is abundant authority that such danger or confusion must be real and tangible in order to prevent registration.”

This is also a matter of discretion and I find that in the circumstances it was entirely open to him to decide as he did in the light of the amendment of the proposed trade mark and the different description of the goods concerned. His finding that the two trade marks are entirely different both visually and phonetically³ is with reference to the trade mark as amended and this is obvious from the paragraph quoted above. Moreover the Registrar dismissed the opposition under s.13 after applying the test formulated in the *Smith Hayden and Co. Ltd's Application* (supra) and directing his mind to decided cases especially the *Lifeguard* case referred to above a course which was legitimately open to him. (See also the case of *Seven-Up Co. v. The Republic* (supra) which although decided under s.14 (1) may afford some useful guidance as to the discretion

of the Registrar in deciding questions of resemblance of trade marks). I, therefore, find that the findings of the Registrar with regard to this part of his decision were also reasonably open to him and that his discretion was properly exercised.

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In the result this recourse fails and it is hereby dismissed. There will be no order as to costs.

*Recourse dismissed.
No order as to costs.*