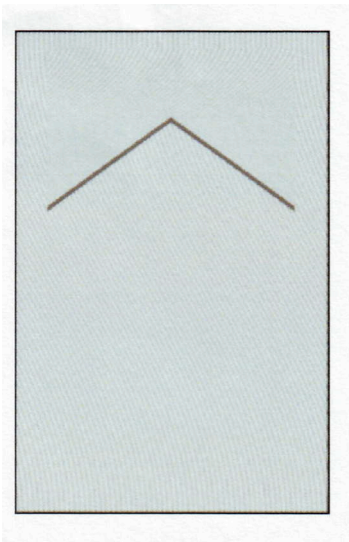


Ruling No. 1 of 2011

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

In the Matter of Applications No. 5754.08 by Phillip Morris Products, S.A. to register the trademark:



and the Opposition thereto by British American Tobacco (Brands) Limited

BACKGROUND

This opposition relates to an application made by Phillip Morris Products, S.A. (hereinafter referred to as “Phillip Morris”) to register the above trademark. Phillip Morris is a leading tobacco company in Switzerland and internationally. Phillip Morris’s application for registration No. 5754.08 was filed on 14th October 2008 and was published for opposition purposes in the “Intellectual Property Journal” in Belize on 19th March 2009 in Class 34.

1. The Opponent, British American Tobacco (Brands) Limited, (hereinafter referred to as “BAT” or “Opponent”), a well established tobacco company in the United Kingdom and globally, filed an opposition against Phillip Morris’ registration in all of the aforementioned Classes. BAT had filed several marks in Belize in Class 34.

BAT claimed that Applicant’s mark (“Trademark No. 1”) was devoid of any immediate or acquired distinctive character under Section 35(1)(b) of the Trademarks Act; that the mark had little imaginative content as it was both simple and descriptive; and that the mark had not acquired any distinctive character as a result of the use made thereof. In

addition, Opponent argued that the trademark was characteristic of many goods and products registered under Class 34, in that it contained shapes similar to shapes generally used in the packaging of tobacco products.

Finally, Opponent claimed that a similar earlier mark No. 6051.09, successfully filed on 3rd April 2009 (“Trademark No. 2), was far more distinctive than the present mark, as it comprised more clearly defined elements, in the form of a pattern of fine, circular lines. Stripped of this circular imprint, Opponent argued, the mark possessed as its only distinguishing feature an indented line that, it was argued, was a common feature of many tobacco goods.

2. Philip Morris answered to the opposition claiming that (i) its mark was distinctive or alternatively (ii) that its mark had acquired a distinctive character through its affiliation with Trademark No. 2, and the reputation enjoyed by Trademark No. 2 in the local market; and therefore that (iii) BAT had failed to meet its burden of showing that the mark was not fit for registration under Section the Trade Marks Act, Cap. 257 of the Laws of Belize.
3. Philip Morris argued for the dismissal of the Opposition and that its trademark should be allowed to proceed to registration.
4. Both sides filed evidence by way of Affidavit.
5. The case was heard before BELIPO on February 23, 2011. BAT was represented by Mr. Rishi Alain Mungal of Morgan and Morgan Trust Corp. Philip Morris was represented by Mr. Nicolas Dujon of Dujon and Dujon, Attorneys at Law.

EVIDENCE

Evidence of Philip Morris

6. Evidence is provided by way of a sworn Affidavit by Marina del Mar Oliva, Senior Counsel at Philip Morris International Management S.A., Intellectual Property Group. Much in contrast to Opponent’s Affidavit, Applicant’s Affidavit describes Trademark No. 1 as a five-sided figure, superimposed against the background of the finely curved lines that resemble a fingerprint (the “Fingerprint Design.”) The figure is distinguished by two bold indented diagonals at its bottom and its sides. This figure, Applicant argues, can be recognized as a stylized version of Applicant’s well-known roof top design trademark which was registered in Belize on July 27, 2009 under Trademark No. 6051.09.

Evidence of BAT

7. Evidence is provided by way of a sworn Affidavit by Clyde Woods, Trade Mark Manager at BAT, London. The Affidavit claims that the Philip Morris mark is devoid of any immediate or acquired distinctive character as it is, on a purely objective basis,

“a simple rectangle with an indented line located at the upper centre of the design.” Further, Opponent argues that the indented line is essentially generic, an inverted “V” characterizing the packaging of tobacco goods and normally combined with other more distinctive elements such as minor text or design. Opponent avers that the trademark that appears in Applicant’s application No. 6051.09 is more distinctive than the mark in question as it comprises more clearly defined design elements in the form of a pattern of thin circular lines resembling a fingerprint. The Affidavit submits by way of Exhibit a photographic depiction of the mark whose dimensions are 1 inch x 2 inches and whose size and quality fails to render the thin circular lines resembling a fingerprint which are embedded in the design of both Trademark No. 1 and Trademark No. 2.

DECISION

Relevant Law

8. Section 35 of the Belize Trade Marks Act (hereinafter referred to as the “Act”) provides as follows:

Grounds for Refusal of Registration

35.-(1) The following shall not be registered:-

- (a) signs which do not satisfy the requirements of the definition of a trade mark;
- (b) trade marks which are devoid of any distinctive character;
- (c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or rendering of services, or other characteristics of goods or services;
- (d) trade marks which consist exclusively of signs or indications which have become customary in the current language or in the bona fide and established practices of the trade:

Provided that, a trade mark shall not be refused registration by virtue of paragraph (b), (c), or (d) above if, before the date of application for registration, it has in fact acquired a distinctive character as a result of the use made of it.

9. In order for absolute grounds for refusal to be applied to Applicant’s trademark, Opponent must show that the mark is devoid of distinctive character or is descriptive, generic, or characteristic of the class of goods being sold. Where Opponent shows that Applicant mark is not distinctive, the burden shifts to Applicant to show that the

mark has acquired a distinctive character through use, which would give rise to application of the catchall proviso in paragraph 2 of 35(1).

In interpreting the language of section 35(1) of the Act, which follows analogous provisions in the relevant sections of the trademarks statutes of the United Kingdom and European Union, I find legal support in the cases of *Case 89/104/EEC, Societe des Produits Nestle SA v. Mars UK Ltd.* [2003] ETMR; *Case C-53-01*; *Case C-54/01, Winward Industries, Inc. v. Rado Watch Ltd.* (RPC (45) 803); and *Joined Cases C-108&109/97 Windsurfing Chiemsee* [1999] ECR I-2779.

Ruling

Examination of Distinctiveness

10. A sign is distinctive for the goods to which it is to be applied when it is recognized by those to whom it is addressed as identifying the goods from a particular trade source, or is capable of being so recognized. *Halsbury's Law*; *Societe des Produits Nestle SA*; *Winward Industries, Inc.*; *Windsurfing Chiemsee*.

As a preliminary matter, the argument that the sign is generic due to the shape of the packaging and the use of symbols commonly used for tobacco goods is not a barrier to registration of this mark. It is the case with many products, such as commonly, with cigarettes sold in standard sized cigarette boxes, that a particular design may render part or the entire shape of a good. Furthermore, the originality of the mark may be limited or influenced for functional reasons by the shape of the product packaging, such as, in this case, the box in which cigarettes are commonly sold. The use of such functional dimensions, shapes, and designs within the design of a mark does not render the mark *per se* descriptive.

11. The true test is whether the mark is designed in such a way so as to enable the consumer to distinguish the design of one product from another similarly packaged product. *Winward Industries, Inc. v. Mars UK Ltd.*; *Windsurfing Chiemsee*. Applicant's previously mentioned marks are not so intrinsically descriptive of the packaging of cigarette boxes so as to render them wholly devoid of imaginative content. Moreover, the mark, though similar, is not identical to other designs customarily used to market tobacco products. To judge Applicant's marks as generic would be to judge an entire group of unaffiliated marks falling within Class 34 that employ similar four and five sided geometric shapes, as generic.

12. The question of registrability under Section 35(1) in respect of Trademark No. 1 must turn upon its distinctiveness or lack thereof as a whole, as considered from the perspective of the consumer. *Sabel v. Puma (AG C-251-95) (1998 ETMR)*; *Societe des Produits Nestle SA*; *Winward Industries, Inc.*; *Satelliten Fernsehen GmbH v. OHIM (R 312/1999-2) (2002)*.

Absent notoriety or acquired distinctiveness, a sign must be independently capable of distinguishing the goods or services of one undertaking from those of another *Societe des Produits Nestle SA v. Mars UK Ltd; Winward Industries, Inc. v. Mars UK Ltd.; Windsurfing Chiemsee*. Not each and every element of a sign must be distinctive, and where a sign contains generic components combined with distinctive components that are capable of distinguishing goods or services, it must be registered. *Winward Industries, Inc. v. Mars UK Ltd.; Windsurfing Chiemsee*.

The mark is formed by a “fingerprint” design previously registered as an element of Trademark No. 1. In truth, the fine curved lines, upon close examination, do resemble a fingerprint. The other elements of the mark include an “inverted v,” which Applicant claims forms part of the “rooftop” mark – a five sided geometrical figure whose sides are formed by the contrasting directionality of the fine curved lines inside and outside of the figure. While the “rooftop” figure can also be viewed upon close examination, the distinctiveness claimed is problematic since the lines of the fingerprint pattern which render the lateral and upper sides of the figure are virtually invisible to the naked eye, so that rather than a rooftop, what appears to the casual eye is simply the inverted v in a shaded area.

13. While the fingerprint label comprises a significant unique portion of Trademark No. 1, I find that it is by itself, incapable of independently rendering the mark distinctive within the meaning of 35(1)(b) of the Act because: (1) the undulating lines of Trademark No. 1 which form the fingerprint pattern are so fine so as to render the fingerprint virtually invisible to the naked eye; and (2) therefore the “fingerprint” design, in contrast to the “rooftop” design, would not be immediately associated with Applicant’s tobacco products by the average consumer. While it is acknowledged that the use of countering convex and concave lines on the lateral and bottom portions of the mark is imaginative, the rendering of the five-sided “rooftop” formation using the contrasting pattern of fingerprint lines may be too subtle for the consumer to perceive.

In contrast, as argued by Opponent, Trademark No. 2 is highly distinctive, rendering the trademark “rooftop” design visibly by its more bold contrasting lines. Therefore, it can be argued that the “rooftop” design employed in Trademark 2 is *sui generis* distinctive, despite its simplicity.

14. Thus, I find that Trademark No. 1 is not distinctive as it is incapable of distinguishing the goods to which it is to be applied.

Examination of Acquired Distinctiveness

15. It follows that the mark must be examined with regard to the catchall proviso in paragraph 2 of Section 35(1) of the Trademarks Act. It is argued that, if Trademark No. 1 can be construed to form part of a family of marks comprising the rooftop design registered as Trademark No. 2, then it may be found to have acquired distinctiveness as a result of its association with the recognized marks.

16. Authority for acquired distinctiveness can be found in the directives of the European Commission. However, as indicated above, the undulating lines that form the outer edges of the five-sided are not likely to be noticed by the average consumer and therefore would not immediately be associated with the rooftop design which identifies Applicant's goods within the relevant market. The fact that Trademark No. 2 may comprise one of a family of marks does not render Trademark No. 1 registrable without an association between the designs of Trademark No. 1 and Trademark No. 2 that would be apparent to the average consumer.

17. I find that Trademark No. 1 has not acquired distinctive use within the meaning of Section 35(1)(d) of the Act.

CONCLUSION

18. As BAT has established that Trademark No. 1 is devoid of distinctiveness within the meaning of 37(1)(b) of the Act and Applicant has failed to prove that Applicant mark has acquired distinctiveness, Philip Morris's registration is wholly denied.

COSTS

19. BAT, having been successful, is entitled to a contribution towards its costs. I order Philip Morris to pay BAT the sum of \$1,225.00 (see Annex). This sum is to be paid within seven days of the expiry of the appeal period of twenty-one days, or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

Dated this 8th day of April 2011

Nyasha Laing
Deputy Registrar of Intellectual Property

**Annex 1
Award of Costs**

Filing Notice of Opposition	\$175
Preparing and filing evidence in support	\$200
Receiving and perising evidence in answer	\$100
Preparation of case for hearing	\$350
Attendance at hearing by attorney at law	\$400
	<u>\$1,225.00</u>