TRINIDAD AND TOBAGO

IN THE HIGH COURT OF JUSTICE

H.C.A. No. Cv. 550 of 2003

BETWEEN

IN THE MATTER OF THE TRADE MARKS ACT CHAP 82:81 (AS AMENDED)

AND

IN THE MATTER OF AN APPLICATION BY NESTLE TRINIDAD AND TOBAGO

APPLICANT

AND

IN THE MATTER OF REGISTERED TRADE MARK NO. B18927 REGISTERED IN THE NAME OF DAIRY DISTRIBUTORS LIMITED IN CLASS 42 (OLD)

AND

IN THE MATTER OF REGISTERED TRADE MARK NO. 22362 REGISTERED IN THE NAME OF DAIRY DISTRIBUTORS LIMITED IN CLASS 42 (OLD)

AND

IN THE MATTER OF REGISTERED TRADE MARK NO. B27064
REGISTERED IN THE NAME OF
DAIRY DISTRIBUTORS LIMITED IN CLASS 29

AND

IN THE MATTER OF REGISTERED TRADE MARK NO. B27065 REGISTERED IN THE NAME OF DAIRY DISTRIBUTORS LIMITED IN CLASS 29

AND

IN THE MATTER OF REGISTERED TRADE MARK NO. B28802 REGISTERED IN THE NAME OF DAIRY DISTRIBUTORS LIMITED IN CLASS 29

AND

IN THE MATTER OF REGISTERED TRADE MARK NO. B28803 REGISTERED IN THE NAME OF DAIRY DISTRIBUTORS LIMITED IN CLASS 29

AND

IN THE MATTER OF REGISTERED TRADE MARK NO. B28855 REGISTERED IN THE NAME OF DAIRY DISTRIBUTORS LIMITED IN CLASS 29

RESPONDENT

BEFORE THE HONOURABLE MR. JUSTICE P. JAMADAR

APPEARANCES

Mr. N. Bisnath and Mr. R. Nanga for the Applicant.

Mr. S. Jairam S.C. and Mr. K. Garcia for the Respondent.

JUDGMENT

INTRODUCTION

This matter concerns an application by Nestle Trinidad and Tobago Ltd., filed on the 25th February 2003, to challenge seven trade marks registered under the Trade Mark Act (TMA) in favour of Dairy Distributors Ltd. . Those marks may be conveniently grouped into two categories:

- (i) pure word marks (Nos. B 18927, B 28855 and 22362), and
- (ii) word marks used in combination with particular getups (Nos. B 27065;B 28802; B 28803 and B 27064).

By this challenge the Applicant seeks to have these marks expunged from the Register of Trade Marks.

With respect to the three pure word marks, the word mark for which protection and exclusive use has been granted and which has been registered is 'DAIRY DAIRY'. In **B 18927** what was sought to be registered (by application of the 25th April 1990) was the word mark 'DAIRY DAIRY' and this was granted on the 27th September 1993 (in respect of class 42 – substances used as food or as ingredients in food). This mark remained in force until the 24th April 2004. Thus, by the time the hearing of this application commenced (on the 17th May 2005) it was no longer in force.

In <u>22362</u> what was sought to be registered was the word mark 'DAIRY DAIRY 1 Litre Pack' (by application of the 9th February 1994) and protection was only granted (on the 17th August 1995) with respect to the word mark 'DAIRY DAIRY' there being a disclaimer with respect to the exclusive use of the words '1 Litre Pack' (also in respect of class 42). This mark remains in force until February 2008. In <u>B 28855</u> what was sought to be registered was the word mark 'DAIRY DAIRY THE MILKY MILK' (by application of the 21st October 1998) and protection was only granted (on the 22nd November 2001) with respect to the word mark 'DAIRY DAIRY' there being a disclaimer with respect to the exclusive use of the words 'milky' and 'milk' separate and apart from the mark (in respect of class 29 – milk, milk products and milk beverages).

The challenge to each of these three pure word marks was on the ground that "the words 'DAIRY DAIRY' ... generically designate the types of goods to which the Trade Marks apply, in contravention of section 13(b) of the Trade Marks Act."

With respect to the four combination marks the challenge is two fold. First, since all of them incorporate 'DAIRY DAIRY' the challenge under section 13(b) of the TMA is repeated. Second, in three of these combination marks (B 27005, B 28802 and B 28803) the device of a white 'pour and splash' is used in combination with the word mark 'DAIRY DAIRY' (in B 27004 the mark is a combination of the word mark 'DAIRY DAIRY' and the device of a glass of milk). Here the challenge is on the ground that "the device of a splash specially featured ... is a device which is common to the trade and/or

of a <u>non-distinctive character</u> and is in contravention of section 16(b) of the Trade Marks Act."

Three things are noteworthy. First, in the Applicant's pleaded case Mark B 27064 is also challenged because of the device of a 'splash,' when in fact no 'splash' forms part of that mark – and there is no challenge to the device of a glass of milk. Second, in the Applicant's pleaded case the aspect of the device challenged in the combination marks was only the 'splash,' whereas before this Court it was the 'pour and splash' that was identified as being objectionable. Third, in all of these four combination marks what was sought to be registered were various combinations of colours upon which a white 'pour and splash' was placed together with the word mark "Dairy Dairy THE MILKY MILK" (except in B 27064 where the word mark was only 'Dairy Dairy'); and in all, upon registration, it was stated that registration would not give any exclusive use of the words 'milky' and 'milk' separate and apart from the mark. For ease of reference the marks in B 28802 and B 28803 are attached to the end of this judgment. The marks in B 28802 and B 28803 remain in force until October 2008; the mark B27065 remains in force until June 2007; and all four combination marks are with respect to Class 29.

Finally, there has been no cross-examination of any of the deponents to affidavits sworn in this matter and no dispute as to the material facts.

This judgment is structured as follows:

- (i) History of the parties relative to this action.
- (ii) Overview of the TMA powers of the Court.
- (iii) Section 13(b) TMA.
- (iv) Section 16(b) TMA.
- (v) Conclusion.

HISTORY OF THE PARTIES

The Applicant

The Applicant's association with the food industry in Trinidad and Tobago began in 1914. In 1962 it began manufacturing operations here and in 1991 by way of name change became Nestle Trinidad and Tobago Limited (Nestle T & T Ltd.). Nestle T & T Ltd. is a subsidiary of Nestle S.A., which was founded in 1868 and which is a leading milk manufacturer in the world.

The Applicant produces and distributes a wide variety of milk and milk based products, which include fresh or reconstituted cow's milk and milk drinks in liquid form. Up to 2002 the Applicant never used on its products in the local market a (liquid) white pour and splash depiction of milk similar to the Respondent's challenged device.

The Respondent

Dairy Distributors Limited (the Respondent) commenced business in Trinidad and Tobago in 1991 and has since then only been producing and distributing powdered milk under the style 'Dairy Dairy.' This powdered milk is packaged and sold in sachets. Initially, the getup (design) on the sachets included the words:

Dairy Dairy FULL CREAM POWDERED MILK

and a transparent glass 9/10's full of a white liquid (obviously representing liquid milk).

In 1997 the Respondent changed the getup (design) on its sachets to include, in addition to the words:

Dairy Dairy THE MILKY MILK

a device of a (liquid) white pour and splash (obviously representing a pour and splash of liquid milk).

As already indicated, the application for registration of the pure word mark 'DAIRY DAIRY' was initially made on the 25th April 1990 (before the commencement of the Respondent's business) and was granted on the 27th September 1993 (No. B 18927). And, the application for the registration of the getup of the combination mark using the words 'Dairy Dairy THE MILKY MILK' together with the (liquid) white pour and splash on varying colour backgrounds, was initially made on the 13th June 1997 and was granted on the 15th November 2001 (No. B 27065). Indeed, the two other combination marks which include a (liquid) white pour and splash (Nos. B 28802 and B 28803), though applied for in October 1998, were also granted on the 15th November 2002.

Thus, one can see that the use by the Respondent of various devices and getups to represent its product coincided with applications to have those devices and getups registered under the TMA and that they were duly so registered, with certain disclaimers.

The Respondent has since its entry into the powdered milk market allegedly expended about \$37M in advertising its products as described; and as between 1997 to 2002 has held an average share of 57% of local market (for powdered milk). Further, the Respondent asserts (and it is not challenged) that "up until September 2002 the Respondent was the only producer and distributor of powdered milk to make use of a packaging featuring a splash of white liquid on the local market;" and that "up until the latter half of 2002 the Respondent was the only user of a splash design similar to that of its registered Trade Marks, on milk or milk products in Trinidad and Tobago."

Conflict

Against this background the Respondent on the <u>24th February 2003</u> commenced litigation against the Applicant in H.C.A. No. 528 of 2003; seeking, inter alia, an injunction to restrain it from infringing the Trade Marks registered as B 27065, B 28802 and B 28803. In H.C.A. No. 528 of 2003 the Respondent claimed that in August through December 2002 the Applicant "began packaging and offering for sale to the public in Trinidad and Tobago" some of its liquid full cream milks and low fat milks and some of its powdered milk products, "in packaging bearing a splash of white liquid into a glass as its

predominant feature ... in a manner confusingly similar to the Plaintiffs splash design" (paragraphs 14, 15 and 16 of the Statement of Claim).

[On the 18th February 2005 Tiwary-Reddy J. refused to grant any of the interim injunctive relief sought by the Respondent in H.C.A. No. 528 of 2003, and went ahead to give directions for trial of that action in June 2005].

One day after the commencement of H.C.A. No. 528 of 2003, on the <u>25th February 2003</u>, the instant application was commenced. Clearly a lot is at stake in this litigation, as these parties vie for control over the use of a white pour and splash device on the packaging and marketing of their milk related products.

THE TRADE MARKS ACT

The TMA is arranged into several sections, denoted by the subtitles preceding each. For example, sections 4 to 9 deal with the 'effect of registration;' sections 10 to 18 deal with 'validity of registration;' and sections 46 to 49 deal with 'rectification.'

The effect of registration of a mark is generally to grant to the proprietor exclusive right to the use of the trade mark in relation to the subject goods. Because of this obvious benefit, an application for registration of a mark is to be advertised in the Gazette and any person may within three months of the advertisement give notice of objection to the registration of the mark. That notice is to be in writing and shall state the grounds of opposition (sections 20 and 21, TMA).

It is agreed that the Applicant did not avail itself of the statutory opportunities to object to the Respondent's application for the stated marks.

Instead, the challenge to the marks is made under the Court's general jurisdiction to rectify and correct the Register established by section 46 of the TMA. What is sought is an order expunging the subject marks from the Register. As outlined above the grounds for the challenges are as stated in sections 13(b) and 16(b) of the TMA. It is to be noted

that under this general jurisdiction the Court has the power to <u>expunge or vary</u> any entry as it may think fit.

Distinctiveness

Generic designations and non-distinctiveness are the antithesis of trade marks - an anathema. Distinctiveness, on the other hand, is the hallmark of trade marks. That this is so is evident from a reading of sections 10 and 11 of the TMA and the prohibitions and limitations stated at sections 13(b) and 16(b) of the TMA. Distinctiveness arises in the context of a mark and a product (goods or service) and of whether the association between the two is such as to allow the owner of the mark to distinguish its product from that of others. From the perspective of the consumer, a mark is distinctive if, when used in relation to a product, it distinguishes for the consumer the source of that product: the consumer being an ordinary consumer in the market for the type of product under consideration. It is in this context of distinctiveness that generic designations of goods or services or non-distinctive marks are considered non-registrable: and it is this generic character and non-distinctiveness of marks which sections 13(b) and 16(b) seek to limit or prohibit.

SECTION 13(b) TMA

Section 13 (as amended by Act No. 25 of 1996) states:

- 13. **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 justice or would be contrary to law or morality, or any scandalous design (deleted by 25/96)] **part of a trade mark**:-
 - (a) any matter the use of which would , by reason of its being likely to:-
 - (i) deceive or cause confusion;
 - (ii) disparage or falsely suggest a connection with persons, living or dead, institutions, beliefs or national symbols or bring them into contempt or disrepute,

be disentitled to protection in a court of justice;

(b) subject to section 17, words that generically designate goods or services or types of goods or services to which the trade mark applies;

- (c) any matter the use of which would be contrary to law or morality; or
- (d) any scandalous design.

For the purposes of this application and in particular with respect to the challenge to the word mark 'DAIRY DAIRY,' the section provides that it shall not be lawful to register as a trade mark or part of a trade mark: (b) words that generically designate goods ... or types of goods ... to which the trade mark applies. It was agreed that section 17 of the TMA had no relevance in the circumstances of this case.

It was argued that the mark 'Dairy Dairy,' whether the words are taken together or in their constituent parts (the single word 'Dairy'), consists of words that generically designate milk related goods which are the goods to which the mark applies (i.e. powdered milk). As such the mark is not lawful and should be expunged from the Register.

It is quite clear that section 13 prohibits the registration of certain types of marks. Before its amendment in 1996 this section was identical to section 11 of the 1938 UK Trade Marks Act. With the introduction of section 13(b), words that generically designate goods or types of goods to which a mark applies shall not be registered.

In my opinion the mischief that section 13(b) is aimed at preventing is the registration of generic marks. This is achieved by prohibiting the registration as a mark (or part of a mark) words that are generally and commonly used as a name or description for particular goods or types of goods. Inherent in this understanding is that the words must lack distinctiveness or any special context or usage such as would negate their generic character.

In my opinion the correct approach to the application of section 13(b) of the TMA is one that is practical and purposive in which context and/or usage are factors to be considered (especially for the purpose of interpretation and/or meaning). This approach is preferred to a more formalistic approach, which is premised on a universalist philosophy which

contends that irrespective of any context or usage certain words will always be generic [for the purpose of s.13(b)]; or certain matter will always be contrary to law or morality [for the purpose of s. 13(c)]; or certain designs will always be scandalous [for the purpose of s.13(c)]. In my opinion, not only is such an approach fallacious but it is also unnecessarily restrictive and inhibitory given the underlying intention of the TMA. History is replete with examples of how over time, with changing contexts and usage, matter or images that may once have been considered immoral or scandalous have now acquired legitimacy.

The test in this case is therefore, given the practical and purposive approach stated above and bearing in mind context and usage, whether the word mark ('Dairy Dairy') or any part of it contains words that generically designate milk products.

In my opinion, taking the practical and purposive approach stated and bearing in mind context and usage, I am satisfied that the word mark 'Dairy Dairy' is a single distinctive compound word which is not intended to and does not generically designate the types of goods to which it applies, but rather identifies the product of the manufacturer (Dairy Manufacturers Ltd.) in a distinctive and unique way.

It is highly fictitious to attempt to dissect this word mark into constituent parts. In my opinion the argument, that because the word 'Dairy' standing alone generically designates milk products (assuming that is so) necessarily 'Dairy Dairy' (the repetition of the word) equally generically designates milk products, is based on a false premise. In fact repetition changes everything about the nature, character and meaning of the mark. This mark is simply an invented construction that is not part of normally spoken or written English and not commonly used or understood to describe milk or milk related products. As such the word mark 'Dairy Dairy' does not have any known meaning; and in the existing context and usage does not generically designate the goods to which it applies. It is an invented compound word-phrase that is not descriptive in character and does not lack distinctiveness.

Though the mark may be seen as a repetition of the word 'Dairy' or made up of two words, that is a different thing from construing the mark as made up of distinct parts. In my opinion, pragmatically there are no parts to this mark as contemplated by section 13(b) of the TMA. What is being protected by registration is a single compound word mark.

This mark was duly considered by the Registrar and in the absence of any objections duly registered (with related disclaimers: "milky" and "milk" – no doubt because of, inter alia, their obvious descriptive nature). However, because the Respondent does not and in my opinion could not claim any exclusive use in the single word 'Dairy' (standing done), I am of the view that, in the interest of clarity, certainty, and unambiguity, the registrations of all the marks (both the pure word marks and the combination marks) should be varied to reflect a further disclaimer to the exclusive use of the word 'Dairy' (standing alone) separate and apart from the marks – and I so order.

SECTION 16(b) TMA

Section 16 states:

- 16. If a trade mark:
 - (a) contains any part not separately registered by the proprietor as a trade mark; or
 - (b) contains matter common to the trade or otherwise of a nondistinctive character,

the Registrar or the Court, in deciding whether the trade mark shall be entered or shall remain on the register, may require, as a condition of its being on the register:-

- (i) that the proprietor shall disclaim any right to the exclusive use of any part of the trade mark, or to the exclusive use of all or any portion of any such matter as mentioned above, to the exclusive use of which the Registrar or the Court holds him not to be entitled; or
- (ii) that the proprietor shall make such other disclaimer as the Registrar or the Court may consider necessary for the purpose of defining his rights under the registration,

but no disclaimer on the Register shall affect any rights of the proprietor of a trade mark except such as arise out of the registration of the trade mark in respect of which the disclaimer is made.

The specific challenge here is really to the device of the pour and splash (even though the motion is limited to the splash) on the grounds that: (a) it is matter common to the trade and/or (b) it is matter of a non-distinctive character.

Common to the Trade

Section 16 of the TMA is identical to section 14 of the equivalent 1938 UK Act. Under section 16 the Court has powers to, inter alia, expunge a mark from the Register or to allow it to remain on condition of disclaimer of the right to the exclusive use of any part of it.

Kerly's, Law of Trade Marks and Trade Names (12th and 6th eds.), points out (at pages 126 and 246-247 respectively) that:

Matter 'common to the trade' include marks which (1) "are in common use in the trade" with respect to the goods concerned, and (2) are "open to the trade" to use.

[See also, **Burland v Broxburn Oil Co.** [1889] 42 Ch. (1) 274 at 280].

There is no issue on the evidence that a (liquid) white pour and splash was not in use in Trinidad and Tobago to show milk or milk related products when the Respondent began using same. The only issue therefore, for this Court under this aspect of section 16(b) of the TMA, is whether the (liquid) white pour and splash is a device which is open to the trade to be used to show milk or milk related products. The Respondent argued that a (liquid) white pour and splash is not common to the trade to show milk or milk related products.

However, what the evidence does demonstrate is that a device of a (liquid) white pour and splash is widely used internationally throughout the beverage industry, to show, inter alia, milk and milk related products. The evidence of the Applicant of a 1998 catalogue (exhibited as JJM-3 to the principal affidavit of Mouttet) is clearly demonstrative of this. The variety of different representations of a (liquid) white pour and splash to show milk or milk related products illustrates unequivocally that this device is common to the trade

in the sense of it being open to the trade. [Noteworthy in that 1998 catalogue are exhibits nos. 13, 14, 21, 22, 23, 24, 61, 62, 63, 64, 66, 67, 68, 85, 87, 89, 90, 92, 93, 94, 95, 96, 109, 111, 113, 115 and 117; all of which show variations of a (liquid) white pour and splash to show milk or milk related products].

In my opinion, even apart from this evidence, it is obvious and a matter of common sense that a common way of showing milk products would include a (liquid) white pour and splash. It is a device that is inherently descriptive of the product being manufactured and sold. That is, a (liquid) white pour and splash is a common manner of illustrating milk or milk related products and is really descriptive, being a pictorial representation of the product. As such I find that this specific device of the Respondent in the combination marks is matter common to the trade as contemplated by section 16(b) of the TMA.

Non-distinctive Character

The second aspect of this issue is whether the (liquid) white pour and splash is of a non-distinctive character.

It was argued on behalf of the Respondent that the particular white pour and splash device used by the Respondent was unique and distinctive in character, and so could not be challenged as being 'non-distinctive.' While it is true that if one were to examine microscopically all of the other white pours and splashes on milk products shown in the 1998 catalogue, none would be identical to the Respondent's, that of itself does not make the Respondent's pour and splash distinctive. In my opinion the distinctiveness of this device when isolated must be determined by whether the ordinary viewer could recall it as distinctive when compared to other white pours and splashes considered separately. In my opinion, isolated from the rest of the 'get up' this pour and splash of the Respondent is non-distinctive in character as contemplated by section 16(b) of the TMA. As already explained, such a device is really descriptive or expressive, being a pictorial representation of the product being manufactured and sold – powdered milk (see, by way of analogy, Unilever Plc's Trade Mark [1984] RPC 155).

However, what the Applicant argued for was to have all of the combination marks completely expunged from the Register. While section 16(b) of the TMA does allow a Court to expunge a mark that contains matter 'common to the trade or otherwise of a non-distinctive character,' it also permits a Court to allow a mark to remain on the Register with such disclaimers as the Court may deem appropriate.

In fact the combination marks consist of getups which include the word mark 'Dairy Dairy,' various combinations of colours and the (liquid) white pour and splash. In this Court's opinion these combination marks with the employment of the distinctive word mark 'Dairy Dairy' and the particular getups are in their totality distinctive in character.

This distinctiveness is supported by the evidence of B. Bayley of Caribbean Market Research Ltd. and its reports of February and September 1996 [in particular, in those reports, under the headings 'Features Liked' (pages 8 and 11 respectively)].

In my opinion, the evidence attached to the affidavit of G. Bailey filed in May 2005, though flawed in some respects, supports the conclusion that the getups of the combination marks of the Respondent are distinctive. This is not surprising given that the Respondent was the first in Trinidad and Tobago to introduce the (liquid) white pour and splash to show its products in association with its word mark 'Dairy Dairy;' and has invested considerable time, expense and effort in promoting its products using these marks; and was allowed to do so unchallenged for a substantial period of time. Because of the distinctiveness of the Respondent's combination marks in their totality, in this Court's opinion it is not just or equitable or necessary or in the interest of the subject market to expunge the Respondent's combination marks from the Register. All of these combination marks can remain on the Register provided a disclaimer is given with respect to the exclusive use of the (liquid) white pour and splash.

In the course of the arguments this Court inquired of Senior Counsel for the Respondent whether the Respondent would consent to disclaim any right to the exclusive use of a (liquid) white pour and splash, if this Court was minded to so order. Senior Counsel confirmed that the Respondent would consent to any such disclaimer.

In all of the circumstances and for the reasons given above, this Court orders that the combination marks shall remain on the Register subject to the additional condition that registration will give no right to the exclusive use by the Respondent of a (liquid) white pour and splash separate and apart from the marks.

CONCLUSION

Several cases were cited to this Court by both parties in the course of their submissions. I do not propose to deal with any of them in depth, as their only value is analogical. Each case was decided on its own particular facts and circumstances, including the legal and legislative frameworks within which they arose. However, as a general statement, and in so far as it is relevant to the issues before this Court, in all of the cases the courts have sought to determine as one material factor whether or not the subject mark was <u>distinctive</u> or not. Indeed, as was pointed out by Parker J. in re <u>Gramophone Company's Application</u> 2 Ch. 423 at 437: "For the purpose of putting a mark on the register distinctiveness is the all important point."

Thus, there are cases that decided that compound words or combinations of ordinary English words, though not in general use, remained descriptive and non-distinctive or did not qualify as an invented word (and were not registrable), and others that held the opposite: that compound or invented words, even if they may be descriptive, were nevertheless distinctive and registrable. See for example: Chaseside Engineering Cov's Ltd. Application for a Trade Mark [1956] R.P.C. 73. The Canadian Shredded Wheat Company Ltd. v Kellogg Company of Canada Ltd. [1938] 55 RPC 125; The Cellular Clothing Company Ltd, v Maxton and Murray [1899] A.C. 326; General Motors Corporation v Bellows [1948] 1 D.L.R. 375; Eclipse Sleep Products Inc. v Registrar of Trade Marks 99 CLR 300; Computer Vision Corporation v Computer Vision Ltd. [1974] F.S.R. 206; Fibergrid Inc. v Precisioneering Ltd. [1991] F.C.J. 129 [35 C.P.R. (3d) 221]; Pepsi-Cola Company of Canada v Coco-Cola Company of

Canada [1940] S.C.R. 17; and Pizza Pizza Ltd. v Registrar of Trade Marks 67 C.P.R. (2d) 202.

Word Mark: 'Dairy Dairy'

In this Court's opinion, for reasons already stated, this Court is satisfied that the word mark 'Dairy Dairy' is not a descriptive title, but rather a distinctive invented phrase (a single compound word) that has no ordinary meaning in the English Language and has no history of ordinary usage therein. Certainly, before its use by the Respondent it was unheard of and unknown in Trinidad and Tobago. No descriptive meaning is readily discernable from the combination of the words 'Dairy Dairy' when considered from the point of view of the impression likely to be formed by a reasonable purchaser/observer in the local market. [Indeed, one can take judicial notice that, among the majority of ordinary people in this society one does not usually speak about 'dairy products,' rather one speaks about 'milk' or 'cheese' or 'butter.'] Furthermore, given the name of the Respondent (Dairy Manufacturer's Ltd), this combination of words is more likely interpreted as indicative of origin: these two words ('Dairy Dairy') never having been used in conjunction except by the Respondent. Finally, the research surveys conducted are evidence that the Respondent has established a distinctive and distinguishable identity in the market place by use of and for the word mark 'Dairy Dairy'. That is, their products are identifiable by this trade name as being distinct from other similar products in the market place.

In these circumstances, given a practical and purposive approach in which context and usage are relevant considerations, there is no sufficient basis upon which this Court can hold that the word mark 'Dairy Dairy' generically designates the Respondent's goods (as contemplated by section 13(b), of the TMA). The Respondent is clearly not entitled to claim any proprietary right in the word 'Dairy' standing alone, and no such right has been argued for. Indeed, what has been argued is that the word mark 'Dairy Dairy' is a single compound word mark that is distinctive and capable of registration: and I agree that that is so. However, in the interest of certainty and clarity and to avoid any confusion, this Court will exercise its power to rectify entries on the Register (pursuant to section 46 of

the TMA; and see the <u>GE Trade Mark</u> case [1973] R.P.C. 297) and order that the Register of Trade Marks be varied with respect to all of the Respondent's marks, to reflect a further disclaimer to the exclusive use of the word 'Dairy' (standing alone) separate and apart from the said trade marks.

Combination Marks

In so far as the (liquid) white pour and splash is concerned, for reasons already stated, this Court is of the opinion that this device standing alone is common to the trade, non-distinctive and descriptive or expressive of the product manufactured and sold by the Respondent. The device is a pictorial representation of milk or milk products. As such this Court will also order, in relation to this device, that the Register of Trade Marks be varied to reflect with respect to all of the Respondent's combination marks a further disclaimer to the exclusive use of a (liquid) white pour and splash design separate and apart from the said trade marks. For reasons elaborated above these combination marks will not be expunged from the Register.

This is sufficient to deal with the Application before the Court, as the Applicant has only argued for the expunging of the challenged marks. As this Court is not prepared to expunge any of the challenged marks, but rather to allow them to remain on the Register with the above stated variations, the Application herein is dismissed. Though the Respondent has also raised the issues of delay, acquiescence and economic injustice, it is not necessary to deal with these issues.

Costs

On the question of costs this Court will order the Applicant to pay the Respondent's costs certified fit for Senior and Junior Counsel. The Applicant's 'delay' in bringing this action is not irrelevant to the issue of costs. This Applicant choose not to challenge the Respondent's several applications for registration of these marks, thought it was entitled to do so (see sections 19, 20 and 21 of the TMA). No explanation has been given for this choice. Further, the Applicant has allowed the Respondent to package, market and advertise its products using the word mark 'Dairy' and the combination marks

including the device of the (liquid) white pour and splash for several years – at considerable expense; and has done nothing to challenge these marks until the filing of this application in February 2003 (which, significantly, coincides with the Respondent's action against the Applicant in H.C.A. 528 of 2003). In a small society such as that which exists in Trinidad and Tobago, and given the realities of modern communication, the expenditures and efforts used in marketing and advertising by the Respondent would no doubt have created a significant impact in the local market (something the Applicant must be presumed to have been aware of). It is therefore not surprising that even after this relatively short time the surveys show that the mark 'Dairy Dairy' is identified with the Respondent's products, and those products are recognized by virtue of this word mark and the getups registered as the combination marks. In the face of all of this the Applicant choose to do nothing until it commenced this action.

The learning suggests, that even if the Applicant had been successful, by reason of its delay in commencing this action it could have been ordered to pay the costs of the action: see Kerly's, Law of Trade Marks and Trade Names, 12th ed., paragraphs 11-37, pages 191-192; and **Bourne v Swan and Edgar** [1903] 1 Ch 211 at 219. In the instant application however, the Applicant has been wholly unsuccessful in its efforts to have the marks expunged from the Register. The <u>rectification</u> of the entries on the Register have been made by this Court in the exercise of its discretion bearing in mind that: "The purity 7-of the register of trade marks is of much importance to trade in general, quite part from the merits or demerits of particular litigants" – in **Bourne's** case at page 219. A court is duty bound if in the course of a case it discovers that a mark is wrongly on the Register, to rectify the Register as it thinks fit in order to preserve the integrity of the Register. The Court acting in the Public interest has a duty to maintain the integrity of the Register and to ensure clarity and certainty with respect to registered trade marks.

Thus, given the rectification of the entries on the Register ordered herein, this Court will also Order that notice of this opinion and of the Court's Orders be served on the Registrar, who shall upon receipt of same rectify the Register accordingly (see section 46(3) of the TMA).

Dated this 27th day of July 2005.

P. Jamadar Judge