

REPUBLIC OF TRINIDAD AND TOBAGO

IN THE HIGH COURT OF JUSTICE

*Chiron*

HCA 1301 of 1989

BETWEEN

MARIO'S PIZZERIA LIMITED

PLAINTIFF

AND

MARIANO'S PIZZERIA & RESTAURANT LTD.

DEFENDANT

BEFORE HAMEL-SMITH J.

Trademark and Passing off - Injunction - Similarity in Names  
and get-up - Serious issue to be tried - Balance of Convenience -  
Delay.

HCA 1301/89 Mario's Pizzeria Ltd vs Mariano's Pizzeria & Restaurant Ltd

REPUBLIC OF TRINIDAD AND TOBAGO

IN THE HIGH COURT OF JUSTICE

HCA 1301 of 1989.

BETWEEN

MARIO'S PIZZERIA LIMITED

PLAINTIFF

AND

MARIANO'S PIZZERIA & RESTAURANT LTD.

DEFENDANT

BEFORE HAMEL-SMITH J.

11, 17, 18 & 19 May 1989.

Mr M.G. Daly SC & Mr C. Hamel-Smith for the Plaintiff  
Mr E. Thorne SC and Mr S. Sinanan for the Defendant

JUDGMENT

Mario's and Mariano's! Do these names so closely resemble that the ordinary customer may confuse the business of the defendant for that of the plaintiff to amount to what is commonly called 'passing off'? Does the use of the name by the defendant, albeit different in spelling, and a similar get-up infringe the registered mark of the plaintiff? These are the questions to be determined at the trial of the matter. I am asked, however, to stop the defendant, at this interlocutory stage, from continuing to trade under the name 'Mariano's'.

Mario's Pizza (in conjunction with an emblem of a baker holding a pizza) is the registered trade mark of the plaintiff. The plaintiff has been in business for the last 18 years and according to paragraph 5 of Mr Harford's affidavit, the plaintiff's pizza has become associated with that mark over the years. The plaintiff has advertised over the radio and television and in the press for many years and the business has expanded to such an extent that there are now some 8 outlets throughout the country.

In paragraph 11 and 12 of the affidavit, the plaintiff sets out certain specific instances which he alleges indicates that confusion has arisen between the businesses of the parties hereto. It is said that some five or six persons had in fact inadvertently gone to purchase pizzas from the defendant's establishment thinking that they were going to the plaintiff's outlet. No explanation is given as to why or how the error came about. Then there are a series of instances where traders went to the plaintiff's outlet to collect money or deliver supplies when they should have gone to the defendant's outlet and vice versa. There was even an incident when one purchaser ordered a pizza over the telephone from the plaintiff but, in error, went to the defendant's outlet to collect it.

There was some history behind the establishment of the defendant's outlet. Apparently, the plaintiff operated its outlet (one of the eight) in the same premises where the defendant's outlet is now situated. The plaintiff gave the landlord notice to quit the premises at the end of October 1988. The plaintiff had acquired other premises a short distance away and intended to operate the outlet from there as from the beginning of November 1988. During the transition another company which was operated by Mr Ramsaran (who incidentally, is also a director of the defendant company and of the plaintiff's landlord at the time) purchased certain light fixtures and an exhaust fan from the plaintiff. It was a matter of considerable contention whether or not Mr Ramsaran, at the time of the negotiations for the purchase of the fixtures, informed the plaintiff's representatives that he proposed opening a pizza outlet in the plaintiff's former premises and to be called 'Mariano's'. I was asked to infer, in any event, that, from the nature of the items purchased, the plaintiff must have been aware of the defendant's intention.

The incidents of confusion occurred over a period of time, between November 1988 to January 1989. The plaintiff, in February 1989, then had

its solicitors write a letter to the defendant, complaining about the infringement and resultant confusion and requested that steps be taken to change its name. In March 1989 the plaintiff instituted the action.

The defendant filed an affidavit sworn to by Mr Ramsaran in which he set out at great length the details of the negotiations for the purchase of the fixtures and the proposed setting up of the defendant's pizza outlet at the vacated premises. He informed the court that pizza was an Italian food and most outlets used Italian sounding-names, like Mario's. He also referred to an extensive advertising campaign carried out to herald the new outlet. The basis for so doing was to show, or at least to suggest, that the plaintiff was aware of the defendant's intention to operate under the style 'Mariano's Pizza' from as early as November 1988 and even if it was not so aware through the alleged negotiations, at least it must have been aware from the advertising campaign. Mr Ramsaran did not challenge the plaintiff's claim that the plaintiff's product had come to be associated with the name Mario's Pizza nor did he explain why he chose the name Mariano's. Nor did he challenge the plaintiff's allegations on the issue of confusion.

At the hearing, attorney for the defendant rested his case for the refusal of relief at this stage on three grounds.

(i) in the claim for passing off the plaintiff had failed to give any, or any adequate evidence with respect to reputation which was an essential ingredient if one had to succeed in such a claim. He was critical of paragraph 5 and 6 of the plaintiff's affidavit in which it attempted to establish that reputation and was of the view that it had failed miserably. The plaintiff had also failed to deal adequately, or at all, with the question of confusion;

(ii) in the claim for the infringement of the mark, attorney submitted that the plaintiff had applied the wrong test to determine whether the

mark had been infringed or not. he submitted that the correct test was to compare the alleged infringement with the mark as it is actually used on the register and not with the mark as it appeared on the plaintiff's box. Attorney for the plaintiff had not done so but, even if he did do so, it was clear that there could be no comparison between the two marks.

(iii) delay - attorney submitted that the plaintiff was aware of the infringement from at least November 1988, if not before, and had only filed the action in March 1989. Not only was there inordinate delay on the part of the plaintiff in seeking relief but it had failed to give any reasons for the delay.

If attorney for the defendant is correct in his submissions then there would be, in my view, valid reasons for denying the relief sought at this stage. It is necessary, therefore, to examine the submissions in the light of what is said in the affidavits and in the law.

In relation to a claim for passing off the central issue is whether the defendant's use of the mark, name or get-up (or one so closely resembling that of the plaintiff's) constitutes a representation which confuses or is likely to confuse. It is really a false representation by the defendant, expressed or implied. There may be cases, for example, where it is implied in the use or imitation of a mark or a name or a get-up with which the goods of the plaintiff are associated in the minds of the public. In such a case the point to be decided is whether, having regard to all the circumstances of the case, the use by the defendant in connection with the particular goods of the mark or name in question impliedly represents such goods to be the goods of the plaintiff, or, as it is sometimes said, whether the defendant's use of such name or get-up is calculated to deceive.

In relation to a claim for an infringement of a mark or name or get-up where the plaintiff is able to establish that the offending mark is similar with his in relation to the particular goods it is not necessary

for the success of the claim to prove further that they are confusingly similar. It is not, however, the case here that the defendant has copied, with precision, the plaintiff's mark but, rather, what is alleged is that the defendant's user of a mark which so closely resembles that of the plaintiff, constitutes an implied representation which is calculated to deceive.

While, therefore, it is, generally speaking, correct to say that different questions arise in claims of this nature, it is also true to say that where confusion by the use of a mark or a name which closely resemble, forms the basis of a claim in both infringement and passing off, the test to determine liability in both cases is the same.

I agree with attorney for the defendant that the plaintiff must first, in its claim for passing off, establish reputation and then show that there is confusion between the marks so as to deceive the public into believing that the defendant's goods are those of the plaintiffs or that his business is in some way associated with that of the plaintiff. I cannot, however, agree that in the claim for infringement of the mark in this case the test enunciated by him is the correct or rather, the only one. Simply to compare the marks, (the offending one and the one on the register) in my view, would be to adopt the blinkered or ostrich approach.

There are three planks on which the plaintiff mounts its attack:-

- (i) the similar sounding names;
- (ii) the similarity of the get-up on the defendant's boxes as compared to the plaintiff's mark; and
- (iii) the resultant confusion in the minds of the public.

I cannot separate these issues. It is not surprising, therefore, that the plaintiff, in the affidavit of Mr Harford, dealt with the issue of confusion as it did. It was meant to apply to both the claim in passing off and infringement. From what has been the acts of confusion attested to, are, in my view, sufficient to establish a prima facie case

of confusion. While I need not weigh the strength of the evidence at this stage for the purpose of forming a view as to the chances of success of the plaintiff as against his chances of failure, I do admit that reasons for the confusion should have been given by the five persons referred to in paragraph 11. Had this been the only evidence I may have felt otherwise but paragraph 12 adds immeasurably to the issue and there has been no challenge to the facts set out in either paragraph 11 or 12. Further, though it may not be necessary, the defendant was always aware of the plaintiff's name and has given no explanation why he used the name 'Mariano's' save for its attorney exclaiming "Why not Mariano's".

On the question of 'reputation' the main criticism is that the plaintiff had failed to deal adequately with the issue. I shall have to examine that in some detail. The plaintiff says that it has been in the pizza business for some 18 years. It advertises its business extensively on the television and radio and in the press. Over those years it has expanded its business to different parts of the country and now operates 8 outlets throughout the country. It has not disclosed the volume of sales over a given period nor has any independent witness said on affidavit that he or she has come to associate the pizza with the plaintiff's name. Mr Harford did say that persons had come to associate the pizza with the mark but one could consider that self-serving. While attorney for the plaintiff agreed that it could, he pointed out that the defendant had not challenged the assertion.

In Alfred Dunhill Ltd v Sunoptic SA 1979, FSR 337 the judge at first instance refused an interim injunction on the ground, inter alia, that the plaintiff had failed to establish 'reputation' with respect to the sale of sunglasses. The plaintiff, although it had an extensive reputation with respect to tobacco and other men's goods, had not sold any sunglasses under its name but were negotiating to enter the market. The real issue in that case was, therefore, the question of 'reputation'. The judge felt

that although the plaintiff may have been in a position to prove reputation at the trial, it had failed to lay sufficient facts to establish the precise extent of the reputation before him to establish the claim.

"Reputation" he said, (345) "is essentially a question of inference from the evidence which has been given" and that which had been put before him was not enough. Before refusing the relief at that stage but after finding that there was a triable issue he said:-

"Against this background, I am not prepared to hold that the plaintiff may not at the end of the day be able to secure some sort of relief of which I have described as a passing off character, though I would hope before any such relief was contemplated the rather meagre evidence which is at present before the court would be supplemented if ultimate success is to be achieved."

The decision was reversed within the space of some 4 weeks (a period of time which undoubtedly demonstrates 'undue delay' in that jurisdiction) when that court adopted the principles laid down in American Cyanamid (1975 AC 396) whether, as had been argued, facts were in dispute or not. The court held that since the judge at first instance had found that there was a serious issue to be tried, although he had expressed some doubt about it, the decision whether or not an interlocutory injunction should be granted turned upon a balance of convenience and not, as the judge at first instance had done, on whether the plaintiff may succeed at the trial. It proceeded to apply the requisite factors enunciated by Lord Diplock and granted the injunction. Roskill LJ (at 365) said:

"I have no hesitation in concluding that in this case, where what is complained of is injurious confusion affecting Dunhill's reputation, damages would be an inadequate remedy if they ultimately succeed. ....Damage to reputation is in general a very difficult thing to quantify. I regard the evidence ....all important to Dunhill's reputation....."

Megaw LJ, in his concurring judgment, referred to the massiveness of the evidence which both parties filed, the plaintiff to show that he had an arguable case and the defendant to demonstrate that there was no



real case to meet. Once it was found, however, that there was a triable issue, it was irrelevant whether the court thought that the plaintiff's chances of success in establishing liability was 90 percent or 20 percent. The balance of convenience was what then mattered. It was the financial question because in cases such as these the question is, essentially, money. What loss, if any, was the plaintiff likely to suffer if the injunction were refused and it subsequently turned out that it ought to have been granted? If there would be such loss, what was the prospect that the plaintiff would be able to recover that loss from the defendant after the action was decided? If he was likely to suffer loss and was unlikely to recover it from the defendant, one would go on to ask the corresponding question as to the defendant's potential loss and the possibility of his recovering it from the plaintiff on the hypothesis that the injunction was granted but on the hearing of the action it turned out that the plaintiff was not entitled to the injunction. It was a difficult task, he conceded, but the court will weigh the conflicting factual evidence, in so far as it is in conflict, in the affidavits.

Megaw LJ said (at 374):-

"So, although one may not assess the strength of the conflicting affidavits on issues of fact for the purpose of forming a view as to the chances of success of one party or the other on the issue of liability, one has to assess the relative strength of the conflicting affidavits on issues of fact as to the financial questions and ... any other questions which may be relevant to the balance of convenience. It may be that this should be done by the court by reference to broad impressions rather by any detailed analysis of the evidence: but it still necessarily involves a weighing of conflicting factual evidence."

I am satisfied, although I agree with attorney for the defendant that the plaintiff could have put more material before the court on the question of reputation, that what has been said about reputation is sufficient to deal with the issue at this interlocutory stage. I cannot ignore the evidence which is uncontroverted that the plaintiff has been

in business for the last 18 years, has expanded his business throughout the country so that it now operates 8 outlets and that pizza has become associated with his name over the years. The only inference I can draw from that unchallenged evidence is that the plaintiff enjoys a reputation in the pizza business and its pizza is held in high regard by the public. No doubt, at the trial the plaintiff can demonstrate the volume of sales it enjoys, the popularity of his outlets and, to a greater degree than it has done here, that the pizza has become associated with his mark or name.

Once I am satisfied that the plaintiff has established a prima facie case for reputation and has set out the alleged acts of confusion I have to consider whether there is a serious issue to be tried.

It has been said that at the end of the day the decision falls on the judge, notwithstanding what one witness or another may say, to determine whether the names are so similar that it can or does cause confusion. I think that in doing so one must take the two words and judge them both by their look and their sound. One must consider the goods to which they are to be applied. One must also consider not only the nature and kind of customer who would be likely to buy the goods, but all the surrounding circumstances and what is likely to happen if each of those names is used in a normal way as a name for the goods of the respective owners.

If the case of a plaintiff, as in this case is in the use of a name that sounds so similar to his name as to create confusion then the court will consider the names with reference to the ear as well as the eye. Whether confusion eg. may arise in the course of a telephone conversation must be considered. The courts do give weight to phonetic as well as visual resemblances, but a mere accidental phonetic resemblance (in the sense that the idea of the mark, once properly grasped, is quite

different) to convince the court of deceptive resemblance calls for something special. Whether the sound of one word resembles too nearly the sound of another must nearly always depend on first impressions, for obviously a person who is familiar with both words will neither be deceived nor confused. It is the person who only knows the one word, and perhaps an imperfect recollection of it, who is likely to be deceived or confused. I would think that a court will always make allowance for imperfect recollection and the effect of careless pronunciation.

Similarly, as regards the get-up on the defendant's boxes, there has been much argument as to whether they are similar or not. Two marks when placed side by side may exhibit many and various differences, yet the main idea left on the mind by both may be the same. A person acquainted with one mark, and not having the two side by side for comparison, might well be deceived, if the goods were allowed to be impressed with the second mark, into the belief that he was dealing with goods which bore the same mark as that with which he was acquainted. Thus a mark may represent eg. a game of tennis; another mark may show players in a different dress and in different positions and yet the idea conveyed by each may simply be the game of tennis. One cannot expect a person dealing with a mark to remember the exact details of the marks upon the goods with which they are in the habit of dealing. Marks are remembered by general impressions or by some significant detail than by a photographic recollection of the whole. And it would not be unreasonable to assume that the owner may have made some variations of the mark for reasons of his own.

I have considerable reluctance, at this stage of the proceedings to express any view about the similarity or otherwise of the two names or the get-up on the boxes. That would, in my view, improperly interfere with the function of the trial judge. Suffice it to say that from what has been put before me and from what I have said, there is a serious issue

to be tried. The plaintiff has shown that it is entitled to the mark and has been trading under it for some 18 years. It has shown that it has a reputation to maintain. It has shown that confusion has arisen between the two businesses as a result of the infringement and passing off by the defendant by the alleged use of a name so closely resembling its own name. The public has been confusing the defendant's business with that of the plaintiff and the plaintiff has alleged that it would suffer irreparable harm if the defendant is not restrained at this stage. That, to me, is a serious issue to be tried.

I now turn to the balance of convenience. According to Megaw LJ. one has to assess the relative strength of the conflicting affidavits on issues of fact, in so far it is in conflict, as to the financial questions and.... any other questions which may be relevant to the balance of convenience. It may be that this should be done by the court by reference to broad impressions rather by any detailed analysis of the evidence:but it still necessarily involves a weighing of conflicting factual evidence. In Dunhill the court drew the inference of impropriety on the part of the defendant when it observed that in two magazines the plaintiff's mark "Dunhill" was used instead of the defendant's name "Christopher Dunhill". No plausible explanation, in the court's view, had been given for the use. In this case the defendant does not challenge the plaintiff that the public is confusing the two businesses. If such confusion is being created, and at this stage I see no reason to disbelieve the plaintiff, then the plaintiff is likely to suffer loss to its reputation, which is in issue, if the defendant is allowed to continue to trade under its name. As Roskill LJ said (at 365) in Dunhill "damage to reputation is in general a very difficult thing to quantify". Attorney for the defendant submitted that pizza was a common food; it was a bake with some olives and mushrooms on it with a bit of cheese. How could anyone have a reputation in such a common food? It is

indeed common food but so is all food. The founder of Kentucky Fried Chicken would turn in his grave if someone were to suggest that chicken is common food. The issue, in my view, is not in the quality but in the popularity of the item. A man can take rice, for example, the staple food of millions, turn it into a delicacy, call it by a fancy name and make a fortune. In time he would establish a reputation for the name since people will associate the delicacy with that name. Will the court deny him relief if someone attempted to 'cash in' on the name simply because it was common food? I hardly think so. Similarly, the plaintiff has taken a bake, livened it up, so to speak, put a name to it (Mario's Pizza) and has been successful with it over the last 18 years. So successful that it has been able to expand the business extensively. It is beyond a pre-adventure of a doubt that it has a reputation to maintain.

The defendant, on the other hand, has entered the market recently. I cannot ignore the circumstances under which it has entered that market. It never traded in pizzas before. In fact, the enterprise was only established and commenced business in November 1988. It has no reputation to maintain. It operates one outlet. I am not told what caused the defendant to enter the pizza business but it cannot go unnoticed that it entered the business after the plaintiff vacated the premises and began operating from the very premises. It was argued that the plaintiff's representatives were well aware that the defendant intended to operate a pizza business there and would be calling it "Mariano's Pizza". This, it was submitted, created a sort of an estoppel. All this is in issue. The plaintiff has denied that it was ever so aware. When one, however, puts the fact that the defendant has moved into the shoes of the plaintiff, so to speak, on the vacation of the premises and has called its operation by a name, which the plaintiff complains, sounds or closely resembles its own and when one looks at the get up of the defendant's boxes which appear to have

such a striking similarity (although on a close scrutiny one can find dissimilarities) and reads the instances of confusion alleged by the plaintiff, one cannot help but wonder whether the purpose of so doing was really to pass off its business as that of the plaintiff; a sort of cashing in on the plaintiff's reputation. As it now stands, the admissible evidence on the part of the plaintiff - admissible on a motion by way of challenge though not sufficient for the purposes of a trial, induces me to hold, as I do hold, that the use of the name by the defendant was made with a view to obtain the benefit of the plaintiff's trade. I wish to emphasise that I do not pretend to come to any conclusion or to make any finding on this and my view is strictly confined to determining the balance of convenience.

The other aspect of the 'financial question' to which I must address my mind is the question of the ability of either party to meet a claim for damages. The plaintiff is a large organisation; it operates 8 outlets in the country and there is nothing to suggest that it will be unable to meet a claim for damages if the defendant should ultimately succeed at the trial. The defendant, on the other hand, is still an infant. I have nothing to indicate what its financial position is and, as I said above, it operates one outlet. It does not appear to own the fixtures if the letter relied on as proof of notice of the intended business referred to above is any indication. If the injunction were denied and the plaintiff were to succeed at the trial, it is doubtful, on what is before me, (or should I say - what is not before me) whether the defendant could meet a claim for damages.

Then there is the question of delay. In this case there has been a complaint of unexplained delay on the part of the plaintiff and that delay is sufficient to deny the relief sought. It will undoubtedly have an effect on the balance of convenience. Delay may cause the Court to refuse

an interlocutory injunction, especially if the defendant has built up a trade in which he has notoriously used the mark. Delay, moreover, may prevent conduct which would at first be an infringement from being calculated to deceive and where the infringements are numerous and notorious, may amount to abandonment of a trade mark. But delay is not a bar where it can be explained away, where for instance it takes place in order that the plaintiff may obtain evidence necessary to establish his case.

It is true that in ordinary infringement cases, where it is alleged that the mark has been copied, the owner is not bound to wait before taking action to see whether his customers will in fact be deceived, for the very life of the mark depends upon the promptitude with which it is vindicated. In this case, however, where the claim is that the name and the get-up of the defendant is a colourable imitation of the plaintiff's name and mark, the plaintiff, in my view, (because the circumstances are such that it must establish confusion in the minds of the public in both the passing off and infringement claims) had to obtain evidence of confusion in order to found its claim. A plaintiff in those circumstances can wait to see if confusion does arise. If it did not it could be met with the unanswerable argument that it had not established 'confusion'. The extent of that confusion is always a matter of opinion - one may consider one instance sufficient while another may see the need for several. I do not pretend to determine such an issue. In Lee v Haley (1869-70) 5 L R Ch App 155 a similar delay occurred (August to November) and Giffard LJ held at the interlocutory stage that the plaintiff was quite justified in waiting until they could collect a sufficient number of cases to prove to the court that the proceedings complained of actually did deceive the public.

The defendant in this case started its business in November 1988, a letter before action was written in February 1989 (although returned

"unclaimed") and the writ was filed in March 1989. The plaintiff has not said when the information as to confusion came to its attention - it may have been in January 1989 or as late as February - but, according to the affidavit of Mr Harford, the last incident of confusion was in January 1989. This should have certainly been explained, but it is of no moment in view of my findings. The letter before action was written in February 1989 and although the letter was unclaimed it would not be unreasonable for the plaintiff to allow some reasonable time to elapse before instituting proceedings.

I am ever mindful in dealing with the question that one must not only look at delay in isolation vis a vis the plaintiff but one must consider whether there has been, or will likely to be, any prejudice to the defendant as a result of the delay. In this case I can see none. The defendant operates one outlet and there is nothing before me to suggest that that operation will be in any way affected by the relief sought. I have no doubt that it will be put to some inconvenience and cost if an injunction is granted against it in terms of the relief sought, but I cannot see how that will affect its trading in pizza. There is nothing before me to suggest that it has acquired any sort of reputation that must be protected and, in such a short space of time, any reputation would still be in an embryonic form.

In the light of what I have said with respect to the need to obtain the evidence of confusion before proceeding, being aware that 'one sparrow doth not a summer make' and there being no apparent prejudice to the defendant I do not consider that there has been such inordinate delay on the part of the plaintiff to be sufficient for me to deny the relief it seeks at this stage. The balance of convenience, in my view, tilts in favour of the plaintiff.



I shall therefore grant an injunction in the terms of paragraph 2 and 3 of the amended notice of motion and order that the defendant change that part of its name (Mariano's) within 30 days from the date hereof. The costs shall be costs in the cause, fit for attorney/advocate.

In order to minimise any potential loss which the defendant may suffer in the event that I am wrong I shall order an early trial. The plaintiff has already served the Statement of Claim. The defendant shall serve its defence within 14 days. The reply, if any shall be served within 7 days thereafter. The matter shall be set down on the list for trial before a judge without a jury in the first civil court in Port of Spain in October 1989. The estimated length of trial is 3 days.

Dated this 29th day of May 1989.

Roger Hamel-Smith  
Judge.