

## THE HIGH COURT

Record No. 2005/35SP

**IN THE MATTER OF THE TRADE MARKS ACT, 1963  
AND IN THE MATTER OF THE TRADE MARK APPLICATION 171850  
SUNSMILE UNDER THE TRADE MARKS ACT, 1963 IN THE NAME OF  
SUNRIDER CORPORATION AND OPPOSITION THERETO BY  
UNILEVER PLC**

BETWEEN

UNILEVER PLC

PLAINTIFF

AND

**THE CONTROLLER OF PATENTS, DESIGNS AND TRADE MARKS  
AND SUNRIDER CORPORATION**

DEFENDANTS

Judgment of Mr. Justice T.C. Smyth delivered Wednesday 15th December, 2006

**The Judgement Of The Court Was Given, As Follows:**

1. Mr. Justice Smyth: This matter comes before the Court as an appeal by way of Special Summons by the Plaintiff pursuant to sections 26 and 57 of the Trade Marks Act 1963 ("the 1963 Act") and Order 94, Rule 45 of the Rules of the Superior Courts, against a decision of the Controller of the 17th November 2004 deciding to dismiss the opposition by Unilever Plc ("Unilever") to the registration of "SunSmile" (Trade Mark No. 171850) by the Sunrider Corporation ("Sunrider") and to permit the said application to proceed to registration.

2. Unilever is a British public limited company and is one of the largest companies in Europe. Together with its subsidiaries, including its Irish subsidiary (Elida Lever), it is in the business of the sale of detergent products and soaps. This business has a long and successful history in Ireland, and at the time of the trade mark application which is the subject of this appeal, the sale by Unilever of its "Sun" products must have been one of the longest established and most successful examples of the sale of consumer goods in the Irish market.

3. On 6th April 1995, Sunrider applied to register "SunSmile" & device as a trade mark in Part A of the Register in Class 3. The application was advertised in the Patents Office Journal of 30th October 1996 and on 1st April 1997 notice of opposition was filed by F.R. Kelly & Co. on behalf of Unilever.

4. On 15th July 1997, a counter statement was filed on behalf of Sunrider by MacLachlen and Donaldson. On 16th January 1998, Katrina Burchell made a statutory declaration on behalf of Unilever. This was replied to in a statutory declaration made by Oi-Lin Chen on behalf of Sunrider on 1st October 1998. Unilever then filed a statutory declaration of Nicola Hope dated 14th April 1999 as evidence under Rule 39.

5. An oral hearing took place on 20th May 2004 before the Controller's hearing officer, Mr. Tim Cleary. The parties were notified on 17th November 2004 that a decision had been made to dismiss the opposition. Thereafter, written grounds for that decision dated 30th November 2004 were furnished.

6. In the course of the examination of the application the specification of goods was amended to read as follows: "*Preparations included in Class 3 for the care of the skin, face and body; articles included in Class 3 for personal and beauty care; perfume; soap; bubble bath; bath and shower gel, moisturising and cleansing creams, lotions, gels scrubs, oil, splashes and balms for use on the body, eyes, hands and face; body and face powder, make-up brush sets, make-up sponges, rouge, eyebrow pencils, eyeliner, eyeshadow, lash enhancer mascara, lipstick, lip liner, facial cleansing and moisturising masks; articles included in Class 3 for the care and beauty of the hair; shampoo, conditioner, tonic, creme rinse, styling glaze, styling spray, styling mousse and styling gel, shaving creme, shaving foam and shaving gel; after shave lotion; skin cleansing creme and foam; nail enamel; nail lacquer; sunscreen; body shampoo; cellulite cremes, cellulite gels and cellulite lotion; contour cremes, contour gels and contour lotions; antiperspirants and deodorants for personal use; articles included in Class 3 for dental use; toothpastes, mouth washes, whitening gels, lip balm; household cleaning preparations included in Class 3; dishwasher detergents; cleaning detergents for clothes; detergents for use in washing dishes and detergents for use in washing produce, all being goods included in Class 3.*"

7. The application, when accepted, was accepted for registration in Part A of the Register and so advertised.

8. On being appealed to the Court by Unilever for special leave pursuant to section 26(9) of the Trade Marks Act, 1963, to bring forward further material for consideration on the appeal, a Judgment was given by Laffoy J on 21st November 2005 limiting the material that could be relied on for the purpose of this appeal to that which was before the Controller.

9. The grounds of appeal are quite extensive and are more particularly set out in paragraphs 2.1 to 2.26 of the Special Summons issued on 28th January 2005. While no concession was made on any of the individual grounds of appeal, the case proceeded on the basis of specific reliance on material aspects which it is contended the Controller erred in his decision in failing to uphold the opposition of Unilever to the registration by Sunrider of the mark "SunSmile" in Class 3 in respect of goods for both personal and non-personal use.

10. The principal grounds of appeal advanced were as follows. The First Defendant erred in fact and in law in:

(a) Finding that there was only a very low level of similarity between the Plaintiff's "Sun" trademarks and the "SunSmile" application.

(b) Holding that the use of the "SunSmile" application in relation to dishwasher detergent would not be likely to cause deception or confusion and on that basis dismissing the opposition to registration of the "SunSmile" application under Section 19 of the 1963 Act.

(c) Finding that the Sunrider Corporation's "SunSmile" mark did not so nearly resemble Unilever's registered marks as follows:

(i) SUNFRESH (registration number 174880):

(ii) SUNLIGHT and SUNLIGHT plus device (registration numbers 31692, 31693, 34442, 34444, 66622, 71850 and 120187);

(iii) SUNSILK (registration numbers 50024 and 74148);

(iv) SUNSET (registration number 56628);

(v) SUNIL (registration number 61843);

(vi) SUNJA (registration number 80094);

(vii) SUN (registration number 109566);

(viii) SUN PROGRESS (plus device) (registration number 145463 and 147788).

(d) Attaching no weight to the fact that the earlier registration cited by the Plaintiff constituted a series of marks containing the prefix "Sun".

(e) Finding that the Plaintiff did not file any corroborating evidence in support of the assertion that it has used the prefix "Sun" for a "family" of marks in relation to soap and detergent products for a number of years.

11. It is undoubtedly true that in her statutory declaration Miss Burchell lays stress in the use and promotion of the trade mark "Sun" in respect of dishwasher products in particular but not exclusively.

### **The Legal Framework:**

12. Section 19 of the 1963 Act provides as follows: "It shall not be lawful to register as a trade mark or part of a trade mark any matter the use of which would, by reason of its being likely to deceive or cause confusion or otherwise, be disentitled to protection in a Court of law, or would be contrary to law or morality, or any scandalous design."

13. Section 20 of the 1963 Act provides at sub-paragraph (1) that: "*Subject to sub-section (2) of this section, no trade mark shall be registered in respect of any goods or description of goods that is identical with a trade mark belonging to a different proprietor and already on the register in respect of the same goods or description of goods, or that so nearly resembles such a trade mark as to be likely to deceive or cause confusion.*"

14. Both sections make it clear that a mark is disentitled to registration if it is "likely to deceive or cause confusion". It is settled law that the persons to be considered in estimating whether the resemblance between the marks in question is likely to deceive and cause confusion are all of those persons who are likely to become purchasers of the product or products upon which the marks are used provided that such persons use ordinary intelligence and care.

15. This issue was considered in *The Pianotist Company Limited* [1906] R.P.C. 774 at 777 by Parker J. The trade mark registration in that case being applied for was "Neola" in Class 9 for a "piano player, being a musical instrument". The opponents were the registered proprietors of a trade mark "Pianola" registered for all goods in Class 9. The decision of the Controller was against the opponents and the order was given to proceed to registration. The opponents appealed the decision and in the course of his Judgment, Parker J considered the test to be applied in the following terms: "You must take the two words. You must judge of them, both by their look and by their sound. You must consider the goods to which they are to be applied. You must consider the nature and kind of customer who will be likely to buy those goods. In fact, you must consider all the surrounding circumstances; and you must further consider what is likely to happen if each of those trade marks is used in a normal way as a trade mark for the goods of the respective owners of the marks. If, considering all those circumstances, you come to the conclusion that there will be a confusion - that is to say, not necessarily that one man will be injured and the other will gain illicit benefit, but that there will be a confusion in the mind of the public which will lead to confusion in the goods - then you may refuse the registration, or rather you must refuse the registration in that case."

16. That decision was adopted by the Supreme Court in *Coca-Cola Co. -v- F. Cade & Sons Limited* [1957] I.R. 97. That case concerned the comparison of two marks "Cada Cola" and "Coca-Cola".

17. In citing with approval the passage from Parker J in *The Pianotist Company Limited* confirming the Judgment of the High Court, Maguire CJ said: "Mr. Justice Dixon (in the High Court) took these passages as containing the classic statement of the law as to how comparison of competing marks is to be made, and I do likewise."

18. In more recent times the provisions of Section 19 were considered in *Montex Holding Limited -v- Controller of Patents* [2001] 3 I.R. 85 by the Supreme Court.

19. Geoghegan J accepted the rationale of Lord Upjohn's speech in *Berlei (U.K.) -v- Bal Bra Inc* [1969] 1 WLR, 1306.

20. Geoghegan J in concluding his Judgment in respect of Section 19 at page 95 of the report states as follows: "*I would interpret Section 19 as meaning that the Registrar is bound to refuse registration if the mark is likely to deceive or cause confusion and would, prior to 1875 on that account, have been disentitled to protection of a Court of equity, and likewise if, for any other reason, such mark would have been disentitled to such protection before 1875...but there would appear to be no justification for introducing an element of blameworthy conduct such as in passing off.*"

21. Mr. Coughlan, on behalf of Sunrider, submitted that a Court should adopt the approach taken by Clarke J in *Jaguar Cars Limited -v- Controller of Patents, Designs and Trade Marks* [2006] IEHC 103 where that Judge reviewed the test to be applied under section 19 and held as follows: "In *Smith Hayden & Company Limited's Application* [1946] 63 RPC 97 at p. 102 Evershed J laid down, in its original form, the test to be applied under the equivalent United Kingdom legislation in the following terms:

Having regard to the reputation acquired by the name, is the court satisfied that the mark applied for, if used in a normal and fair manner in connection with any goods covered by the registration proposed, would not be reasonably likely to

cause deception and confusion amongst a substantial number of persons?`."

22. The matter was again considered by the courts in the United Kingdom in BALI Trade Mark [1969] RPC 47. Counsel drew specific attention to the speech of Lord Upjohn who stated the following:

*"It is not necessary in order to find that a mark offends against (the equivalent United Kingdom's section) to prove that there is an actual probability of deception leading to a passing off or (I add) an infringement action. It is sufficient if the result of the registration of the mark will be that a number of persons will be caused to wonder whether it might not be the case that the two products come from the same source. It is enough if the ordinary person entertains a reasonable doubt, but the court has to be satisfied not merely that there is a possibility of confusion; it must be satisfied that there is a real tangible danger of confusion if the mark which it is sought to register is put on the Register."*

Lord Upjohn was clearly of the view that the test identified in Smith Hayden should be modified so as to have regard to the user of the name concerned rather than the reputation acquired by the name."

23. To the extent that there is any distinction between the view of the law as interpreted in the United Kingdom and in our courts, I unhesitatingly adopt the clear line of demarcation observed by Geoghegan J as between matters arising under the 1963 Act and a passing off action.

24. For Unilever, Mr. O'Moore SC submitted that the facts in this case were quite clear, when both the prior user by Unilever of the "Sun" mark and the family of associated marks and the inherent confusingly similarity of the two marks are considered that the mark which is sought to be registered is likely to deceive or cause confusion. A debate arose as to the prior user of Unilever of the term "Sun". However, I am satisfied, and find as a fact on the evidence, in particular from the declaration of Miss Burchell that Unilever had used the "Sun" mark prior to April 1995 and in fact have established a substantial and considerable reputation in the "Sun" mark in this jurisdiction for a considerable period of time prior to April 1995 when Sunrider applied for registration of the mark "SunSmile".

25. The submission on behalf of Unilever was that since the 1970s the public have associated the mark "Sun" with Unilever and no other and that mark is synonymous with Unilever's dishwasher products including detergent, dishwasher salt, dishwasher rinse, dishwasher cleaner and dishwasher deodoriser. This was the identical class of goods in Class 3 in respect of which Sunrider seeks registration for the mark "SunSmile". There was no rebuttal to the assertion of Unilever in this regard. However, I am satisfied, and find as a fact, that in so far as Unilever's dishwasher products, including detergent dishwasher salt, dishwasher rinse, dishwasher cleaner and dishwasher deodoriser is concerned, they are now fully established in the market as being referable to Unilever and Unilever only. It was submitted on behalf of Sunrider that as user is a prerequisite to reliance on section 19, there can be no question of Unilever being able to advance a claim that the public will be confused into thinking that the mark which has been applied for is another within a family of marks. The only mark in respect of which Unilever, it is stated, has furnished evidence of use is its SUN mark and it was submitted that the SunSmile device mark applied for by Sunrider is so dissimilar as to rule out any "real tangible danger of confusion" among a "substantial number of persons".

26. I have no doubt that it is not so dissimilar as to rule out any real tangible danger of confusion. There then arises the question as to whether a substantial number of persons are likely to be confused. In this regard, the only evidence of number is that referable to turnover and that evidence is tendered by Unilever who submitted that as of 1996 the total turnover of goods sold by it under the trade mark "Sun" in Ireland was IR£15,000,000 (€19,046,071). This fact is challenged. It is not challenged, in my view, successfully because the declaration of Miss Burchell at paragraph 5 indicates an increase in sales over the period 1991 to 1996: It is clear that a sum of the order of ultimately IR£180,000 (ie €228,552.85) was spent in advertising in recent years and that the total amount spent on advertising and/or promoting the mark in Ireland was IR£900,000 (€1,142,764.20), which is a significant figure.

27. The sales figures represents, in my judgment, the probability that a "substantial number of persons" purchased the goods of Unilever which are identified by the prefix "Sun" in particular in the market dealing with dishwasher products. In seeking to rely on the "family of marks" as disentitling Sunrider to registration, the following facts were drawn to my attention: In Ireland one of Unilever's earliest registrations was for the trade mark "Sunlight" No. 31692 in February 1884 and in approximately 1970, Unilever commenced use of the trade mark "Sun" in Ireland in relation to dishwasher products. The "Sun" range of products includes machine dishwasher detergent in various forms, machine dishwasher salt, machine dishwasher rinse, etc. The submission of Mr. O'Moore was that the evidence, in particular the documents exhibited in exhibits U2 and U3, demonstrate that the word "Sun" was used in conjunction with the family of marks being the "Sun System", "Sun Tablets", "Sun Detergents", "Sun Rise Aid" and "Sun Salt". The submission was that those advertisements, together with the substantial turnover of Unilever in its "Sun" range of products, shows that the public are familiar with Unilever's "Sun" trade mark, not only when used on its own but in conjunction with such other words, forming a family of marks. The decision of the Controller was that there was no corroborating evidence in support of the assertion that Unilever had used the prefix "Sun" for a family of marks in relation to soap and detergent products for a long number of years. However, that seems to me to ignore the fact that the family of "Sun" marks had been established on the evidence, and the contents of the exhibits U2 and U3 are corroborative of the use of the family of brands which clearly show such use. As already indicated, the mark "Sun", having no element which is descriptive when used in conjunction with dishwasher products is a highly distinctive mark which is solely associated with Unilever and it was such when Sunrider applied for registration of the "SunSmile" mark in the same class.

28. The video, which was also in evidence, bears out this fact as well as the narrative information in the documentation. There are, in my judgment, features of the two marks which are inherently substantially and confusingly similar and in this regard it is my considered judgment that the Controller erred in law and fact in finding that there was only a "low level of similarity" between the marks. Unilever has submitted that the crucial fact is that the word "Sun" is the dominant part of the "SunSmile" mark proposed by Sunrider for registration and that the second syllable "Smile" simply conveys a positive impression to consumers and would not be considered by them to create any distinctiveness. The dominance of the first syllable of a trade mark is as was pointed out by counsel, recognised by Kerley (Kerley on Trade Marks) who states: "It has been accepted in several reported cases that the first syllable of a word mark is generally the most important. It has been observed in many cases that there is a tendency of persons using the English language to slur the termination of words." It is submitted that the first syllable in "SunSmile" is identical to the first syllable in all of the marks upon which Unilever relies and is therefore is highly relevant to the issue of similarity and that this fact did not appear to have been taken into account by the Controller who stated that the marks "do not look or sound alike". Given the primary importance of the first syllable of the "SunSmile" trade mark, I believe the Controller to be in error in such finding. Whether two words are used or a compound word is used, if the emphasis is clearly on the first word or prefix in the compound word then it seems to me that that is the predominant sound and the visual impact of the mark. Unilever submitted that the term "SunSmile", due to the separate two elements of the term, creates an impression of greater similarity with the mark "Sun" than would be the case if the mark were represented as "Sunsmile".

29. In my Judgment, it is relevant, in considering the issue of the confusion, to consider the goods in respect of which the applicant

seeks to register the mark. Dishwasher products are everyday household goods. The ordinary assumption that no very careful or in-depth examination of the mark will be made therefore applies (Kerly 17.06). In general, many of the trade marks sought to be registered by Sunrider were in respect of goods for personal use. It also sought in respect of its registration "SunSmile" to extend the registration to cover goods for non personal use (including goods such as household detergents and the like). It is the submission of Unilever that the only reason that Sunrider sought to register the mark "SunSmile" in respect of Class 3 goods for non personal use was to unfairly take advantage of the substantial reputation of Unilever in the mark "Sun" and the "Sun" prefix family of marks in respect of goods for non personal use. I found considerable strength in this submission and I accept it as being correct in all the circumstances of the evidence of this case. The Controller came to the conclusion that there was no likelihood of confusion and that Sunrider's mark included a figurative element. Unilever contended that in this regard the Controller should have applied the principle referred to in his decision at paragraph 26, that it is generally accepted that words in trademarks "speak" to consumers and are apt to outweigh the impact created by accompanying figurative elements. Unilever submitted that given the undistinctive nature of the figurative element of Sunrider's trade mark that it would not be sufficient to dispel the clear confusion that would be caused by the otherwise very similar marks. I am satisfied and find as a fact that in all the circumstances of the case and of the evidence tendered before the Court, that the Controller erred in law and in fact in not finding that there was a risk of confusion and/or deception in this case in view of the inherent similarity of the marks and in view of the overall context in which the goods were sold and in view of the family of marks established by the applicant in evidence before the Controller. In my judgment Mr. Coughlan was correct in his analysis of what considerations arise under S. 20(1) of the 1963 Act as:

- (i) the nature and composition of the goods
- (ii) the respective uses of the articles
- (iii) the trade channels through which the commodities respectively are bought and sold.

30. He submitted that the vast majority of the goods in respect of which registration is sought in Class 3 are not goods of the same description as they relate to the care, cleansing and embellishment of the human body.

31. While undoubtedly a clear distinction can be drawn between goods relating to the human body and these domestic detergents referred to in the application, and goods in the former category are more likely to be chosen with more care and discernment, the question that arises under S.20 is as to whether the goods (or description of goods) of Sunrider are identical with the trade mark of Unilever already on the register in respect of the same goods (or description of goods) or that so nearly resembles such a trade mark as to be likely to deceive or cause confusion (my emphasis). Persons of ordinary care and intelligence I believe are more likely to be sensible to what manner of unguents and balms they apply to their person than when choosing dishwasher powder, even if both ranges of products are purchasable from the same outlet. In this regard both parties relied upon the decision of the Office for Harmonisation in the Internal Market (OHIM). Unilever in particular rely on the decision of 13 December 2004 of the Fourth Board of Appeal paragraphs 17 and 18, which are primarily concerned with everyday household cleaning items) which deals with the likelihood of confusion. In the instance case the evidence and quality of the evidence referable to goods related to the human body is in my judgment markedly different to that referable to the detergents. Mr. Coughlan sought to draw a distinction between the OHIM's decision on Sunrider's application to register the word SUNRIDER as a Community trade mark, which, he contended, was of no assistance to Unilever in the present case and that it was rightly disregarded by the Controller because (inter alia) these present proceedings concern an application to register a highly stylised logo comprising the word "SunSmile", whereas the proceedings before OHIM related to an application to register the word SUNSMILE simpliciter. Accordingly, it was argued the degree of dissimilarity in the present case is greater than that before OHIM. While this is undoubtedly literally true the concern of sections 19 and 20 is directed to persons of ordinary care and intelligence. The amount of attention that such persons can give or are likely to give to the purchase of the products in Class 3 I believe would vary in accordance with the purpose of the goods. The purchase of puce lipstick would, I venture to think, be likely to receive more attention than detergents for use in washing machines or dishwashers. This refinement has, however, to be considered in the context that the words already on the register are strikingly similar to the word for which Sundrive seeks registration. While the amount of money a person may spend on the acquisition of a piano (which is not an everyday purchase) would affect the degree of care on its purchase, the same is a matter of probability completely different to the case in purchasing a bottle of shampoo. The everyday nature of the goods in Class 3 is most unlikely to attract the level of care such as would (unless by the fastidious) distinguish the goods of Unilever from those which would bear the name and logo of "SunSmile".

32. A subsidiary argument arose on the hearing arising from the statement in paragraph 18 of Ms. Chen's declaration:

*"My company is a large organisation with a broad and varied trading base and the goods covered by application No. 171850 represent the goods of current and possible future interest to my company under the trade mark SunSmile & Device."*

33. It was submitted on behalf of Sundrive that notwithstanding the English authorities, Batt's case (1898) 15 RPC 534; 16 RPC 411 and of Ducker's Trade Mark (1928) 45 RPC 105; 377 which lay down the requirement of a "definite and present intention to use", such is not a formula found in the 1963 Act and that the less restrictive approach enunciated by Kerly in dealing with the expressions "proposed to be used" as in S.2(1) of the 1963 Act) stated as follows: "... covering the registration of works "which one day might be useful" but for which there was no immediate use in contemplation" should be followed.

34. In my judgment the more correct approach is that expressed by the Controller in *PHONENAMES LIMITED -v- 1-1800 FLOWERS INC.* of 7 February 2006 wherein (inter alia) he stated: "[40] It is well established that person must have a present and definite intention to use a trade mark at the time of applying for its registration citing in support Batt's and Ducker's case and *Imperial -V- Philip Morris* (NERM) [1982] F.S.R. 72.) And: "[41] ...the Applicant... displayed the kind of earnest intention that may be expected of a person claiming to have an intention to use a trade mark."

35. In my judgment this is the correct approach to take to an application for registration of a trade mark. In the course of his opinion in *Imperial Group Ltd. -v- Morris* [1982] Fleet Street Reports p 72 at p 80 Shaw L.J. stated:

*"Unlike a copyright, a trade mark does not arise from the mere use of a word or words or a formula or a mark; it derives from the use of words or marks in relation to a course of trade in goods giving rise to a goodwill connecting the trader with the goods by reason of the trade mark under which the goods are marketed. It follows that where, in relation to particular goods, there is no such course of trading as to give rise to a goodwill, there is no interest to be protected by a trade mark..."*

36. If there is no real or genuine intention, there is the risk that the purposes of the Act could be defeated, as speculative applications could be made to block off the Register.

