

TRADE MARKS ACT, 1963

Decision in Hearing at the Patents Office

IN THE MATTER OF an application for registration of Trade Mark No. 151027 and in the matter of an Opposition thereto.

LITTLE CAESAR ENTERPRISES, INC.

Applicants

LITTLE CAESAR PIZZA LIMITED

Opponents

1. Little Caesar Enterprises, Inc., a corporation organised and existing under the laws of the State of Michigan, United States of America, of 9088 Telegraph Road, Detroit, Michigan, made application (N0. 92/6595) on 22 December, 1992 under the Trade Marks Act, 1963 to register the words LITTLE CAESARS as a Trade Mark in Part A of the Register in Class 30 in respect of the following goods:

“Tea, coffee, cocoa, drinking chocolate; mixtures of coffee and chicory, coffee essences and coffee extracts; chicory and chicory mixtures; all for use as coffee; bread, bakery products, pastry and pastry products and salt all for food; cakes, biscuits (other than biscuits for animals), flour, pasta, cereals and cereal preparations, all for food for human consumption; rice, non-medicated confectionery, sugar, spices (other than poultry spice), sauces, pies, tarts, flans, waffles, pizzas; ices and ice creams; doughnuts; prepared meals and snack foods, all included in Class 30.”

2. The Application was accepted for registration in Part A of the Register and was advertised under No. 151027 in Journal No. 1734 on 18 May, 1994.

3. Notice of Opposition pursuant to Section 26 of the Act was filed on 9 December, 1994, by Little Caesar Pizza Limited, an Irish company of Cecilia House, Cecilia Street, Dublin 2. The Applicant filed a counter-statement on 16 March, 1995, and evidence was, in due course, filed by the parties under Rules 37, 38 and 39 of the Trade Mark Rules, 1963.

4. The Opposition became the subject of a Hearing before me, acting for the Controller, on 20 December, 1999. The parties were notified on 20 January, 2000 that I had decided to dismiss the Opposition and to allow the mark proceed to registration. I now state the grounds of my decision and the materials used in arriving thereat.

5. In their Notice of Opposition, the Opponents stated as follows:

- (i) We have for a number of years and earlier than December, 22, 1992, traded under the Mark LITTLE CAESARS in relation to the operation of a restaurant and the sale of a wide range of prepared meals, foodstuffs and drinks.
- (ii) We are the proprietors of the Trade Mark LITTLE CAESARS which is the subject of a pending Application No. 2088/94 in Class 42 in respect of “restaurants, self-service restaurants; cafeterias”.
- (iii) Our Trade Mark LITTLE CAESARS denotes, and has long denoted both to the trade and the public our goods and services and further serves to distinguish our goods and services from those of other traders.
- (iv) The proposed use by the Applicant of the Trade Mark for which registration is sought is calculated to deceive or cause confusion and is otherwise disentitled to protection in a court of law and in accordance with the provisions of Section 19 of the Trade Marks Act, 1963, should be refused registration.
- (v) The said Trade Mark which the Applicant has applied to register is calculated to deceive and to lead to the Applicant’s goods being passed off or mistaken for goods sold or services provided by us in the course of our trade.
- (vi) Because the Applicant’s Trade Mark is identical with our Trade Mark LITTLE CAESARS and the respective goods are the same, there exists a likelihood of confusion on the part of the public which includes the likelihood of association with our Trade Mark.

- (vii) Our Trade Mark LITTLE CAESARS has such a reputation in the state that the use by the Applicants of the Trade Mark for which registration is sought without due cause would take unfair advantage of, or be detrimental to, the distinctive character or the repute of our Trade Mark.
- (viii) The Applicant does not use or propose to use the Trade Mark for which it has applied to register for the purposes of indicating a connection in the course of trade between the Applicant and the goods and registration of the Trade Mark would therefore offend against the provisions of Section 2 and 25 of the Trade Marks Act, 1963.
- (ix) The application in respect of the Trade Mark which the Applicant has sought to register ought, in the discretion of the Controller, to be refused and costs awarded to the Opponent.

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

- (i) The Applicant does not admit the statements made in paragraphs 1, 2 and 3 of the Notice of Opposition.
- (ii) The allegations made in paragraphs 4, 5, 6, 7 and 8 of the Notice of Opposition are emphatically denied.
- (iii) Use by the Applicant of the Trade Mark LITTLE CAESARS (hereinafter referred to as the said Trade Mark), the subject of Trade Mark Application No. 151027, is not calculated to deceive and/or cause confusion, or to lead to Applicant's goods being passed off as or mistaken for goods or services of the Opponent, and registration of the said Trade Mark would not contravene Section 19 of the Trade Marks Act, 1963.
- (iv) The Applicant has for many years traded worldwide under the name and Trade Mark LITTLE CAESARS and is the bona fide owner of the name and Trade Mark LITTLE CAESARS in the Republic of Ireland. The Opponent has no rights to the name or Trade Mark LITTLE CAESARS in the Republic of

Ireland and the allegations made at Paragraphs 6 and 7 of the Notice of Opposition are not well founded.

- (v) The said Trade Mark is a Trade Mark within the definition contained in Section 2 of the Act. The Applicant has used or has a present and definite intention of using the said Trade Mark in respect of the goods set forth in the said Application and had such an intention at the date of filing of the said application and registration of the said Trade Mark would not offend against the provisions of Section 25 of the Act.
- (vi) There is no good reason why registration of the said Trade Mark should be refused at the discretion of the Controller.
- (vii) Accordingly, the Applicant requests that the Opposition be rejected and that an award of costs be made in favour of the Applicant.

6. Evidence submitted by the Opponents under Rule 37 consisted of a Statutory Declaration by Hassan El Khouly, Director of Little Caesars Pizza Limited. He said that the Opponent owns a restaurant known as Little Caesars at Units 4 and 5, Chatham House, Balfe Street, Dublin, the formal opening of which took place on 14 June, 1992 before the date of application for the Trade Mark in question. Mr El Khouly said the opening of the Little Caesars restaurant was widely publicised, including articles in a number of newspapers. A copy of these articles were attached to the Statutory Declaration and identified as Exhibit "HEK1". This exhibit consisted of the following:

- (i) An article from the Sunday World dated 27 February, 1994.
- (ii) An article dated 13 November, 1993. The article is incomplete and it is not clear to which publication it belongs.
- (iii) An article from the Evening Herald dated 16 July, 1992.
- (iv) An article from the Sunday Independent dated June 13. The exhibit does not show the year of publication.
- (v) An advertisement from a bilingual quarterly magazine entitled "Italia Stampa", dated August, 1993.

Mr El Khouly stated that a great deal of time, money and effort had been invested in the operation and promotion of the Little Caesars restaurant. Turnover since commencement was as follows:-

YEAR	AMOUNT
1992	£173,000.00
1993	£395,000.00
1994	£580,000.00
1995 to 31 st August, 1995	£440,000.00

and advertising costs and promotional expenses

YEAR	AMOUNT
1992	£20,000.00
1993	£20,000.00
1994	£15,000.00
1995 to 31 st August, 1995	£12,000.00.

Sample advertising and use of the LITTLE CAESARS Trade Mark was attached to the Statutory Declaration and identified as Exhibit “HEK2”. Mr El Khouly said that the consequence of the above usage was that there was a reputation for the LITTLE CAESARS Trade Mark and this belonged to the Opponent.

Mr El Khouly stated that the LITTLE CAESARS Trade Mark was the subject of High Court proceedings between the Applicant as Plaintiff and he and his co-director, Adel Samy as Defendants. A copy of the pleadings on record at that time in relation to the High Court proceedings was attached and identified as Exhibit “HEK3”. Mr El Khouly said that Exhibit “HEK3” contained an Affidavit sworn by him, dated 28th March, 1994 in which he stated that he was unaware of the Applicant at the time of setting up his restaurant. He said that he did not believe that the Applicant had any reputation or goodwill in this country.

Mr. El Khouly believed it was clear from the Statement of Case delivered by the Applicant in support of the High Court proceedings, and from the correspondence from the Applicant's solicitors, identified as Exhibit "HEK4", that the Applicant was engaged in the restaurant business and that there was no evidence to show any trading or intention to trade in goods, the subject matter of the Trade Mark application in question.

It was clear, said Mr El Khouly, from the High Court proceedings and from the correspondence exhibited that the Applicant trades and intends to trade in Ireland by way of a franchisee or franchisees and thus the Trade Mark application should have been accompanied by simultaneous Registered User applications, which did not appear to be on record.

Mr El Khouly stated that in light of the reputation established by the Opponent, there was concern that use by the Applicant in relation to the goods covered by Application No. 151027 would give rise to widespread confusion and would lead to the Applicant's goods being passed off or mistaken for those of the Opponent.

7. By way of evidence under Rule 38, the Applicant submitted a Statutory Declaration by Mr Christopher P. Ilitch, Group Vice-President of Little Caesars Enterprises, Inc. He said his company was world renowned, being famous for pizzas and other foodstuffs sold under the name and Trade Mark LITTLE CAESARS. His company, he said, had applied for and registered the Trade Mark LITTLE CAESARS in many countries throughout the world including Germany, Italy, Australia, New Zealand, Canada, Spain, Costa Rica, China, the Czech Republic, Japan, Korea, Mexico, Puerto Rico, Slovakia, the United States of America and the United Kingdom. The Trade Mark LITTLE CAESARS, said Mr Ilitch, was derived from the nickname used by Marian Ilitch to describe the mannerisms of her husband Michael Ilitch, the founder and managing director of the company. It was, he said, an internationally known Trade Mark which was first used by his company in relation to pizzas and other foodstuffs in the United States in May, 1959. His company first registered the Trade Mark LITTLE CAESARS in the United States in 1968. He referred to a computer report, marked exhibit "LC1", showing the countries in which the Trade Mark

LITTLE CAESARS and some of his company's other Trade Marks have been applied for and/or registered in various classes for both goods and services.

Mr Ilitch stated that his company was in the business of selling a wide range of prepared meals, foodstuffs and drinks under the Trade Mark LITTLE CAESARS and operated both sit-down and take-out restaurants. His company opened its first restaurant in the United States 1959, in Canada in 1969, in England in 1985 and that, at the time of making his declaration, it had over four thousand restaurants operating worldwide, employing over 27,000 people. Annual sales of his company's pizzas and like foodstuffs through its restaurants had reached over £1.212 billion according to Mr Ilitch. He submitted approximate turnover figures under the Trade Mark in respect of the individual years 1980 to 1994, which showed turnover rising from approximately £39 million in 1980 to £1.2 billion in 1994.

Mr Ilitch stated that his company was aggressively pursuing expansion in the market and had at the date of filing of the application in this jurisdiction a present and definite intention of using the Trade Mark in relation to all of the goods covered by the said application.

Mr Ilitch referred to Exhibit "LC2", which contained specimens of articles which appeared in various magazines, newspapers and other publications over the years, most of which he believed were available in this jurisdiction. In his view the Trade Mark LITTLE CAESARS was recognised in the Republic of Ireland as denoting goods sold by his company alone under the Trade Mark by reason of the coverage of his company's business in above mentioned publications and other advertising by his company. He referred to Exhibit "LC3" which contained a representative sample of advertising and promotional material used by his company in the United States, Canada, the United Kingdom and elsewhere in relation to the goods sold by his company. Mr Ilitch stated further that outlets operating under the Trade Mark LITTLE CAESARS would be well known to Irish people visiting the United States, the United Kingdom and Europe and that it was clear his company had acquired a goodwill and reputation in this state.

Mr Ilitch said his company spent US\$ 248 million in broadcast advertising under the Trade Mark LITTLE CAESARS during the period 1988 to 1995 and that his company have won numerous awards for its advertising, details of which were contained in Exhibit "LC4". He referred to Exhibit "LC5", which contained sample television advertising schedules together with details of the type of advertising carried out during films and television programmes. As a result of such advertising and through use of the Trade Mark LITTLE CAESARS his company was, he said, bigger than Burger King and Kentucky Fried Chicken and had been featured in the Fortune 400 list. He believed that Irish people living and working in the areas in which the LITTLE CAESARS outlets are located, whatever the country, would be familiar with the Trade Mark LITTLE CAESARS and the pizza and fast food business connected therewith. Mr Ilitch went on to say that he believes his company has a substantial reputation in the pizza trade under the mark LITTLE CAESARS particularly as a result of the advertising awards obtained and because of his company's position in the market place.

Mr Ilitch referred to the number of people travelling between Ireland and the United States. Based on statistics provided by the U.S. Embassy, the Central Statistics Office and Bord Failte, he believed that in excess of 350,000 people travel to Ireland from the U.S. every year and that approximately 150,000 people travel from Ireland to the U.S. annually. He believed that it is of particular significance that his company operates LITTLE CAESARS outlets in areas of the United States visited on a regular basis by Irish people, including outlets in Miami, Orlando, New York, Boston, San Francisco, Los Angeles, Chicago, Florida, New Jersey, Hollywood, Las Vegas and Atlanta. Mr Ilitch stated that as a result of the regular traffic between the Republic of Ireland and the United States, his company has acquired significant goodwill and reputation in the Republic of Ireland and that Irish people and American visitors coming to Ireland would associate the name and Trade Mark LITTLE CAESARS with his company. In support of this argument he referred to Exhibit "LC6" which consists of copies of Affidavits signed either by American visitors to Ireland or by Irish people who have lived in the U.S. Mr Ilitch stated that the Affidavits clearly indicate that the name and Trade Mark LITTLE CAESARS is associated with his company. He referred to an action his company took in early 1993 against an individual who operated a pizza business in Limerick under the name and Trade Mark

LITTLE CAESARS, during which the individual indicated he was familiar with his company's name and Trade Mark LITTLE CAESARS and the name used for his pizza business was copied from material circulated in the United States by Mr Ilitch's company.

Mr. Ilitch stated that the first UK outlet was opened in 1985 and by 1987 had established an additional eighteen outlets in the UK, including eight outlets in London. He claimed many of the outlets were situated in areas regularly visited by Irish people. At the time of the launch and subsequently, the company undertook an advertising campaign, which constituted regular newspaper advertising, door to door leaflet mailing in the areas of establishment, direct mailing, posting material on poster sites, advertising in sporting programmes and advertising at the actual in-store point of sale. Sample advertising and publicity material was exhibited under "LC7" and "LC8". Mr Ilitch submitted that his company had a high profile in the UK at the time of its launch in 1985 and it was his belief that anybody operating in the pizza business at that particular time must have been aware of the Applicants' name and reputation. Mr Ilitch exhibited sample newspaper and magazine coverage of the Applicants' operations in the UK under "LC9" which referred to his company being in direct competition with others such as Pizza Hut and the Chicago Pizza Pie Factory.

Mr Ilitch stated that at least one quarter of the Applicants' outlets operating in the UK were operated by the Applicants rather than by franchisees. He referred to the extract from a Franchise Agreement of the Applicants, marked "LC10", which indicated what was expected of the franchisee in relation to advertising and broadening the reputation of the Little Caesar Trade Mark. The final exhibit submitted by way of evidence under Rule 38 and marked "LC11", was a copy of a Certificate of Registration from the UK Office which showed that the device of the "Little Caesar" character and the term "Little Caesar" were individually registered on the 11th June 1984 for goods in class 30.

In reply to the Notice of Opposition and the Declaration of Hassan El Khouly, the Applicants challenged the Opponents' claim of bona fide trading under the name LITTLE CAESARS in relation to the operation of restaurants and sale of goods and referred to the ongoing "passing off" proceedings against the Opponents. They drew

attention to an inconsistency in the Opponents' evidence as to when their restaurant opened and criticised the publicity material submitted in evidence by the Opponents; only one newspaper article was published before the relevant date and the promotional material was in-house and had not been circulated to the public. They again challenged the Opponents' bona fides as to how they came to adopt the mark LITTLE CAESARS, submitting that the evidence showed Mr El Khouly and Mr Samy worked in the pizza business for several years and that Mr Samy, in particular, must have known the Applicants' mark and reputation from his time working in London with Pizza Hut, who were in direct competition with the Applicants. Finally, on the matter of franchising, Mr Ilitch stated the Applicants themselves own and operate up to one quarter of the LITTLE CAESARS establishments worldwide.

8. In his Statutory Declaration submitted as evidence under Rule 39, Mr. Hassan El Khouly submitted the Applicants have no evidence of protectable reputation in the State and their evidence relates to reputation outside the State. He suggested the Applicants mistake the goodwill built up in the United States with worldwide reputation. Mr El Khouly submitted that because the Applicants' business was run primarily by way of franchising operations, with three quarters of their restaurants not owned or operated by the Applicants, it would have been proper to file a Registered User application with the present application. He stated that no evidence of ownership outside the US was filed and the evidence that was filed must be taken to indicate an intention to traffic in the mark, contrary to Section 36 of the Trade Marks Act, 1963.

Mr El Khouly stated that all but one of the publications supporting the Applicants' claim of worldwide reputation are US publications and that if these publications did circulate in this country, they were aimed at the insignificant market of Americans travelling or temporarily working abroad. He suggested the Irish editions of the publications would differ from the US editions and that many of the advertisements appearing in the US edition would not appear in the Irish version.

Mr El Khouly stated further that the Applicants' packaging and promotion material and their advertising awards could only be regarded as evidence of reputation in the US primarily or in individual countries and that the Applicants are trying to use their US reputation in substitution for a reputation in Ireland.

Mr El Khouly challenged the Applicants' claim of having built up "*significant goodwill and reputation in the Republic of Ireland*" from people travelling to the United States and eating in their outlets. He suggested that the Irish visitor to the US would more likely have visited one of the Applicants' competitors, such as Burger King or Kentucky Fried Chicken, as these companies have invested money in Ireland building up a reputation with the Irish consumer.

Mr El Khouly submitted that the evidence furnished in relation to the promotional activities in the U.K. is at a local level only and goes to show only local reputation.

Mr El Khouly referred to the affidavits filed as Exhibit LC6 and submitted that in each case they are from Americans located in Ireland, whose knowledge of the Applicants is based on the Applicants' reputation in the US.

Mr El. Khouly argued that the Applicants' proceedings against the Limerick business using the name Little Caesars are not relevant to this case, as the party in Limerick admitted copying the Applicants' trade mark. The Opponents, on the other hand, independently came up with the trade mark, it being a phrase used by a well known film star prior to adoption by either the Opponents or the Applicants. Mr El Khouly further suggested there was no reason to doubt the independent adoption of the name by either party, given its notoriety and its suitability to a small Italian restaurant such as that of the Opponents or the Applicants, such as it would have been when it first opened in Michigan.

Finally, Mr El Khouly stated the Opponents are the legitimate owners of the mark in the State and accordingly all the reputation and goodwill attaching to the mark belongs to them, a reputation he suggested was so well established that they had little or no need to advertise in order to fill their restaurant.

9. At the Hearing the Applicants were represented by Mr Paul Gallagher, S.C., instructed by MacLachlann & Donaldson, and the Opponents by Mr Brian O'Moore, B.L., instructed by F.R. Kelly & Co.

10. I now state the grounds of my decision.

11. I will deal first with the opposition under Section 19. Section 19 provides as follows:-

“It shall not be lawful to register as a trade mark or part of a trade mark any matter the use of which would, by reason of its being likely to deceive or cause confusion or otherwise, be disentitled to protection in a court of law, or would be contrary to law or morality, or any scandalous design.”

At the Hearing, Mr Gallagher, for the Applicants, submitted that the proper legal test in applying Section 19 is that the onus is first on the opponents to show substantial user sufficient to establish a reputation in the mark and that if the opponents succeed in this, the onus then shifts to the applicants to show that the proposed registration would not be reasonably likely to cause confusion amongst a substantial number of persons. In support of his submission he referred to the **Stredoceska** case [1968] 2 All ER 913 and to the following extract from Kerly’s Law of Trade Marks (Chapter 10.05, page 148, twelfth edition):

“The question of confusing similarity between marks is considered in Chapter 17. ‘It should be noted that under Section 11 (the equivalent of Section 19 of the Irish Act), consideration must be given to the extent and character of the reputation belonging to the earlier mark. Before the section can be applied at all, it must be established that the opponents’ mark is known to a substantial number of persons in the United Kingdom.’ ‘What is a substantial number depends upon the type of goods.’ Beyond that, there are degrees of reputation. On the one hand, ‘Where a trade mark has been long used by a person who is applying to register it, it will not be refused on the ground of recent use of a similar mark by another trader. The mark does not by such recent use become calculated to deceive.’ On the other hand, as against an applicant for registration of a new mark, particular consideration is given to earlier marks which have enjoyed ‘long user and extensive reputation.’”

Mr Gallagher's submissions on the Section 19 test were not challenged by the Opponent and I am satisfied that the correct application of Section 19 in the present proceedings is that as set out by Mr Gallagher.

The initial issue to be decided, therefore, is whether or not the Opponents have established that, at the date of filing, they had acquired a reputation in the mark through use such that their mark was known to a substantial number of persons.

There is some uncertainty as to when the Opponents opened their restaurant. Mr El Khouly stated that the formal opening took place on 14 June, 1992, while the article from the Evening Herald dated 16 July, 1992 indicates the restaurant opened on 15 July, 1992. I do not attach any great significance to this inconsistency in the evidence. I am satisfied that the Opponents opened their restaurant sometime in June or July, 1992 and traded for five or six months prior to the Applicants filing their application on 22 December, 1992. During this period the turnover in the Opponents' restaurant amounted to £173,000 approximately, while advertising and promotional costs amounted to £20,000 approximately. The sample advertising and promotional literature exhibited by the Opponents consisted of a copy of a restaurant menu, a gift voucher for the restaurant, two photographs of the exterior of the restaurant (all of which are undated) and a copy of an advertisement in a publication under a heading 'Eating Out Guide'. The nature of this later publication is not clear but the advertisement includes the words "Awarded Best Restaurant '93", which indicates that the advertisement is after the relevant date of 22 December, 1992. Finally, the Opponents exhibited several newspaper articles as evidence of the publicity given to the opening of the restaurant. With the exception of the article from the Evening Herald entitled 'Eat like an Egyptian' and dated 16 July, 1992, and the article from the Sunday Independent dated 13 June but of an unknown year, all of the articles exhibited are dated after the relevant date. At the Hearing the Opponents did not press the issue that the Sunday Independent article of an unknown date was before the relevant date and I am inclined to treat it as post filing date material, although it would make no difference to my finding on the Section 19 ground.

On the basis of the evidence submitted I am satisfied that the Opponents have not established sufficient user and reputation that, at the date of filing, their mark was

known to a substantial number of persons. The relevant public for the purposes of these proceedings are the general public and a period of five or six months trading is a relatively short period within which a restaurant would come to enjoy a reputation amongst the general public. The goods in question are essentially sit-down and take away meals. While the turnover in the goods for a new restaurant is not insignificant, all of the advertising and promotion of the restaurant appears to have been in-house, with the exception of the Evening Herald article dated 16 July, 1992. In my view this evidence is not sufficient to show the Opponents have established the 'long user and extensive reputation' referred to in Kerly and applied in **Stredochemas**.

I find, therefore, that the opposition under Section 19 fails.

In their opposition under Sections 2 and 25, the Opponents raise two issues. Firstly, they claim they are the bona fide owners of the mark LITTLE CAESARS in this jurisdiction. Secondly, they claim the Applicant does not use or propose to use the trade mark for which application is made for the purposes of indicating a connection in the course of trade between the Applicant and the goods and registration of the mark would therefore offend against Sections 2 and 25 of the Trade Marks Act, 1963.

On the question of ownership of the mark, Mr O'Moore, at the Hearing, submitted that the Opponents were the bona fide owners of the mark in this jurisdiction on the basis that they were first to use the mark in this jurisdiction and that the only use made of the mark before or after the relevant date was by the Opponents. Mr O'Moore argued that the Applicants have no reputation in this jurisdiction and that their reputation is confined primarily to their home market of the United States and to a lesser extent to certain European countries. He criticised the Applicants' evidence on a number of grounds including that it related largely to the United States, that turnover and advertising figures were not broken down by country, that many of the publications submitted as evidence of reputation in this state were foreign publications not in general circulation in this state, while the content of some of the articles submitted had nothing at all to do with the business of the Applicants.

Mr O'Moore referred to **C & A Modes v C & A (Waterford) Limited** IR [1976] 198 and submitted it set the standard for a foreign undertaking, which has a reputation

elsewhere but which does not trade in this state, to establish reputation in this jurisdiction, and argued that the Applicants did not come close to meeting the required standard. Mr O'Moore referred also to **Vitamins** [1956] RPC 1, **Brown Shoe** [1959] RPC 29, **Rawhide** [1962] RPC 133, **Genette** [1968] RPC 148, **Thermax** [1985] RPC 403 and **Pussy Galore** [1967] RPC 265. He submitted that a common theme, which emerges from these authorities, is that it is possible for an undertaking to own a mark in one jurisdiction and for another undertaking to acquire the mark or invent the mark and be the proprietor of the mark in a different jurisdiction. He submitted that the Opponents adopted the mark in a bona fide manner, the words LITTLE CAESARS being from a 1930s Hollywood film in which Edward G. Robinson played the role of a gangster and which the Opponents thought a suitable name for an Italian restaurant. Mr O'Moore suggested that in the absence of any reputation in this jurisdiction for the Applicants' mark, the Opponents were free to use the mark and had applied to register the mark in Class 42.

On the issue of whether or not the Applicants have established on the evidence a reputation in the mark LITTLE CAESARS in this jurisdiction, I am not convinced that the Applicants have done so, certainly not to the standard set down in *C & A Modes*. However, I do not believe it is necessary for me to make a definitive finding on this issue for the purposes of determining these proceedings. At the Hearing, Mr Gallagher, for the Applicants, argued that it has never been the case, in order to obtain registration of a trade mark, that the applicant must establish prior use of or a reputation in the mark. I propose, therefore, to deal with the Opponents' first objection on the ownership ground on the basis of exercising the Controller's discretion.

It is clear from the evidence before me the Opponents were the first to use the mark in this jurisdiction and it is well-established in trade mark law that ownership of unregistered marks is decided on the basis of he who first used the mark. On this basis, and in the absence of an established reputation in this country for the Applicants' mark, the Opponent would be deemed the owner of the mark for this jurisdiction. However, I have some concerns about the manner in which the Opponent came to adopt the mark. The Applicants have built up a very significant business over a long number of years, in the United States primarily and to a lesser extent in the

United Kingdom and elsewhere. The extent and character of the reputation in the Applicants' mark in the United Kingdom is difficult to judge on the basis of the evidence before me. It would have been helpful if the Applicants had given a breakdown in turnover and advertising figures for the UK. I single out the UK market because of the serious charge made by the Applicants that the Opponents must have been aware of the Applicant's mark and their reputation from the time Mr Samy, a director of the Opponents, worked in the pizza business in London in the mid 1980s. I would have expected such a charge to be unequivocally rebutted by the Opponents. Mr El Khouly did submit as evidence an affidavit sworn by him on 28 March, 1994 in which he stated he was unaware of the Applicant at the time of setting up his restaurant. However, his co-director Mr Samy made no statement.

In the absence of a clear denial by the Opponents of the allegation made by the Applicant, I am not satisfied that the Opponents adopted the mark LITTLE CAESARS in a bona fide manner and I dismiss the opposition on this ground.

The second ground of opposition under Sections 2 and 25 concerns the Applicants' use of or intention to use the trade mark applied for. The Opponents' contention, as I understand it, is that the Applicants either have not used or have no genuine intention to use the mark in this jurisdiction. They suggest the Applicants' operations outside of the US are run on a franchise basis and that if the Applicants commence operations in this country it will be by way of franchise arrangements, in which case the present application should have been accompanied by a simultaneous registered user application under section 37 of the Act. As no such registered user application was made, the application is fatally flawed and cannot be rectified. The Applicants rejected the argument that use by a franchisee was not use by the proprietor of a mark and argued that, in any event, it was not necessary to make a determination on the issue. The issue to be decided was whether or not the Applicants had, at the date of application, a genuine intention to use the mark.

I am satisfied that the issue to be decided is that as argued by the Applicants, i.e. did the Applicants have at the date of filing the present application a genuine intention to use the mark. In this respect, Mr Ilitch, in his Statutory Declaration submitted as Rule 38 evidence, states unequivocally that the Applicants had at the date of filing the

application in this jurisdiction a present and definite intention of using the mark in relation to the goods for which application is made. In the circumstances of this case, I am prepared to accept the bona fides of the Applicants' declaration and I dismiss the opposition on this ground.

As the opposition fails on all grounds, I see no reason to exercise the Controller's discretion against the Applicants.

Dermot Sheridan
For the Controller

November, 2001