

TRADE MARKS ACT, 1963

In the matter of an application to rectify the Register of Trade Marks by the removal therefrom of Trade Mark No. B89809.

DALGETY SPILLERS FOODS LIMITED

Applicants

TAYTO LIMITED

Registered Proprietors

1. On 10 June, 1993, Dalgety Spillers Foods Limited, a British company of 100 George Street, London W1H 5RH, England applied to the Controller to rectify the Register of Trade Marks by the removal of Trade Mark No. B89809, pursuant to Sections 34 and 40 of the Trade Marks Act, 1963 and Rule 70 of the Trade Marks Rules, 1963.

2. On 28 October, 1993 the registered proprietors of the said trade mark, Tayto Limited, an Irish company of Greencastle Road, Coolock, Dublin, filed a counter-statement opposing the application for rectification.

3. Evidence was, in due course, filed by the parties under Rules 37, 38 and 39 of the Trade Marks Rules, 1963.

4. The matter became the subject of a hearing before me, acting for the Controller, on 15 May, 2000. The parties were informed on 1 May, 2002 that I had decided to allow the Application for Rectification.

I now state the grounds of my decision and the materials used in arriving thereat.

5. In the Statement of Case accompanying their application, the Applicants for Rectification stated as follows:-

(i) Dalgety Spillers Foods Limited (Dalgety), a British Company of 100 George Street, London W1H 5RH, England, has acquired by assignment the

registered and unregistered trade marks formerly owned by Golden Wonder Limited (GWL), by virtue of an assignment dated March 26 1991.

(ii) The assignment has been recorded in the Trade Marks Register in connection with the existing registrations and will be recorded in due course in connection with the currently unregistered trade marks, which include the Trade Mark GOLDEN WONDER. Applications are on file to register the unregistered trade marks, these applications being identified as numbers 960/85 to 971/85 inclusive and 979/85. Dalgety has also acquired the Trade Mark GOLDEN WONDER in the United Kingdom of Great Britain and Northern Ireland.

(iii) The Trade Mark GOLDEN WONDER is one of the most famous of all trade marks used in the snack foods area. Since at least the year 1965, GWL has been using the Trade Mark GOLDEN WONDER throughout the United Kingdom of Great Britain and Northern Ireland in connection with potato crisps. The words GOLDEN WONDER were first used by GWL as a trade mark in Scotland in 1952 and by 1957 GOLDEN WONDER crisps were launched onto the markets of England, Wales and Northern Ireland in respect of potato crisps.

(iv) GWL's sales in the United Kingdom (including Northern Ireland) under the Trade Mark GOLDEN WONDER have been supported by heavy advertising and press coverage. Over all of the years since 1964 GWL has continued to use the Trade Mark GOLDEN WONDER extensively in the United Kingdom of Great Britain and Northern Ireland and to advertise the trade mark heavily in those territories and also in the Republic of Ireland.

(v) The Trade mark GOLDEN WONDER has not only been used in connection with potato crisps but has also been used in the United Kingdom and in the Republic of Ireland in connection with a significant variety of other snack food products. By 1975 the Trade Mark GOLDEN WONDER had become by virtue of such use and advertising extremely well known within the Republic of Ireland. Since 1975 the Trade Mark GOLDEN has continued to be used in the Republic of Ireland in connection with a wide variety of snack foods and has also continued to be heavily advertised on television and in publications which are

received within the Republic of Ireland. There is no doubt that the Trade Mark GOLDEN WONDER, which is represented in a special style of type and form, is and has for many years been well known within the Republic of Ireland in connection with potato crisps and a variety of other snack foods.

(vi) On 4 April, 1975, Tayto Limited (Tayto), an Irish Company, of Greencastle Road, Coolock, Dublin 5, filed an application to register the words GOLDEN WONDER as a trade mark in the Republic of Ireland. The application was advertised before acceptance under B89809 in the Official Journal of Industrial and Commercial Property dated April 9 1980. Tayto was at that time and indeed at a much earlier date fully aware that GOLDEN WONDER was the trade mark of GWL. At the date of Tayto's application to register the word GOLDEN WONDER as a trade mark, Tayto was well aware that those words were not capable of distinguishing Tayto's goods, that the words were deceptive when used to identify Tayto's goods and that Tayto could not have claimed to be the proprietor of the Trade Mark GOLDEN WONDER. At the date of its registration Trade Mark No. B89809 offended against the provisions of Section 2, 25, 18 and 19 of the Trade Marks Act, 1963.

(vii) It is quite evident that Tayto first adopted and then continued to use the words GOLDEN WONDER in the Republic of Ireland in connection with potato crisps with the objective of frustrating the activities of GWL, the original owner of the trade mark, and of attempting to prevent the original owner from extending its trade from the United Kingdom and Northern Ireland into the Republic of Ireland under its trade mark GOLDEN WONDER. Tayto's actions have been calculated and contrived and the use by Tayto of the words GOLDEN WONDER in connection with potato crisps is not, and never was, bona fide. Registration No. B89809 therefore offends against Sections 34 and 40 of the Trade Marks Act, 1963.

(viii) Tayto's registration No. B89809 has been raised as an objection under Section 20 of the Act against the applications identified in paragraph (ii) above of this Statement of Case and is inhibiting the progress of those applications.

(ix) Dalgety is aggrieved by reason of the facts set out above and respectfully requests the removal of Trade Mark No. B89809 from the Register and costs in these proceedings.

6. In their counter-statement the registered proprietors stated as follows:-

(i) We, Tayto Limited, an Irish Company of Greencastle Road, Coolock, Dublin (hereinafter "Tayto") are the proprietors of the Trade Mark GOLDEN WONDER registered under No. B89809 in respect of potato crisps. Advertisement of acceptance of our Trade Mark appeared in the Official Journal of Industrial and Commercial Property No. 1366 on page 135, dated April 9, 1980. The following are the grounds upon which we rely in support of our registration and in response to the rectification application filed on June 10, 1993 by Dalgety Spillers Foods Limited (hereinafter "Dalgety").

(ii) Tayto has no knowledge of any assignment application filed by Dalgety. Tayto are, however, aware of applications filed to register the GOLDEN WONDER Trade Mark under Nos. 960/85 to 971/85 inclusive and 979/85 by Golden Wonder Limited (hereinafter "GWL").

(iii) Tayto agrees that the GOLDEN WONDER Trade Mark is well known in Ireland. However, in the early 1960's when Tayto commenced using the Trade Mark GOLDEN WONDER on potato crisps it was not well known in Ireland. It had not been used in Ireland by Dalgety or anyone else. The Trade Mark is, therefore, associated in Ireland with Tayto and any reputation in Ireland in the Trade Mark belongs with Tayto.

(iv) The facts contained in paragraph (iii) of the Statement of Case are totally irrelevant to the situation in Ireland. Paragraph (iii) of the Statement of Case sets out details of use of the mark by GWL in the United Kingdom of Great Britain and Northern Ireland.

(v) The facts contained in paragraph (iv) of the Statement of Case of Dalgety are also totally irrelevant. The information contained in this paragraph

refers to the situation in the United Kingdom (including Northern Ireland) which is a totally different jurisdiction to the Republic of Ireland.

(vi) Tayto denies the allegation contained in paragraph (v) of the Statement of Case of Dalgety. The Trade Mark GOLDEN WONDER has not been used in the Republic of Ireland in connection with potato crisps by Dalgety. Any use of the mark GOLDEN WONDER in Ireland in connection with potato crisps was by the proprietor and no one else and it is, therefore, very presumptuous of Dalgety to suggest that the fact that the brand is well known in Ireland is due to sales of their goods. Tayto strongly contends that due to the sales by them of goods under the mark GOLDEN WONDER in Ireland since 1964 any reputation in the name in Ireland is theirs and not Dalgety's.

(vii) Tayto denies the allegation contained in paragraph (vi) of the Statement of Case of Dalgety save that they confirm that they are the proprietors of the trade mark GOLDEN WONDER registered under No. B89809. At the date of Tayto's application to register GOLDEN WONDER as a trade mark in Ireland – April 4, 1975 – Tayto had been using the mark in Ireland for over eleven years and GWL were aware that Tayto were using the mark in Ireland in connection with crisps. GWL were aware that Tayto had rights in the mark in Ireland and despite this fact they filed applications in 1985 to register GOLDEN WONDER as their trade mark. They have no rights to the use of GOLDEN WONDER in Ireland as Tayto have been using the Mark for many years. Registration of the Trade Mark B89809 does not, therefore, offend against the provisions of Sections 2, 25, 18 and 19 of the Trade Marks Act, 1963.

(viii) The GOLDEN WONDER trade mark was first used by Tayto since at least 1964 on potato crisps and has been used by them continuously since that date. Tayto are the original owners of the trade mark in Ireland, they first commenced using the mark in the early 1960's and GWL cannot claim any use on any goods in Ireland going back to the early 1960's. The fact that they may have used it continuously in the United Kingdom of Great Britain and Northern Ireland since 1964 is irrelevant.

(ix) Tayto emphatically denies the allegations contained in paragraph (vii) of the Statement of Case of Dalgety. As already stated Tayto adopted and commenced to use the trade mark GOLDEN WONDER in the Republic of Ireland in connection with potato crisps since at least as early as 1964 and has continued to use the trade mark since then on these goods. Tayto, therefore, cannot see how the statement in paragraph (vii) is made. Tayto's action has not been calculated and contrived. Registration No. B89809 does not, therefore, offend against Sections 34 and 40 of the Trade Marks Act, 1963.

(x) The use by Tayto of the trade mark GOLDEN WONDER in connection with potato crisps is bona fide. The filing of the rectification application by Dalgety is seen by the proprietor to be a mischievous attempt by Dalgety to continually disrupt the business of the proprietor and to continually involve the proprietor in the unnecessary expense of defending a legitimately registered trade mark. Tayto registered their trade mark under B89809, Tayto commenced to use their trade mark at least as early as 1964 and have continued to use the trade mark since then.

(xi) The proprietor denies the allegation contained in paragraph (viii) of the Statement of Case of Dalgety. Tayto believe that registration No. B89809 has been raised by the Patents Office as an objection under Section 20 of the Act against applications filed by Dalgety.

(xii) The proprietor is the registered owner of the trade mark GOLDEN WONDER in Ireland for potato crisps and has used the trade mark since as early as 1964 on these goods. It is, therefore, respectfully requested that the Controller refuse the request of Dalgety to remove the registered trade mark B89809 and to award Tayto substantial costs in this matter.

7. By way of evidence under Rule 37, the Applicants submitted:

- Three Statutory Declarations (and exhibits) by Chris Sturmeay, Finance Director of the Golden Wonder Division of Dalgety Spillers Foods Limited. Mr Sturmeay gave details of the history to the origin and development of the Golden

Wonder crisps business in Scotland in the early 1950s, the expansion of GOLDEN WONDER potato crisps in 1964 into England, Wales and Northern Ireland, sales and advertising expenditure and samples of the mark in use and sample advertisements, the marketing by GWL in the 1960's and 1970's of other snack foods such as prepacked nuts, GWL's launch in 1977 of instant meals, such as pot noodles. Mr Sturmey also stated that GWL sold a variety of snack foods and instant meals in the Republic of Ireland under the mark GOLDEN WONDER. Mr Sturmey stated his belief that Tayto was fully aware at the time of their application in April, 1975 and at a much earlier date that GOLDEN WONDER was GWL's trademark, that the words GOLDEN WONDER were not capable of distinguishing Tayto's goods, that the words were deceptive when used to identify Tayto's goods and that Tayto could not have claimed to be the proprietor of the mark GOLDEN WONDER.

- A Statutory Declaration (and exhibits) by Roy Lane, Research Manager for Carratu International, Corporate Investigators,
- Two Statutory Declarations (and exhibits) by Cliona Loftus, Solicitor, MacLachlan & Donaldson (Trade Mark Agents for the Applicants)
- A Statutory Declaration (and exhibits) by Norman MacLachlan, Partner, MacLachlan & Donaldson.

8. By way of evidence under Rule 38, the proprietors submitted:-

- A Statutory Declaration (and exhibits) by Kevin Masterson, Sales and Marketing Director of Tayto Limited
- Two Statutory Declarations by Vincent O'Sullivan, Managing Director and Chairman of Tayto Limited,
- Two Statutory Declarations (and exhibits) by Mary Rose O'Connor, Partner, Cruickshank & Co. (Trade Mark Agents for the Proprietors).

9. By way of evidence under Rule 39 the Applicants submitted:-

- A Statutory Declaration (and exhibits) by Paul Boothman, Marketing Director of Golden Wonder Limited,

- Two Statutory Declarations (and exhibits) by Norman MacLachlan, Partner, MacLachlan & Donaldson,
- A Statutory Declaration by Cliona Loftus, Solicitor, MacLachlan & Donaldson,
- A Statutory Declaration (and exhibit) by Anne Meagher, a director of Lansdowne Market Research Limited.

10. At the Hearing the Applicants were represented by Paul Gallagher, SC, instructed by MacLachlan & Donaldson and the Proprietors by Brian O'Moore, BL, instructed by Cruickshank & Co.

11. At the Hearing Mr Gallagher stated his submissions would concentrate on the application of Section 40 of the Act rather than Section 34, although he would not concede that Section 34 had no application. He submitted that the circumstances of the registration in question were highly unusual, in that, at the time of the registration, the Controller did not have before him certain important evidence, which, had it been before the Controller would have resulted in the application for registration being refused. Mr Gallagher referred to the voluminous nature of the evidence submitted and provided the following written submission, which I reproduce here as a helpful summary of his review of the evidence and of his legal submissions at the Hearing:-

“Preliminary

(i) Dalgety obtained an assignment of the registered and unregistered trade marks formerly owned by Golden Wonder Limited by virtue of an assignment dated 26 March, 1991 and has also acquired the trade mark GOLDEN WONDER in the United Kingdom and Northern Ireland. On 4 April, 1975, Tayto Limited (Tayto) filed an application to register the words Golden Wonder as a trade mark in Ireland. The application was advertised before acceptance under B89809 in the official journal of industrial and commercial property dated 9 April, 1980.

(ii) Dalgety contends that Tayto was fully aware that Golden Wonder was the trade mark of Golden Wonder and at the date of its application the words were not capable of distinguishing Tayto's goods and were deceptive when used to

identify Tayto's goods. Accordingly, it is contended that the registration infringed Sections 2, 25, 18 and 19 of the 1963 Act.

(iii) The use of the trade mark Golden Wonder in Ireland by Tayto is not and never was bona fide and has been calculated to frustrate Dalgety's (and formerly Golden Wonder's) use of the Golden Wonder trade mark in Ireland.

(iv) It is respectfully submitted that the most appropriate way of approaching a consideration of the issue before the Controller is to examine the circumstances of the initial registration.

Circumstances of the Initial Registration

(v) Section 40(1) insofar as it is relevant provides:

'Any person aggrieved by the non-insertion in or omission from the register of any entry, or any entry made in the register without sufficient cause, or by any entry wrongly remaining on the register, or by any error or defect in any entry in the register, may apply in the prescribed manner to the Court, or, at the option of the applicant and subject to Section 59 of this Act, to the Controller and the Court and the Controller (as the case may be) may make such order for making, expunging or varying the entry as the Court or the Controller (as the case may be) may think fit.'

(vi) It is Dalgety's fundamental contention that had the Controller been made aware of the true factual position with regard to the use of the Golden Wonder mark at the time of the application for registration, the Controller would have refused registration on the grounds that the applicant had not discharged the onus of proving either that it was the owner of the mark or that it was capable of distinguishing Tayto's goods. The Controller would in addition have taken the view that the use by Tayto of the mark was deceptive.

(vii) The application for registration was based on an unsworn statement of case made by Tayto Limited's agents FR Kelly (exhibit NWM1 – Statutory Declaration of Norman MacLachlan of 20 September, 1996). In addition,

fourteen supporting declarations were filed, four from County Cork, four from Sligo Town, two from Kanturk, Co. Cork, two from Foxford, Co. Mayo and two others from isolated parts of the West of Ireland. Not one of those traders indicated that he knew the trade mark for any significant period of time prior to 1975, the periods ranging from three to seven years. Only one trader stated that he had known the trade mark for ten years. Given that the declarations were filed in 1981 and presumably made at the end of 1980, this means that only six of the declarants said they knew the trade mark since before the date of application, most if for only two years). Those traders who say they knew the trade mark before 1975, if only for two years, are all from Kerry and Kanturk, further confirming that the earlier use was restricted to Kerry and Cork.

(viii) The Statement of Case did not disclose many significant facts about the Golden Wonder mark. It also contained a substantial number of inaccuracies (see also exhibit TL1 – Statutory Declaration of Vincent O’Sullivan of 19 February, 1996).

(ix) The Controller specifically directed FR Kelly to direct Golden Wonder’s attention to the advertisement of acceptance of the above application in order that Golden Wonder might have the opportunity of lodging formal notice of opposition to the registration if it was so advised. No such opposition was lodged by Golden wonder and accordingly registration was granted.

(x) At the material time, FR Kelly were the Irish agents for Golden Wonder but they never informed Golden Wonder that they were acting for Tayto with regard to the registration.

(xi) Golden Wonder had informed its English trade mark agents on 14 June, 1977 (see exhibit GW2 of Chris Sturme’s Statutory Declaration of 8 February, 1995) that it wished most urgently to contest Tayto’s registration and sought their technical expertise on the best way to do it. FR Kelly advised the English trade mark agents on 19 July, 1977 in the following terms:

'Presumably this pending application of Golden Wonder belongs to the Tayto organisation and we feel that they will be able to prove distinctiveness as acquired by use of the mark in Ireland. We feel that they have used the mark sufficiently in Ireland to prevent your clients using the trade mark in this country on crisps and it is our view that if this matter is to be settled, the parties should meet and possibly reach an agreement whereby the Tayto mark when registered would be assigned to you'.

(xii) In this letter of July 19, FR Kelly gave no indication whatsoever that they were acting for Tayto and therefore the advice appeared to be independent advice. This advice was communicated onwards to Golden Wonder by its English trade mark agents on 26 July, 1977 in the following terms:

'My agents, however, considered that Tayto have now used Golden Wonder extensively enough in relation to potato crisps to be able to persuade the Controller to accept the mark.

Your company will presumably wish to oppose the application, although possibly the only basis for objection is on the grounds that Tayto have intentionally taken your company's mark knowing of its considerable reputation in the UK in relation to potato crisps. It is not unreasonable to assume that some consumers of potato crisps in Ireland would have known of your UK activities before Tayto came on the scene, particularly if your crisps were being marketed in Northern Ireland and taken to the South by visitors. I understand that Gateaux who at one time handled your peanuts did receive orders for potato crisps, as some customers were obviously more familiar with your crisps than Tayto's. Unfortunately, Tayto have been allowed to build up a reputation in the trade without ever being challenged by your Company and this may not be viewed favourably in the Courts'.

(xiii) On 25 April, 1980, the English trade mark agents write again referring to the fact that their Irish associates had been directed by the Controller to notify Golden Wonder of Tayto's application and advises that so far as opposition is concerned they could find no ground of objection which held out a reasonable

hope of success in view of the almost certain very considerable use of the mark by Tayto which had extended back in time several years beyond 1975.

(xiv) For some mysterious reason, these advices totally ignored the advice which FR Kelly had received from Mr Brian McCracken on this matter in May of 1978 and this advice does not appear to have been communicated to Golden Wonder. In that opinion, Brian McCracken drew a distinction between the prospects of success for Golden wonder in a passing off action against Tayto and the prospects of success in opposing any application by Tayto to register the mark. In that opinion, Brian McCracken said *'I certainly think that if the pending trade mark application proceeds to advertisement, querist should oppose it. I understand that this is only applied for in respect of potato crisps, and not in respect of peanuts. Nevertheless, I think that a strong argument could be made that registration should be refused on the grounds that it would be likely to deceive or cause confusion by reason of the close similarity of the goods concerned. Of course, it would be important to have evidence of querist's turnover on peanuts, and of the type of outlets, type of packaging etc. However, I think there would be a very good chance of successfully opposing any application for registration'*.

(xv) Accordingly, it appears that a decision was taken by Golden Wonder not to object to Tayto's registration on the basis of advice of its own English agent which in turn was based on the advice of the Irish agent who, unknown to Golden Wonder, was acting for Tayto. This advice was on the teeth of an opinion obtained by those Irish agents from Irish counsel. This decision not to oppose meant that the Controller did not have before him the evidence which would have contradicted the facts alleged in the unsworn statement of the case.

(xvi) The unsworn statement of the case did not set out the true position and in particular omitted very significant facts. In particular it did not explain the history of the trade mark GOLDEN WONDER which had been in use in Scotland since the early 1950's. Following a take-over by Imperial Tobacco in 1961, Golden Wonder crisps were launched in England in 1962, a full two years prior to the adoption by Tayto of the name (see paragraph 7 of Statutory Declaration of Cliona Loftus dated 26 September, 1996). At that time, a special ten-minute

advertising feature appeared on national television which would also have been broadcast in Ireland and which was followed by extensive press releases in newspapers and magazines. In 1962, Golden Wonder built the largest crisp factory in the world in England and this would have attracted considerable attention in the trade. (Prior to that sales had been confined to Scotland and North of England (see exhibit DS1 - 'potato industry is rapidly becoming big business' - in Statutory Declaration of Cliona Loftus dated 6 February, 1995)). It is inconceivable that Tayto which was then the largest manufacturer of crisps in Ireland would have been unaware of these developments. In fact, it is significant that in all of the statutory declarations filed on behalf of Tayto, it is never denied that Tayto was unaware of the Golden Wonder mark and of its significance in the United Kingdom. The only inference that can be drawn from these statutory declarations is that Tayto was so aware. The only explanation offered by Tayto for adopting the Golden Wonder mark is that contained in the first declaration of Vincent O'Sullivan (paragraph 9 of Statutory Declaration dated 19 February, 1996) in which he said 'Tayto adopted and subsequently used the mark Golden Wonder because Tayto believed the mark to be a good trade mark'. Mr O'Sullivan offers no explanation as to why it was believed to be a good trade mark and more significantly does not deny that he knew it was a mark widely used throughout the United Kingdom. At that stage, Golden Wonder were manufacturing four million packets of crisps per day.

(xvii) It is averred by Ms Loftus and not denied (paragraph 10 of Statutory Declaration dated 20 September, 1996) that the publicity material produced and referred to at paragraphs 7, 9, 10 and 12 of her Statutory Declaration dated 6 February, 1995, was available and in use in Ireland during the period 1962-1964, the period 1960-1972 and for the period 1967-1969.

(xviii) Golden Wonder in the period prior to 1975 continuously advertised in all national newspapers and magazines and on radio stations and television channels broadcast in Ireland including Radio Caroline and Radio Luxembourg. By 1973, Golden Wonder was selling fifty million packets of crisps per week and was the brand leader in the crisp market (paragraph 12 of Statutory Declaration of Cliona Loftus dated 20 September, 1996. There were features of the Golden Wonder

story that must have attracted the attention of the trade and other jurisdictions. One of Golden Wonder's most important innovations had been its successful development of new methods of long term potato storage. That had always been a major concern in the manufacture of crisps (see the Golden Wonder story exhibit 'DS1' - Statutory Declaration of Cliona Loftus dated 6 February, 1995). It had also developed new packaging which helped to maintain freshness for longer periods.

(xix) The extent of the advertising of Golden Wonder in 1964 is clear from Exhibit DS1 of Cliona Loftus Statutory Declaration dated 6 February, 1995 (p. 69). Half page advertisements were taken out in a number of regional newspapers including the London Evening News and the London Evening Standard. There was advertising in the trade press and on television. As far back as June, 1962, press releases were published in the Irish Grocery World (see exhibit DS3 – Statutory Declaration of Cliona Loftus dated 6 February, 1995). In 1965, international personalities Freddie Truman, Diana Dors and Richard Hearne (Mr Pastry) were recruited for TV commercials (Exhibit DS3). By 1973, the extent of the Golden Wonder operation is evidenced by a document entitled 'News from Golden Wonder Limited' (exhibit DS5 – Statutory Declaration of Cliona Loftus dated 6 February, 1995).

(xx) Details of the extent of the use by Golden Wonder of its mark in Ireland are contained in the 'Case for Counsel' in exhibit NM2, Statutory Declaration of Norman MacLachlan dated 6 February, 1995 (p. 168). It discloses that since 1969, Golden Wonder had continuously marketed in Ireland their peanuts under the trade mark GOLDEN WONDER. In 1969/70 the sales had a turnover of £18,515 and by 1975, £22,430. These peanuts were sold in the same shops in which crisps were sold to similar customers. They were distributed by Gateaux which had a nation-wide distribution and there were reports in 1972 that Gateaux's customers often asked Gateaux's representatives for supplies of Golden Wonder crisps.

(xxi) The relevance of the use of the mark Golden Wonder on peanuts to Tayto's application for registration in respect of crisps is demonstrated by the argument

advanced on behalf of Tayto in the application by Golden Wonder for registration of the trade mark number 112178 (which is recorded in the Controller's decision exhibited in ABC2, Statutory Declaration of Paul Boothman dated 19 September, 1996). In that application Tayto opposed Golden Wonder's application for registration of the words 'Golden Wonder Pot Noodle' in Part A of the Register on the basis that they were the proprietors of the Golden Wonder mark registered under number B89809. The decision records the argument as follows:

"The goods of the opposed application, namely 'Food products consisting wholly or substantially wholly of noodles' are a snack food and they are, therefore, the same goods and/or goods of the same description as those for which the opponent's trade mark is registered".

(xxii) Direct evidence of confusion amongst customers is contained in exhibit NM2, Statutory Declaration of Norman MacLachlan dated 6 February, 1995. In a letter of 3 December, 1973 from Gateaux to Golden Wonder, Gateaux's Marketing Director states:

"The following are a discussion I wanted to obtain some information from some of our salesmen, as to the activity of Golden Wonder crisp vans particularly here in the Dublin area. The position seems to be that they are not active at present, and Golden Wonder crisps as made by J Murphy Jnr. i.e. Tayto Limited are not in the shops at present.

As I reported to you, there was confusion created by the existence of those Golden Wonder vans, as most shopkeepers in the country were aware that we were agents for Golden Wonder, and sold their peanuts, and comments arose to our salesmen as to how Golden Wonder crisps were on sale from one van and peanuts from the Gateaux vans. The main damage caused I am certain would have been the damaging of the Golden Wonder name, because of poor packaging representation, etc. of the product and as we would hope to be in a position to market this product ourselves, when import of crisps are allowable, it would be wrong to have these other Golden Wonder crisps on the market also."

(xxiii) Further instances of confusion are recorded in an earlier letter from Mr Sheehy to Golden Wonder dated 13 September, 1972. In that letter Mr Sheehy stated:

“In connection with the use by Tayto of the Golden Wonder name on their crisps, the position is that we have of course confusion arising in customers’ minds as to the relationship between Golden Wonder crisps as made by Tayto and Golden Wonder peanuts as distributed by ourselves there in Gateaux. I am not sure whether shopkeepers feel that the peanuts and the crisps are produced by the same people but certainly there has been quite an amount of requests to our sales-staff, from many shopkeepers for extra supplies of Golden Wonder crisps, as they have been selling the peanuts. I am quite certain that many of our customers have asked the Tayto salesmen for Golden Wonder peanuts. Incidentally the whole operation from Tayto’s point of view has not been very successful. At no stage have they done any advertising for the Golden Wonder crisps, and sales in the shops according to what some store managers have told me have been very disappointing indeed”

(xxiv) In the same exhibit, research prepared by Irish Marketing Surveys gives the percentage of people who watch Ulster and Harlech TV in Dublin, Leinster, Munster and Connaught and Ulster. It records that the percentage of total TV homes capable of receiving Ulster TV as being 36% and Harlech to be 8%. It then gives details of the advertising on Ulster TV and Harlech TV from 1967/68 onwards.

(xxv) The above evidence was clearly critical to Tayto’s application. It was not before the Controller at the time. If it had been, it is difficult to see how the Controller could have registered Tayto as the owner of the mark. The evidence discloses that Tayto had misappropriated the Golden Wonder mark. Furthermore, having regard to its use in Ireland at the relevant time, the extent to which its use in England would have been known to Irish people through advertisement and travel to England, the mark was not capable of distinguishing Tayto’s goods. Furthermore, there is clear evidence of confusion resulting from Tayto’s use of the mark in relation to crisps and accordingly that use is deceptive.

THE LAW

(xxvi) Section 19 of the 1963 Act provides:

“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 ... “.

(xxvii) From the above evidence it is quite clear that as of 1975 the use by Tayto of the Golden Wonder mark would be likely to deceive or cause confusion.

There is direct evidence of such confusion from Gateaux which distributed the Golden Wonder peanuts at the time. Quite apart from such direct evidence, the overwhelming evidence in relation to the strength and popularity of the Golden Wonder mark in Ireland’s main trading partner at the material time, taken together with the vast number of Irish people who travelled to England or watched English television or read English newspapers meant that there must have been a significant number of persons in this jurisdiction who associated the Golden Wonder mark with Golden Wonder.

(xxviii) It is important to bear in mind the distinction between Section 19 and an action for passing off. Clearly Section 19 can be applicable even where no action for passing off could succeed. It is not accepted that an action for passing off on the part of Golden Wonder could not have succeeded but that is not the issue. For Section 19 to apply it is not necessary to prove goodwill or reputation in this country. All that needs to be proved is that registration would be likely to cause confusion. For this purpose it must only be shown that the opponents’ mark is known to a substantial number of people. The evidence in this regard is overwhelming.

(xxix) In *Pioneer Hi-Bred & Co. v Hy-line Chicks Property Limited* 1976 RPC 194, Cook J in the New Zealand Supreme Courts in construing its equivalent of Section 19 said:

“Lord Morris ... pointed out that the Section is really a very general provision and that it is mandatory in that it provides that it shall not be lawful to register certain marks. That case makes it clear that what has to be considered is whether there is a likelihood of deception or confusion in the minds of the public. The question is not whether the opponent could succeed in a passing off action or whether he can prove detriment or financial loss”.

(xxx) In *GE trade mark application* 1976 RPC 194, Lord Diplock held that the word “registered” in the English equivalent of Section 19 was used to cover both putting on and keeping up the register. It is therefore submitted that having regard to all of the evidence post 1975 that there could be no doubt at this stage that the continuance of the mark on the register is likely to lead to confusion. In this regard, it is very significant that over the years Tayto have never taken an infringement action against Dalgety or its predecessor.

CONCLUSION

(xxxi) In conclusion therefore it is submitted that on the facts of this unusual case, the register must be rectified for the reasons set out in detail above.”

Mr Gallagher also referred to the following cases; *C&A Modes and C&A Ireland v C&A (Waterford) Limited & others* 1976 IR 198, *Tan-Ichi Company Limited v Jancar Limited & other* 1990 Supreme Court Hong Kong 151, *Maxim’s Limited and Another v Dye* 1978 2 All England Report 55 and *Concorde Trade Mark* 1987 FSR 209.

12. At the Hearing, Mr O’Moore, for the Proprietors, argued on three main points. Firstly he submitted the Applicants are not a person aggrieved within the scope of Section 40, as they no longer have an interest in the Golden Wonder business by virtue of its sale by Dalgety to the management of Golden Wonder Limited in 1995. In support of his submission, he referred to extracts from Kerly’s *Law of Trade Marks and Trade Names* (12th edition) at 11.07 and 11.08 (pages 179/180) and 11.29 (page 189).

13. Secondly, he contended the Applicants' decision not to oppose the application when it was advertised for opposition purposes, and the delay in bringing the present proceedings, disentitled the Applicants to succeed. Mr O'Moore submitted that the only reason advanced by the Applicants for not opposing the application was that they were not aware of the C&A Modes decision at the time. He further submitted that this delay was wilful on the part of the Applicants as they had been advised by counsel on three separate occasions, in 1964, 1972 and 1978, to take action against Tayto's use of the mark Golden Wonder and on each occasion they made a conscious decision not to take action. In light of the fact that these advices of counsel were discovered in the files of the Applicants' UK trade mark agents, and in particular, the advice of Brian McCracken of 1978, Mr O'Moore submitted the Applicants could not now state that for some mysterious reason this advice was not communicated to Golden Wonder. Given that Mr McCracken's advice was found in the archive of the Applicants' UK trade mark agents, Mr O'Moore suggested it was reasonable to assume that they received the advice at the time. He also submitted that the advice of counsel was quite clear, that is, that unless the Applicants could prove sufficient instances of confusion amongst Irish consumers, they could not successfully oppose Tayto's application. Mr O'Moore submitted it was clear from the evidence that Golden Wonder made a conscious decision at the times of the advices that they should not oppose the application as they could not show the necessary instances of confusion and, therefore, had no reasonable chance of success. Mr O'Moore argued there was a second limb to the delay issue and referred to the Statutory Declaration dated 6 February, 1995 of Mr Norman MacLachlan, in which Mr MacLachlan, referring to his being consulted by Patrick Keane in 1983, stated that he strongly recommended that Golden Wonder Limited should apply to remove Tayto's registration from the Register. Mr O'Moore stated that despite this strong recommendation there was a considerable delay of some ten years in the Applicants filing the present application, a delay that was seriously prejudicial to his client.
14. Thirdly, Mr O'Moore argued there was no proper evidence of confusion in 1975 when the Proprietors filed their application for registration, the

Applicants relying, as he saw it, on the claimed instances of confusion as reported by the Gateaux salesmen, evidence which was not given by way of statutory declarations or statements on oath. He further submitted there was no doubt that Tayto were the proprietors of the mark in this jurisdiction, having first used the mark on potato crisps in this country and developed the market from 1964 onwards. Referring to Section 52 of the Act, Mr O'Moore stated that the fact that his client was registered as the proprietor of the mark was prima facie evidence of the validity of the original registration and the onus lay with the Applicants to prove their case in the present proceedings. He also submitted that it was not open to the Controller to now use his discretion to remove the mark.

15. I will deal first with the matter of whether the Applicants are a person aggrieved and therefore entitled to bring the present application. On this issue I find that the Applicants were an aggrieved person at the time the application was made in 1993. At that date they were actively engaged in the trade through their ownership of the Golden Wonder business. I accept the Applicants' interpretation of Section 40 that the subsequent transfer of the Golden Wonder business to the management of Golden Wonder Limited did not retrospectively make them "a person not aggrieved".
16. As for the substantive issues of the application for rectification, the circumstances of this case are unusual and it has been a particularly difficult case to decide. While a large volume of evidence was submitted over the course of the proceedings, it has been difficult to establish matters of fact in certain aspects of the case. Notwithstanding these difficulties, I believe there is sufficient evidence to arrive at a conclusion on the following matter.
17. The Applicants for rectification allege the GOLDEN WONDER mark was misappropriated by Tayto. This is a serious charge made against the registered proprietors and it is one that is denied by Tayto. However, I am not convinced of Tayto's contention that their adoption of the mark was bona fide. In his Statutory Declaration of 19 February, 1996, Mr O'Sullivan, Managing Director and Chairman of Tayto, states that Tayto adopted and subsequently

used the mark GOLDEN WONDER because Tayto believed the mark to be a good trade mark. No further explanation is offered as to how the registered proprietors came to adopt the mark. I am satisfied on the evidence that the Applicants or their predecessors in title devised and developed the mark GOLDEN WONDER in relation to potato crisps in Scotland in the early 1950s, since when they have developed the mark and built a very significant business in the potato crisp and other snack food markets. I believe that businesses keep themselves informed of developments in their industry and particularly in relation to the activities of competitors or potential competitors. I have no doubt, therefore, that Tayto would have been aware of the Applicants' GOLDEN WONDER trade mark at the time they first adopted the mark and began using it on their own potato crisps in the Republic. On this point Tayto claim to have used the mark since at least early 1964. I further believe that the large crisp factory built by the Applicants in England in 1962 would have attracted a lot of attention in the trade in the UK and in Ireland. I am also satisfied that some of the Applicants' advertising of their GOLDEN WONDER crisps would have reached Ireland and come to the attention of those in the trade in this country. In these circumstances, it is my belief that a business that adopts the same or similar trade mark of a competitor or potential competitor for use on its own goods, could only do so with improper motive. I find, therefore that Tayto's adoption of the mark in 1964 or earlier was not bona fide and I allow the application on this ground.

Dermot Sheridan
Acting for the Controller

May, 2002