IN THE SUPREME COURT OF JUDICATURE OF JAMAICA

IN COMMON LAW

BETWEEN	COURTS(JAMAICA) LIMITED	PLAINTIFF
A N D	SINGER SEWING MACHINE COMPANY (JAMAICA) LIMITED	FIRST DEFENDANT
A N D	ADVERTISING AND MARKETING (JAMAICA) LIMITED	SECOND DEFENDANT

APPLICATION FOR INTERLOCUTORY INJUNCTION

Mr. D. Morrison Q.C., and Mr. D. Walker instructed by Milholland, Ashenheim and Stone for Plaintiff.

Mrs. S. Minott-Phillips instructed by Myers, Fletcher and Gordon for first Defendant.

Mrs. Lisa Samuels and Miss Judith Hanson instructed by Clinton Hart and Company for second Defendant.

HEARD: 6th, 8th, 9th and 13th December, 1994

LANGRIN J.

The writ in this action was issued on the 25th November, 1994. On the 30th November, the plaintiff, Courts (Jamaica) LImited, issued a Summons returnable before a Judge in Chambers in the Supreme Court on the 5th December, 1994 claiming an Order restraining the defendant from :

"(a) Passing off or attempting to pass off as and for the goods of the Plaintiff electrical appliances or other apparatus not of the Plaintiff's manufacture or merchandise by the use upon or in connection therewith of the name **"ELECTRIC CITY"**;

(b) Using upon any sign or advertisement whatsoever or wheresoever, the name **"ELECTRIC CITY"**;

(c) Using in connection with any business carried on by the Defendants, the name, mark, sign, style or title **"ELECTRIC CITY"** or from using any style or name which includes the words **"ELECTRIC CITY"**;

(d) Using in connection with any business carried on by the Defendants, any name, sign, style or title which so nearly resembles **"ELECTRIC CITY"** as to be calculated to deceive the public or to induce the belief that the business carried on by the Defendants or any of them is the same as the business carried on by the Plaintiff, or is any way connected therewith.

(e) Using the words **"ELECTRIC CITY"** as descriptive of or in connection with electrical appliances or other apparatus sold or offered for sale by the Defendants or any of them."

The background to the issue of the Writ and Summons was that the plaintiff whom I shall call Courts operates a business as retailers of electrical appliances

and other related apparatus and items of furniture extensively used the name "ELECTRIC CITY" in its stores since November, 1986. The name "ELECTRIC CITY" is used in signs and advertising in connection with the plaintiff's stores trading as "Heritage House". Courts has also advertised its products with the mark and name "ELECTRIC CITY" on television, radio and the print media. On June 2, 1994 Courts applied to the Registrar of Companies for registration of the trade mark "ELECTRIC CITY" but such application has not yet been granted.

I turn to the position of the defendants. The first defendant whom I shall call Singer has used the words "ELECTRIC CITY" in an advertising campaign created for it by the second defendant. At the time when the campaign was created the second defendant was unaware that the plaintiff used the words in question. However, the advertisements by Singer do not indicate any association between the products sold at Singer Stores and Courts. Singer, according to its Chief Executive has spent thousands of dollars placing its advertisements in the various media houses and any interruption of that campaign would result in such loss or damage as to defy quantification. The profits earned as a result of the campaign are capable of assessment.

The second defendant created the advertising campaign for Courts. The words "ELECTRIC CITY" was first created in 1970 by the second defendant and in 1982 it was given to a client who had not chosen to use it at the time. The second defendant intends to oppose the registration of the trade mark.

By letter dated November 7, 1994 Courts gave notice to Singer of its interest in the trade mark and requested that Singer cease and desist from the use of the trade name and mark "ELECTRIC CITY." A further letter dated November 15, 1994 was forwarded by their attorneys-at-law to Singer repeating their rights to the use of the trade name and mark "ELECTRIC CITY." On the 18th November, 1994 a letter was sent to Milholland, Ashenheim and Stone on behalf of Singer which states as follows:

> "Dear Sirs,
>
> Re: Singer Sewing Machine Limited's
> Use of the Words "Electric City"
>
> We act for Singer Sewing Machine Company Limited and refer to yours to them of the 15th instant.
>
> Our client's position is that their advertising agency has copyright in the advertising campaign which uses the words "Electric City." They further contend that they have not infringed your client's trade mark rights not having advertised for sale or sold any goods in respect of which your client has sought trade mark registration.

> Please be advised, therefore, that we intend to contest any application made on behalf of Courts (Jamaica) Ltd. seeking to restrain our clients from publishing their advertisng campaign."

Up to this point the correspondence between the parties made it abundantly clear that Courts was complaining about the possible infringement of an unregistered trade mark.

Section 4 of the Trade Marks Act states as follows:

> "4. No person shall be entitled to institute any proceeding to prevent, or to recover damages for, the infringement of an unregistered trade mark, but nothing in this Act shall be deemed to affect rights of action against any person for passing off goods as the goods of another person or the remedies in respect thereof."

Courts is therefore confined to its claim founded on passing off. The basis of a claim in passing off is that there has been an invasion of a property right. Where names are regarded as the basis of the claim the significant point is that the name has become distinctive of Courts goods and so the use of it by Singer is a misrepresentation that the goods of Singer on which the name is used are goods of Courts. Mrs. Phillips submitted boldly and with force, and was supported by Miss Hanson that the words "ELECTRIC CITY" are merely descriptive words in the English Language, descriptive of the nature of the business of Singer, and it is well established that it is not at all easy to establish goodwill in a name which merely consists of descriptive words.

There was some discussion on the ingredients of passing off as examined in Erven Warnink Bestloten Venootschip v. J. Townsend and Sons (Hull) Ltd. (1979) A.C. 731 in which Lord Diplock listed five essentials in a case of passing off. However, the question of whether the tort of passing off is properly grounded in the instant case is an issue which cannot conceivably be resolved at this stage of the proceedings.

However, the case must nevertheless be considered upon principle and the fundamental principle which applies in every case of this nature in any court is that the plaintiff must show some property, right or interest in the subject matter of the complaint. Apart from contending that the words were used by Courts before its use by Singer, a position which is equivocal, Courts has failed to show any such right, property or interest in the subject matter of the complaint.

The dangers of confusions relative to the use of the words "ELECTRIC CITY" seem to be more apparent than real. The words complained of are ancilliary to the trade names of both Courts and Singer and cannot in my view cause any confusion. Indeed, Courts seems to be better known by another ancilliary name "Powerhouse"

It is very probable that the use of the words by Singer may cause a loss to Courts but the first question to be determined is whether there is a right or property on the part of courts to be protected. Because if there is only loss sustained without a right to be protected this court cannot interfere.

In American Cyanamid Co. v. Ethecon Ltd., (1975) A.E.R. 504 the House of Lords laid down the governing principles for the grant or refusal of an interlocutory injunction by the court.

The court must first determine whether there is a serious question to be tried. If there is no serious question to be tried then the injunction ought not to be granted.

An important element in Singer's case is that it has spent thousands of dollars in placing its advertisements in the various media houses. It has exhibited a schedule of advertisements which began on November 4 and will end on December 24, 1994. According to its Marketing Manager, any interruption of that campaign of advertising would result in such loss to the company as would defy quantification.

Mr. Walker puts his case higher than that. He submits that the continued use by the defendants of the name "ELECTRIC CITY" on signs and advertising in connection with electrical appliances similar to that sold by Courts is liable to cause irreparable harm and damage to Court's name and goodwill.

If Courts were to succeed at the trial in establishing its right to a permanent injunction, it would be adequately compensated by an award in damages for the loss it would have sustained from the defendants continuing to do what was sought to be enjoined between the time of the application and the trial. In fact Courts has sought an account of profits upon taking such enquiry or account as one of its remedies in the endorsement onthe writ. It therefore follows that the damages is capable of assessment. In circumstances where the defendants are in a financial position to pay, the injunction should not be granted.

That leads me to the status quo, the presentation of which points to refusing the application to grant the injunction. Both parties claim proprietory use of the words complained of in this case. Singer has embarked on a campaign of advertising using the very words since November 4, 1994. It was not until the 25th November, 1994

the writ was issued and five days later a Summons for Interlocutory Injunction was issued. The delay in bringing the matter before the Court is significant.

The dicta of Lord Diplock in the case of American Cyanamid at P. 511 is apposite:

> "Where other facots appear to be evenly balanced it is a counsel of prudence to take such measures as are calculated to preserve the status quo. If the defendant is enjoined temporarily from doing something that he has not done before, the only effect of the interlocutory injunction in the event of his succeeding at the trial is to postpone the date at which he is able to embark on a cause of action which he has not previously found it necessary to undertake; whereas to interrupt him in the conduct of an established enterprise would cause such greater inconvenience to him since he would have to start again to establish it in the event of his succeeding at the trial."

Looking at the case as a whole my conclusion is that the strength of the plaintiff's claim, the balance of convenience, and the preservation of the status quo, all point to my refusing the interlocutory injunction. Therefore based on the Cyanamid principles there should be no interlocutory injunction.

In the result, this application fails with costs to the defendants in the cause.

Leave granted to appeal.