

Trade Marks Act, 1963

Decision in hearing in the Patents Office

IN THE MATTER OF an application for registration of Trade Mark Nos. 137746 and 137747 and in the matter of an Opposition thereto.

TAYTO (NI) LIMITED

Applicants

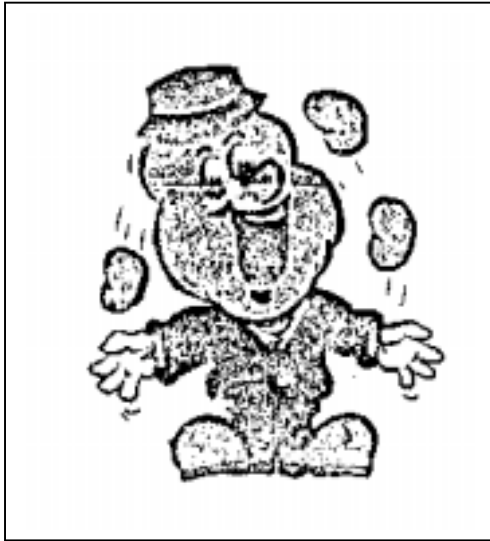
TAYTO LIMITED

Opponents

1. Tayto (NI) Limited, a company organised and existing under the laws of Northern Ireland, United Kingdom, of Tandragee Castle, Tandragee, County Armagh BT62 2AA, Northern Ireland, United Kingdom, made application on 3 November 1989 to register the device of a “potato man” as a Trade Mark in Part A of the Register in classes 29 (No 89/5923) and 30 (No 89/5924) in respect of the following goods:

Class 29 – “Potato crisps, other potato products and potato preparations all included in Class 29 and prepared in the form of or for use in making into snack foods; puffed pork rind for food for human consumption, processed peanuts and roasted nuts.”

Class 30 – “Snack foods included in Class 30 and prepared from cereal preparations and/or potato flour.”



2. The Applications were accepted for Registration in Part A of the Register and were advertised under Nos. 137746 and 137747 in Journal No. 1682 on 20 May 1992.
3. Notice of Opposition pursuant to Section 26 of the Act was filed on 11th of December 1992, by Tayto Limited, an Irish Company of Greencastle Road, Coolock, Dublin 17, Ireland against the two applications. The Applicants filed Counter-statements against each opposition on 2 March, 1993. Evidence was subsequently filed by both parties under Rules 37, 38 and 39 of the Trade Marks Rules, 1963.
4. The Opposition became the subject of a Hearing before me, acting for the Controller, on 9 March 2000. The parties were notified on 23 May 2000, that I had decided to uphold the Opposition and refuse to register the Trade Mark applications. I now state the grounds of my decision and the material used in arriving thereat.
5. In their Notice of Opposition, the Opponents stated the following:
 - (i) We have for many years carried on business at the above address as manufacturers and merchants of, inter alia, potato crisps: potato based snack products, processed nuts, cereals and preparations made from cereal for food for human consumption; popcorn and cereal based snack products.

- (ii) We are the proprietors of a Trade Mark consisting of a potato shaped man which has been in use since 1955 in relation to the aforementioned products and we are also registered proprietor of Trade Mark Nos. 59708, 80681-2 and 131938-9 particulars of which can be seen from advertisements in the Official Journal.
- (iii) We have for many years extensively used our said Trade Marks consisting of or containing a potato man Device in connection with the aforesaid goods manufactured and sold by us and the said Trade Mark consisting of or containing a potato man Device denotes and has long denoted both to the trade and the public goods manufactured by us and distinguishes and has long distinguished such goods from the like goods of other manufactures and traders.
- (iv) The proposed use of the Trade Mark which the Applicant has applied to register is calculated to deceive and cause confusion and is otherwise disentitled to protection in a Court of Law and in accordance with the provisions of Section 19 of the Act should be refused registration.
- (v) The said Trade Mark which the Applicant has applied to register so nearly resembles our said Trade Marks consisting of or containing a potato man Device registered under Nos. 59708, 80681, 80682, 131938 and 131939 as to be calculated to deceive and cause confusion and in accordance with the provisions of Section 20 of the Act should be refused registration.
- (vi) The said Trade Mark which the Applicant has applied to register is calculated to deceive and to lead to the Applicants goods being passed off as or mistaken for our goods.
- (vii) The said Trade Mark which the Applicant has applied to register is not adapted, in relation to the goods in respect of which the Trade mark is proposed to be registered, to distinguish the said goods from the goods of other traders and registration of the Trade Mark would therefore offend against the provisions of Section 17 of the Act.

- (viii) The said Trade Mark which the Applicant has applied to register is not capable, in relation to the goods in respect of which it is proposed to be registered, of distinguishing the said goods from those of other traders and registration of the Trade Mark would therefore offend against the provisions of Section 18 of the Act.
- (ix) The Applicant is not the proprietor of the Trade Mark applied for and does not use or propose to use the Trade Mark which he has applied to register for the purposes of indicating a connection in the course of trade between the Applicant and the goods. Registration of the Trade Mark would therefore offend against the provisions of Sections 2 and 25 of the Act.
- (x) The Application in respect of the said Trade Mark that the Applicant has applied to register, ought in the discretion of the Controller to be refused and costs awarded to the Opponents.

6. In their counter-statement, the Applicants stated as follows,

- (i) The Applicants deny each and every allegation contained in the Notice of Opposition filed herein save they admit that the Opponents appear to be the registered proprietors of Trade Marks Nos. 59708, 80681-2 and 131938-9.
- (ii) The Applicants deny the allegations contained in paragraphs 4 and 6 of the Notice of Opposition. It is denied that the proposed use of the Trade Mark which the Applicants have applied to register is calculated to deceive and cause confusion. They deny that the Mark which they have applied to register offends against the provisions of Section 19 of the Trade Marks Act, 1963. The Mark which they have applied to register is not calculated to deceive and would not lead to their goods being passed-off as, or mistaken for goods manufactured or sold by the Opponents. These Marks co-exist on the United Kingdom Trade Marks Register and these Marks

are in use in the United Kingdom without any confusion or deception arising.

- (iii) The Applicants deny the allegation contained in paragraph 5 of the Notice of Opposition. They specifically deny that the Mark which they have applied to register so nearly resembles the Opponents' registered Trade Marks Nos. 59708, 80681, 80682, 131938 and 131939 as to be calculated to deceive and they further deny that registration of the Mark will be contrary to Section 20 of the Act. The Mark applied for and the Opponents' Trade Marks are visually different and are not confusingly similar.
- (iv) The Applicants deny the allegation contained in paragraph 7 of the Notice of Opposition. The Mark which they have applied to register is adapted to distinguish the applicants goods within the meaning of Section 17 of the Act.
- (v) The Applicants deny the allegation contained in paragraph 8 of the Notice of Opposition. The Mark which they have applied to register is capable of distinguishing the Applicants' goods within the meaning of Section 18 of the Trade Marks Act, 1963.
- (vi) The Applicants deny the allegation contained in paragraph 9 of the Notice of Opposition. The Applicants intend using their Trade Mark for the purposes of indicating a connection in the course of trade between their goods and the Applicants' business. It is, therefore, denied that the registration of the Mark applied for would offend against the provisions of Sections 2 and/or 25 of the Trade Marks Act, 1963.
- (vii) The Applicants request, therefore, that the Notice of Opposition filed herein be dismissed and that the Opponents be asked to bear the Applicants' costs herein.

7. Evidence submitted by the Opponents under Rule 37 consisted of a Statutory Declaration by Mr. Vincent O’Sullivan, Managing Director of TAYTO LIMITED. He stated that his company has no connection with TAYTO (NI) LIMITED and is a separate and un-connected legal entity. He stated that his company is the registered proprietor of a number of Trade Marks consisting of or containing a “Potato Man”. He referred to Exhibits “TL1”, which details his company’s trade marks as advertised in the Official Journal and to Exhibit “TL2”, which consists of specimen labels and other material showing the manner of the “potato man” trade mark in use.

Mr O’Sullivan stated that his company has been using the “potato man” Trade Mark throughout the entire area of the State since 1954 in relation to potato crisps, snack foods and similar goods. Details of sales for the seven years up to and including 1992 are given as follows: -

| | IR£ ‘000’s |
|------|------------|
| 1992 | 21,767 |
| 1991 | 20,782 |
| 1990 | 19,154 |
| 1989 | 17,488 |
| 1988 | 15,469 |
| 1987 | 14,678 |
| 1986 | 14,644 |

Mr. O’Sullivan also stated that his company expends a considerable amount in advertising the sale of potato crisps, snack foods and similar goods under the “potato man” Trade Mark in the State via television, national and local newspapers such as the Sunday Business Post, the Irish Times, the Limerick Leader, trade journals such as Checkout, Retail News, Todays Grocer and many other local and national publications and referred to Exhibit “TL3” which consists of copies of advertisements that have occurred. Details of the amounts expended on advertising are given as follows:-

IR£ '000's

| | | |
|-----------|------|-----|
| Jan/Sept. | 1993 | 226 |
| Dec. 31, | 1992 | 269 |
| Dec. 31, | 1991 | 163 |
| Dec. 31, | 1990 | 319 |
| Dec. 31, | 1989 | 291 |
| Dec. 31, | 1988 | 119 |
| Dec. 31, | 1987 | 105 |
| Dec. 31, | 1986 | 95 |

Mr O'Sullivan referred to Exhibit "TL4", which consisted of samples of the Applicants' "potato man" device and that proposed to be registered by the Applicant. He pointed out the following similarities between the two: both wear "pork pie" type hats, both wear ties and white shirts, both wear red jackets, the direction in which the feet of the respective men point is identical and the shape of the faces are similar. He submitted that the trade marks are very similar both in specific detail and in overall terms.

He argued that by virtue of the extensive sales and promotion, the Opponents have established a unique and exclusive reputation in the State in relation to the use of the "potato man" trade mark on its products and that the Applicants are attempting to "cash in" on the notoriety of his company's Trade Mark by the adoption of a confusingly similar Trade Mark, in the hope of diverting sales from the Opponent to the Applicants. In support of his submission Mr O'Sullivan referred to a search of the Irish Register, details of which were provided in Exhibit "TL5", which

showed that of the very few “potato man” type trade marks applied for or registered, none is similar to those of the Opponents or the Applicants.

Mr O’Sullivan submitted that, given the visual similarity of the marks in question and having regard to the reputation of the Opponents’ mark, the two marks cannot co-exist without a serious risk of confusion and consequent damage to the Opponents’ mark

8. By way of evidence under Rule 38, the Applicants submitted a Statutory Declaration by Mr. Raymond Hutchinson, joint Managing Director of TAYTO (N.I.) LIMITED, who stated that the Applicants have no connection with the Opponents. Mr Hutchinson stated that his company adopted and is using “ a potato shaped man device” in the UK in respect of goods, including potato crisps, in class 29 and extruded snacks in class 30. He confirmed that no use had been made of the mark applied for in this State and that the present application was based on an intention to use the mark in this country. In response to the Opponents’ claim of there being a grave risk of confusion because of the similarity of the marks in question, Mr. Hutchinson stated the marks co-exist in the U.K. and no confusion has occurred to date. He referred to Exhibits “RH1”, which gives details of the Applicants’ two “potato shaped man” UK registrations, the earliest of which dates from 1972, and to Exhibit “RH2”, which gives details of the Opponents’ five UK registrations, the earliest of which also dates from 1972. He further stated that these registrations correspond with some of the Irish Registrations, mentioned in the Statutory Declaration of Vincent O’Sullivan, except that the wording TAYTO is omitted.

Mr Hutchinson referred to Exhibit “TL5” of the Opponents’ evidence and submitted there were several marks of a general “potato shaped man device” listed in the search report. He further submitted that the Applicants’ potato man device and that of the Opponents are not very similar in the context of the marks listed in the search report and he pointed to the following differences: -

- the Applicants’ mark has a head represented by a full potato shape to which a body has been provided clothed in a suit (i.e. jacket and trousers) in one colour whereas the device of the Opponents uses a potato shape for both a head and

- body representation, the body representation being clothed in an overall coat with striped trousers,
- the Opponents' potato man device holds in front of his body a representation of a packet of product from which rays are shown as emitting, whereas in the Applicants' device the distinguishing feature is the larger than life head representation,
 - the facial expression of the Applicants' man device is one of exuberant joviality compared with the smiling reservedness of the Opponents' and this difference is further emphasised by the different headgear of both, the Applicants' being a felt hat arranged at a jocular angle compared to the Opponents' being a boater hat arranged in a formal attitude.

Mr. Hutchinson denied the Applicants were trying to "cash-in" on the notoriety claimed by the Opponents and submitted that any notoriety that the Opponents may have in their device relates specifically to their particular representation and not to "potato shaped man devices" in general. He further submitted that any notoriety in the Opponents' device is integrally linked to the Opponents' word mark TAYTO, which appears in a prominent position relative to the device, and that there is no evidence of use in the State of the Opponents' device in which the word mark TAYTO does not also not appear.

9. Evidence submitted by the Opponents under Rule 39 consisted of a Statutory Declaration by Vincent O'Sullivan, Managing Director of TAYTO LIMITED. He referred to the Applicants' statement that "no use has yet been made in the State and the present application is based on an intention to use the mark in the State", and since the present applications were filed in 1989, a period of over five years has elapsed during which there has been no use of the Applicants' marks in the State. On the matter of the marks co-existing in the UK, while the Opponents admit this to be a fact, Mr O'Sullivan submitted that the situation in the UK is not comparable to that in Ireland for the following reasons:-
 - In the UK both the Applicants and the Opponents have less than 1% of the total market for snack foods and products sold under their respective Trade Marks.

- The market in Ireland is very different where the Opponents enjoy a very significant market share for the goods in question.
- “Potato man” type trade marks are very common in the UK, evidenced by the plethora of such marks on the UK Register, whereas in Ireland there are very few “potato man” marks, as evidenced by the search report submitted in their Rule 37 evidence and none of the marks on the Irish Register closely resembles the Opponents’ mark or that of the Applicants.

Mr. O’Sullivan referred to the test for comparing trade marks laid down by Parker J in the PIANOIST Co.’s Ltd. 23 R.P.C. 774 and submitted that, while there are small differences in detail between the marks in question, they are essentially similar and deception and confusion must inevitably arise, given the reputation of the Opponents’ products and their market share.

Finally, Mr O’Sullivan argued it is incorrect for the Applicants to suggest the Opponents “potato man” trade mark does not, in its own right, identify to the purchasing public the Opponents’ goods. He stated that his company is no different to any other in that several trade marks may appear on a product. In the case of his company’s potato crisps, the word TAYTO, the “potato man” device and the colours red, white and blue are protected by individual registrations and in combination.

10. At the Hearing the Applicants were represented by Ms Mary Rose O’Connor of Cruickshank & Co. and the Opponents by Mr Neil McVeigh of FR Kelly & Co.
11. At the Hearing Mr McVeigh referred to the memorandum dated 1 March, 2000 submitted by the Opponents by way of explanation of the background to the relationship between the Applicants and the Opponents going back to the 1950s. The Applicants disputed the Opponents’ view of certain issues. However, both parties agreed that there was no connection between the two parties and that they were separate legal entities. As the issues referred to in the memorandum dated 1 March, 2000 do not affect my decision in the present applications, I do not propose to comment any further on the memorandum.

12. I will deal first with the objection under Section 20. I am satisfied that the goods in respect of which the Applicants seek registration are the same goods or description of goods as the goods on which the Opponents' mark is used. I am further satisfied that both marks are addressed to the same purchasing public. The issue to be decided, therefore, is whether or not the marks so closely resemble each other as to be likely to deceive or cause confusion.

The standard test for comparing marks is that set down in *Pianotist* (1906) 23 RPC 774 in which Parker J stated:

“You must take the two words. You must judge them, both by their look and by their sound. You must consider the nature and kind of customer who would be likely to buy the goods. In fact, you must consider all the surrounding circumstances; and you must further consider what is likely to happen if each of those trade marks is used in a normal way as a trade mark for the goods of the respective owners of the marks. If, considering all those circumstances, you come to the conclusion that there will be confusion – that is to say, not necessarily that one man will be injured and the other will gain illicit benefit, but there will be a confusion in the minds of the public which will lead to confusion in the goods – then you may refuse registration, or rather you must refuse registration in that case”.

At the Hearing Ms O'Connor questioned the appropriateness of *Pianotist* in the present proceedings but did not offer an alternative authority. She submitted that in *Pianotist* the marks in question were word marks and the test was entirely inappropriate for comparing two device marks, as in the present applications. I am satisfied that the principles set down in *Pianotist* can be applied in comparing two device marks.

At the Hearing the Opponents also referred to the following words of Kenny J in the *United Biscuits Ltd. v Irish Biscuits Ltd* 1971 IR 16 on the issue of likelihood of confusion:-

“The question is not to be decided solely on the evidence of those in the trade, though this is of assistance, but by the judge. The persons to be considered are not those who know both marks, for they will not be misled, but those who know one mark and do not know the other.”

Taking the above words of Kenny J, the Opponents’ contention is, therefore, as follows: -

If those who know the Opponents’ “potato man” device but do not know the Applicants, were to see the Applicants “potato man” device on a packet of crisps or snack foods, would they be likely to be misled in to thinking that they were purchasing a packet of the Opponents’ product?

I am satisfied that the answer to that question is they would be likely to be misled and, as I have no discretion in the matter, I must refuse registration under Section 20. In arriving at this conclusion I have had regard to the following in particular:-

In examining the two marks placed side by side there are several differences of detail between the two marks. However, the overall impression left on the mind by both marks is that of a beaming or jocular “potato man” dressed in a suit or jacket and wearing a hat. These are the essential features of both marks as I see them. To my mind, the differences in detail between the marks are not so striking as to change that overall impression. I am satisfied that if both marks were used in a normal and fair manner on the potato crisps and snack foods of both parties, there is a reasonable likelihood that confusion would occur amongst a substantial number of people.

The Opponents have satisfied me that they have a substantial reputation in the mark in this jurisdiction, established through extensive use over a considerable number of years throughout the State. They submitted at Hearing that, even in the year 2000, notwithstanding the significant competition in the snack food market, they had 60% of the potato crisp market. The Applicants did not challenge this claim.

While the marks co-exist in the UK, I am persuaded by the arguments of the Opponents that there are significant differences between the UK and Irish potato crisp and snack food markets. Both the Opponents and the Applicants are minor players on the UK market with less than 1% market share. “Potato man” type marks are more prevalent on the UK market whereas the Irish Register shows that a relatively small number of “potato man” type marks exist on the Irish market and, of those on the Register, the Applicants’ and the Opponents’ marks are particularly close in terms of similarity. Furthermore, the Opponents are the dominant player on the Irish market and have established a substantial reputation in their mark.

I am not convinced of the Applicants’ argument that the Opponents’ mark does not in its own right act as a trade mark. The Opponents’ “potato man” device is used in conjunction with other trade marks, such as the word “TAYTO”.

However, I am satisfied from the extensive use over a long number of years and from the manner of its use, the Opponents’ “potato man” device does in its own right act as an indicator of the Opponents’ goods. The Opponents’ “potato man” is, in my view, synonymous with the Opponents’ products.

13. As the Opponents have succeeded under Section 20, I do not propose to deal with the remaining grounds of opposition.

Dermot Sheridan
For the Controller

November, 2001

