

1985 June 1

[PIKIS, J.]

IN THE MATTER OF ARTICLE 146
OF THE CONSTITUTION

EL GRECO DISTILLERS LTD.,

Applicants,

v.

1. THE MINISTRY OF COMMERCE AND INDUSTRY,
2. THE REGISTRAR OF TRADE MARKS,

Respondents.

(Case No. 7/84).

*Trade marks—Registration—Opposition to—“White Horse”—
“El Caballito”—Confusion or deception—Trade marks not
compared soundwise—No inquiry into the range of goods
traded under the respective trade marks and into the nature
of the clientele for each product—Sub judice decision ex-
punging “El Caballito” from the Register annulled for lack
of adequate inquiry—Moreover Registrar expected to ex-
amine the impact of the registration of the trade mark
under consideration, in the Spanish language, on the ordi-
nary Cypriot customer—Section 13 and 14(1) of the
Trade Marks Law, Cap. 268.*

On the application of the applicants, “El Caballito” was registered as their trade mark in Class 33 of the “A” Register for wines, spirits and liquers. This registration was opposed by White Horse Distillers Ltd. who were the registered owners of trade marks “White Horse” and “White Horse” with a pictorial representation of a white horse, for Scotch whisky and whisky, in the “A” Trade Mark Register in Class 33, recording trade mark registrations for wine, spirits and liqueur products. The respondent Registrar after hearing the two sides concluded that the applicants failed to discharge the burden cast on them

to establish, in the face of opposition, that their mark was registrable in Class 33 of Table "A"

Upon a recourse by the applicants

Held, that the marks must be compared soundwise as well, that evidently this is very useful in order to tell whether confusion is a real possibility as opposed to a remote probability; that, then the range of goods traded under the respective marks must be examined as well as the nature of the clientele for each product, that what is likely to happen in the normal course of trading must be weighed, that it is through this process that an informed decision may be reached about the possibility of deception and the likelihood of confusion, that the Registrar does not appear to have carried out an inquiry into the above subjects or if he did, he does not disclose his findings in his decision, and that, therefore, the inquiry conducted by the Registrar was inadequate and his reasoning incomplete if not defective and he must go into the matter afresh, accordingly the sub judice decision must be annulled

Per Pikiis, J In a case like the present I would expect the Registrar, in addition to inquiring into the above subjects, to examine the impact of the registration of the trade mark under consideration, in the Spanish language, on the ordinary Cypriot customer. The official languages of the country are Greek and Turkish. Also many Cypriots have knowledge of the English language as well. Would "El Caballito" suggest any association with the products of the interested parties owing to their trade mark? A lot would depend on the association of the word "caballitto", if any, with the Greek and English language, the languages in which trade is mostly conducted in Cyprus

Sub judice decision annulled

Cases referred to:

Granada (Furniture and Bedding Manufacturers) Ltd v Republic (1985) 3 C.L.R. 207; 35

In re Trade Mark of John Dewhurst and Sons Ltd [1897] 2 Ch 137,

Pianotist Co. Limited's Application [1906] 25 R.P.C. 774
at p. 777;

Jellinek's Application [1946] 63 R.P.C. 77.

Recourse.

5 Recourse against the decision of the respondent to expunge from the Class 33 in "A" Register of Trade Marks of the trade mark "El Caballito."

M. Christofides, for the applicants.

St. Ioannidou (Mrs.), for the respondents.

10 *G. Nicolaidis*, for the interested party.

Cur. adv. vult.

PIKIS J. read the following judgment. White Horse Distillers Ltd. are the registered owners of trade marks "White Horse" and "White Horse" with a pictorial representation of a white horse, for Scotch whisky and whisky. The registration was entered in the "A" Trade Mark Register in Class 33, recording trade mark registrations for wine, spirits and liqueur products. On the application of El Greco Distillers Ltd., the applicants, "El Caballito" was registered as their trade mark in Class 33 of the "A" Register. The registration was opposed by White Horse Distillers Ltd. who sought its expungement from the Register on grounds of similarity to their aforementioned trade marks, the possibility of deception as to the origin of the products of applicants and the likelihood of members of the public confusing applicants' products for those of the interested parties. Thus, issue was joined on the registrability of "El Caballito" in Class 33 of the Trade Mark Register designed to catalogue trade marks for wines, spirits and liqueurs.

30 Evidence was adduced before the Registrar of Trade Marks on the literal and popular meaning of "El Caballito", a Spanish expression literally meaning "small horse". "Caballito" is a derivative of "caballo" that connotes a horse in Spanish. In popular use the expression is also a descriptive term of the sea-horse, a small fish. So far as I was able to discover from inquiries made of counsel at

the hearing, the applicants are more interested in the use of "El Caballito" in the latter sense for they expressed readiness in case of re-examination of the matter to accompany "El Caballito" with a pictorial representation of the sea-horse.

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In order to determine the registrability of "El Caballito", the Registrar made reference to the provisions of sections 14(1) and 13 of the Trade Marks Law (1) and case-law shedding light on their interpretation. Section 14(1) is intended to prohibit the registration of marks identical to existing ones or presenting near resemblance to them. The mark here under consideration, namely, "El Caballito", is certainly not identical to anyone of the two trade marks belonging to the interested parties nor does it present near similarity to anyone of them. Visually as well as acoustically "El Caballito" is different to the trade marks of the interested parties. Attention must be focused on the provisions of s. 13 intended to prohibit, as I perceive the Law, subtle forms of copying of trade marks in the interest of honest trading. Recently I had occasion to survey the ambit of the provisions of s. 13, albeit briefly, in the case of *Granada (Furniture and Bedding Manufacturers) Ltd. v. The Republic* (2). The Registrar concluded that applicants failed to discharge the burden cast on them to establish in the face of opposition that their mark is registrable in Class 33 of Table "A". Applicants have a burden to discharge before me too and persuade me that the decision of the Registrar must for any reason be annulled (3).

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The Registrar made extensive reference to the principles, as analysed by authority, relevant to determining the likelihood of deception and confusion. By the tenor of the decision it appears the Registrar derived support for his conclusion from the decision *In Re Trade Mark of John Dewhurst and Sons Ltd.* (4). As I comprehend it the principle espoused in the above case is that the adoption of a mark verbally describing a pictorial one is apt to deceive and

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(1) Cap. 268.

(2) (1985) 3 C.L.R. 207.

(3) *Curzon Tobacco v. The Republic* (1979) 3 C.L.R. 151.

(4) [1897] 2 Ch. 137.

confuse. This likelihood does not abate merely because the description is made in a foreign language, the Burmese language in that case. One cannot overlook the decision was given in 1896 when Britain ruled a vast empire and registration of a trade mark in England made possible trading under that name over wide areas of the globe; while the use of trade mark in Cyprus is necessarily restricted by the smallness of the place. The importance attached to the case of *Dewhurst* by the Registrar is, to my comprehension, somewhat misplaced for in the case in hand we are not concerned with the verbal description of a pictorial representation.

Although the Registrar properly drew attention to the principles articulated or expounded in the cases of *Pianotist Co. Limited's Application* (1) and *Jellinek's Application* (2) on the questions to be asked with regard to the registrability of a trade mark, he failed to explain how they find application to the facts of the case. The marks, it was stressed in the *Pianotist*, must be compared soundwise. Evidently this is very useful in order to tell whether confusion is a real possibility as opposed to a remote probability. Then the range of goods traded under the respective marks must be examined as well as the nature of the clientele for each product. What is likely to happen in the normal course of trading must be weighed. It is through this process that an informed decision may be reached about the possibility of deception and the likelihood of confusion. The Registrar does not appear to have carried out an inquiry into the above subjects or if he did, he does not disclose his findings in his decision. As Romer, J., emphasized in *Jellinek's* case, the nature of the respective goods and their use and the trade channels through which business is transacted, are very material considerations for a decision on the possibility of deception and likelihood of confusion. The Registrar contented himself with recording his conclusions to the effect that application of the principles enumerated in his decision justified the deletion of the registration in the name of the applicants.

In a case like the present I would expect the Registrar,

(1) [1906] 25 R.P.C. 774, 777

(2) [1946] 63 R.P.C. 59, 77.

in addition to inquiring into the above subjects, to examine the impact of the registration of the trade mark under consideration, in the Spanish language, on the ordinary Cypriot customer. The official languages of the country are Greek and Turkish. Also many Cypriots have knowledge of the English language as well. Would "El Caballito" suggest any association with the products of the interested parties owing to their trade mark? A lot would depend on the association of the word "Caballito", if any, with the Greek and English language, the languages in which trade is mostly conducted in Cyprus. The only word in use in Greek in the vernacular bearing relation to "El *Caballitto*", as pointed out by counsel for the applicants, is the word "kavalla" meaning a ride in a variety of circumstances. The only word I traced in the Concise Oxford Dictionary bearing similarity soundwise to "caballito" is "cabbala", connoting a Jewish oral tradition, again having nothing to do with a horse.

For the above reasons the inquiry conducted by the Registrar was inadequate and his reasoning incomplete, if not defective. He must go into the matter afresh. In the result the sub judice decision is annulled. Let there be no order as to costs.

Sub judice decision annulled.

No order as to costs.