JAMAICA

IN THE COURT OF APPEAL

SUPREME COURT CIVIL APPEAL NO. 133/2001

BEFORE: THE HON. MR. JUSTICE FORTE, P.
THE HON. MR. JUSTICE HARRISON, J.A.
THE HON. MR. JUSTICE WALKER, J.A.

BETWEEN	**JAMAICA LOTTERY COMPANY LTD.**	**APPELLANT**
A N D	**SUPREME VENTURES LIMITED**	**1ST RESPONDENT**
A N D	**PAUL HOO**	**2ND RESPONDENT**
A N D	**IAN LEVY**	**3RD RESPONDENT**
A N D	**PETER STEWART**	**4TH RESPONDENT**

Sandra Minott-Phillips and **Christopher Kelman,**
instructed by Myers, Fletcher and Gordon for the appellant

Allan Wood, Ransford Braham and **Anne-Marie White-Feanny,**
instructed by Livingston, Alexander and Levy for the first respondent

John Graham, instructed by **John Graham** and **Company** for the second, third and fourth respondents

November 4, 5, 6, 7 and 8, 2002 and April 11, 2003

FORTE, P:

Having read in draft the judgment of Walker, J.A. I agree entirely with his reasoning and conclusion and have nothing further to add.

HARRISON, J.A.

I also agree.

WALKER, J.A.:

On November 9, 2001 Rattray, J. gave a judgment refusing the appellant's application for an interlocutory injunction in these proceedings. This is an appeal against that judgment, the essential question on appeal being whether, the learned judge was right in concluding that on the evidence before the court the appellant failed to show there was a serious issue to be tried either for infringement of the appellant's trade mark or for passing off.

The judgment of Rattray J conveniently summarises the relevant facts and records a portion of the relevant law as follows:

> "The Plaintiff in this application is a company which, until recently, was the only company in Jamaica operating or licensed to operate a nation-wide lottery. It is the registered proprietor of Trade Mark Number B34, 611, which was registered on the 12th day of December 1996 in the Register of Trade Marks in Class 16 and operates under its trade mark name and insignia, 'Jamaica Lottery Company Limited', with a device depicting a bouncing ball, utilising the colours blue and red.
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> The Plaintiff is also the registered proprietor of the trade marks registered in Jamaica in the Register of Trade Marks, in respect of the logo and designs 'Lotto' (Class 16, 'Pick 3' (Class 28) and 'Scratchers' (Class 16), being

Trade Marks Numbered 34, 609; 35, 309 and 35, 273 respectively.

In furtherance of its business operations, the Plaintiff has also applied for the registration of trade marks for 'Jamaica Lottery Drop Pan' (Class 28) and 'A Ticket to your Dreams' (Classes 16, 25 and 28).

A new kid on the lottery block emerged in the form of the First Defendant, when in or about September 2000, it obtained a licence from the Betting, Gaming and Lotteries Commission to operate lottery-type games in Jamaica for a period of ten (10) years.

In a series of advertisements between April and May 2001, published in both daily newspapers and aired on the radio stations, the First Defendant embarked upon a promotional blitz for its ~~lottery~~ games, using the phrase 'Win Jamaica Lotteries – Games People Love to Play', with the device of a treasure chest filled with currency notes. They advised that at the launch of its operations, the First Defendant would be introducing 'a version of the popular Drop Pan and a live daily lotto-type draw game'.

On or about the 19th day of March, 2001, the First Defendant, through its Attorneys at law, applied to the office of the Registrar of Companies, Trade Marks Department for the registration of the said phrase and device as a trade mark in Part A, Class 16 of the Register. It was also reported in the national press that the intended start-up date for the new lottery game was June, 2001.

By letter dated May 18, 2001, the Plaintiff, through its then Attorneys at law, Messrs. Mitchell Hanson and Co., wrote to the First Defendant's Attorneys at law objecting to their client's use of the words 'Win Jamaica Lotteries – Games People Love to Play' in the advertisements in the media and demanding that they cease and desist from using the said words. The Attorneys for the Plaintiff

complained of the purported similarity between the said words and their client's registered trade mark, which they alleged was deceiving and confusing their customers and contractors who believed that Win Jamaica Lotteries and Jamaica Lottery Company were associated entities... The Plaintiff is the registered owner of a trade mark under the Trade Marks Act. By virtue of Section 46 of the Act;

> '....The fact that a person is registered as proprietor of the trade mark shall be prima facie evidence of the validity of the original registration of the trade mark....'

Under Section 6 (1) of the said Act, the registered proprietor of the trade mark is given the exclusive right to the use of same, and so far as is relevant to this matter reads:-

> '6(1) Subject to the provisions of this section, and of sections 9 and 10, the registration of a person in Part A of the Register as proprietor of a trade mark (other than a certification trade mark) in respect of any goods shall, if valid, give or be deemed to have given to that person, the exclusive right to the use of the trade mark in relation to those goods and.....that right shall be deemed to be infringed by any person who, not being the proprietor of the trade mark or a registered user thereof using by way of the permitted use, uses a mark identical with it or so nearly resembling it as to be likely to deceive or cause confusion in the course of trade, in relation to any goods in respect of which it is registered, and in such manner as to render the use of the mark likely to be taken ...
>
> (a) as being use as a trade mark;....'

The trade mark in the instant case is registered in Part B of the Register. However, Section 7 (1) of the Trade

> Marks Act confers on the proprietor of such a mark, the same rights as are provided by Section 6."

Dealing first with the appellant's claim in passing off, the main thrust of the argument advanced by Mrs. Minott-Phillips for the appellant was that the name "Win Jamaica Lotteries" used by the respondents and the name "Jamaica Lottery Company Limited" used by the appellant are so similar as to cause the respondents' business to be confused with the appellant's business thereby passing off the former as that of the latter. The argument for the appellant went further to contend that the respondents' actions had in fact resulted in actual confusion in the minds of some members of the purchasing public. For this the respondents relied on the affidavit evidence of three individuals. Mrs. Minott-Phillips argued strenuously that this evidence was ignored by the learned judge who thereby fell into error. However, in this regard, and quite to the contrary, the learned judge expressly referred to the relevant evidence in his careful judgment. Clearly that evidence was present to his mind when eventually he came to make his findings. Relative to this particular criticism, the findings of Rattray J were expressed in the following terms:

> "The Court finds that the differences between the two marks are by no means alike – far from it. The colour schemes utilised are different, the respective devices are different, a distinctive slogan, 'Games People Love to Play', is added to and incorporated in the First Defendant's mark which is not contained in the Plaintiff's mark, and the logos and promotional material

> for the First Defendant's games bear no similarity to those of the Plaintiff.
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> The name chosen by the Plaintiff in its registered trade mark is an ordinary descriptive word and the differences outlined above are more than sufficient to prevent the Plaintiff from being able to establish liability in passing off. The Court, therefore, finds that the Plaintiff has no real prospect of succeeding in respect of this claim at trial. In other words, there is no serious question to be tried with respect to the claim for passing off, and as such, no Interlocutory Injunction ought to be granted."

Now it seems to me that implicit in these findings was, if I might call it so, a sub-finding that such evidence of actual confusion as was presented to the court was unsustainable on the facts and did not constitute a serious issue to be tried. On this aspect of the matter the case of **Reckitt & Colman Products Limited v. Borden Inc. and Others** (1990) 1 All ER 873 is apposite. In that case Lord Oliver of Aylmerton identified the three probanda required to establish a case of passing off. At page 880 Lord Oliver said:

> "... 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. Secondly, 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 upon 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. Thirdly, 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."

Nearer home in **McDonald's Corporation v. McDonald's Corporation and Another** (1996) 55 WIR 226 in treating with the same subject matter Rattray, P. had this to say at page 233:

> "The law with respect to passing off essentially relates to the right possessed by a business which has established reputation and goodwill in a jurisdiction not to be exposed to risk of injury by another business which adopts features so closely resembling that of the first business as to create the misrepresentation made by passing off one person's goods as the goods of another."

In my judgment the principles enunciated in these two cases cover the present case.

It was after adopting and applying these principles that Rattray, J. came to make

his findings. They are findings with which I entirely agree. It was not disputed that the parties operated their distribution and ticketing outlets at different locations, that their tickets were materially different and bore distinctive and different logos and that they offered lottery games of different kinds using different machines. The indisputable difference in the words and get-up utilized by the appellant on the one hand and the respondents on the other hand clearly distinguish the parties' businesses. That distinction is, in my view, sufficient to defeat the appellant's claim in passing off.

I turn next to consider the appellant's claim for infringement of its trade mark. In doing so I am mindful that the mere fact that a trade name may be sufficiently different from another trade name so as to avoid liability in passing off does not necessarily mean that the name is sufficiently different to defeat a claim for infringement of a trade mark: see **Bale and Church Ltd. v. Sutton Parsons and Another** (1934) 51 R.P.C. 129. This, indeed, was the legal position contended for by Mrs. Minott-Phillips who argued that even if the learned judge could be forgiven for disregarding evidence of actual confusion with regard to the appellant's claim for passing off, such an omission was unforgivable, nay fatal, in respect of the claim for infringement of its trade mark. The principle is, of course, that where a trade mark contains a word which is common to the trade in question, in determining whether the alleged infringing use too nearly resembles the

registered trade mark the court considers the likelihood of confusion in the minds of members of the public. Furthermore, I understand the term "members of the public" to mean right thinking members of the public. Here **Furnitureland Limited v. Harris and Others** (1989) 1 FSR 536 is a case in point. In that case the headnote reads as follows:

> "The plaintiffs had traded as retailers of bought-in, branded furniture under the name FURNITURELAND since 1973. They were also proprietors of the registered trade mark FURNITURELAND in Part B in respect of furniture and fittings therefor. The fifth defendant proposed to start a similar type of business under the name FURNITURE CITY.
>
> The essential question was whether the plaintiffs had established an arguable case capable of succeeding at trial. The evidence showed that two instances of confusion between the words or trading styles had already occurred. The proposed get-up of the defendant's shop front and display material was, however, very different from that of the plaintiffs. There was also evidence that 'furniture' was a word commonly used as part of the name of retail businesses in this field.
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> As to the allegations of trade mark infringement, the defendants submitted first that the use of a trade mark merely in connection with the retail sale of the branded goods of other manufacturers was not use in a trade mark sense. They also argued that FURNITURE CITY did not nearly resemble the trade mark in issue having regard to the fact that the word 'furniture' was common to the trade.
>
> **Held**: (1) The claim based on passing off could not succeed at trial. Visual confusion was most unlikely.

> Moreover, the plaintiff's name was a composite of two parts, the descriptive and dominant word 'furniture' and the suffix 'land'. The plaintiffs could have no monopoly rights in 'furniture'. Therefore, on the basis of the spoken word, if confusion arose, it was the natural consequence of having chosen the word and the difference in the suffixes used by the parties was sufficient distinction to prevent the plaintiffs being able to succeed in passing off.
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> (2) It was arguable that "offering for sale" under a trade mark involved using the word in a trade mark sense.
>
> (3) Having regard to the fact that "furniture" was a word ~~common to the trade~~, attention had to be paid to the elements "land" and "city." So considered, the case on trade mark infringement was unarguable. »

At page 543 Sir Nicholas Browne-Wilkinson VC in his judgment said:

> "Now in the present case, 'furniture' is a feature common to both names. There is also evidence showing that the word 'furniture' is commonly used as part of the name of retail businesses in this field. Therefore, in considering whether Furniture City sufficiently resembles Furnitureland, whilst looking at the two words as a whole and not ignoring the whole word, I must concentrate primarily on the distinction introduced by the suffixes 'land' and 'City'. Once this is done, it seems to be unarguable that the two names so closely resemble each other that the use of the name Furniture City constitutes an actionable infringement of the plaintiff's mark on the grounds that it closely resembles it."

Applying the principles enunciated above to the present case Rattray, J. expressed himself thus:

> "In applying those principles to the present case, one sees that the common words are 'Jamaica Lottery'. The differences between the remaining words are so great that there can be no reasonable argument that the two names so nearly resemble each other as to constitute an actionable infringement of the Plaintiff's trade marks. On the issue of alleged infringement of the Plaintiff's trade mark, therefore, the Court finds there is no serious question to be tried."

In my view the approach of Rattray, J. was correct. I can find no fault with his reasoning or with the conclusion to which he came.

Before this court another argument was advanced on behalf of the appellant. It involved a point which was not taken before Rattray, J. It was that the words "Jamaica Lottery" which formed part of the appellant's trade mark had over time acquired a secondary meaning arising from the fact that the appellant had previously had a monopoly in Jamaica over the business of lottery. In this way, it was argued, the words "Jamaica Lottery" had become distinctive of the appellant's business in a way which distinguished that business from any other business. Contra, Mr. Wood for the first respondent contended that the words "Jamaica Lottery" were at best common words which were descriptive only of the appellant's business. As such the words did not confer upon the appellant an exclusive right to their use. The appellant's argument is not sustainable on the evidence. Interestingly, on the evidence before the court Rattray, J. found as follows:

> "This Court is of the view and has so stated that the Plaintiff's registered mark and the First Defendant's mark, for which it has sought registration, must be looked at in their totality, thereby also taking into account the respective devices of each party. In so doing, it is clear that similarity exists only in respect of the words "Jamaica" and "Lottery" or "Lotteries". By virtue of the disclaimer, the Plaintiff has no exclusive right to the use of the word "Jamaica". The word "Lottery" or "Lotteries" is a word descriptive of and common to the businesses operated by both parties."

This finding of the trial judge which is clearly in favour of Mr. Wood's contention is, in my view, unassailable.

As regards the appellant's claim of a breach by the respondents of s. 37 of the Fair Competition Act Rattray, J. observed:

> "The Plaintiff, in this application for Interlocutory Injunctory relief, also made submissions that the Defendants were in breach of Section 37(1) of the Fair Competition Act, as a consequence of which it had a right to seek an Injunction to restrain the alleged infringement. I accept the submissions of the First Defendant on this issue that Section 37(1) of the Fair Competition Act, which is based in part on Section 52 of the Australian Trade Practices Act, is not concerned with the protection of rival traders, but is intended to protect consumers."

I accept as correct the judge's finding as to the inapplicability of s. 37 to the facts and circumstances of the present case.

Finally, applying the principles of law enunciated in **American Cyanamid Co. v Ethicon Ltd.** (1975) 1 All ER 504, and agreeing as I do with the finding of

Rattray, J. that there is here no serious issue to be tried, it is unnecessary for this court to determine the further question as to where the balance of convenience lies.

In the result I would dismiss this appeal with costs to the respondents to be taxed if not agreed.