



**IN THE MATTER OF APPLICATION NO. 58,969  
BY THOMAS COOK CANADA INC./ TRAVELBRANDS INC.  
TO REGISTER THE TRADE MARK**

**CLUB DIAMOND**

**IN CLASS 43  
AND IN THE MATTER OF OPPOSITION NO. 57/TM2012  
BY DIAMOND RESORTS HOLDINGS LLC**

**IN THE MATTER OF APPLICATION NO. 58,969  
BY THOMAS COOK CANADA INC./ TRAVELBRANDS INC.  
TO REGISTER A TRADE MARK IN CLASS 43  
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BY DIAMOND RESORTS HOLDINGS LLC**

**DECISION AND REASONS FOR DECISION**

**The Application**

1. On the 27<sup>th</sup> of September, 2011, Thomas Cook Canada Inc., through its agents, Livingston, Alexander & Levy, Attorneys-at-Law, applied on Form TM1 under the Trade Marks Act 1999 (hereinafter referred to as “the Act”) to the Jamaica Intellectual Property Office (JIPO) for registration of the trade mark “CLUB DIAMOND”.
2. The Application related to class 43 in respect of “hotel and temporary accommodation services” and indicated the Applicant’s bona fide intention to use the mark in the course of trade.
3. The Trade Marks Registry on the 18<sup>th</sup> of November, 2011 accepted the mark for publication. The balance of fees was paid on the 28<sup>th</sup> of December, 2011 and the application was subsequently published in the Trade Marks Journal, Volume 10, No. 1, dated January 26, 2012.
4. On the 23<sup>rd</sup> of March, 2012 Diamond Resorts Holdings, LLC filed Form TM4 Notice of Opposition and Statement of Grounds of Opposition.
5. On the 8<sup>th</sup> of April, 2014 the Applicant, through their agent applied to record a change of name and address of the proprietor. The new name of the Applicant is TRAVELBRANDS INC. (hereinafter referred to as “the Applicant”).

**Grounds of Opposition and Counterstatement**

6. A Form TM 4- Notice of Opposition accompanied by the Statement of Grounds of Opposition was filed on March 23<sup>rd</sup>, 2012 by Foga Daley, Attorneys-at-Law,

on behalf of Diamond Resorts Holdings LLC, of Las Vegas, Nevada, USA (hereinafter referred to as the “Opponent”).

7. According to the Statement of Grounds (hereinafter “the Opponent’s Grounds”) filed, the Opponent opposes the proposed registration of the trade mark on the following grounds:

- i. The Applicant’s mark is confusingly similar to the Opponent’s well-known “DIAMOND” and “THE CLUB” marks in respect of identical and/or similar services as a result of which there is a likelihood of confusion and therefore registration of the mark should be refused based on section 13(2)(b) of the Act;
- ii. The Opponent has established a valuable reputation and goodwill in its “DIAMOND” and “THE CLUB” marks and use by the Applicant of the mark “CLUB DIAMOND” in respect of services in class 43 is calculated to deceive or cause confusion and is liable to be prevented by laws protecting unregistered trademarks in particular the law of passing off based on section 13(4)(a) of the Act;
- iii. Use of the Applicant’s trade mark is prejudicial to the Opponent’s lawful use of its said well-known marks;
- iv. The Applicant’s mark is not distinctive of the Applicant’s services and is derived from the Opponent’s said marks;
- v. The Applicant’s behaviour falls below acceptable business practices and thus the application is made in bad faith based on section 11(4)(e) of the Act.

8. Form TM 5 and Grounds in Support of Counterstatement were filed by Livingston, Alexander & Levy, Attorneys-at-Law for on behalf of the Applicant on the 22<sup>nd</sup> of May 2012.

9. The Applicant denied all the statements and allegations set out in the Opponent’s Grounds of Opposition. In particular, the Applicant’s Grounds state that:

- i. the Opponent's marks are not entitled to protection in Jamaica under the Paris Convention as well-known marks;
- ii. the Opponent's "THE CLUB" mark is devoid of distinctiveness, wholly descriptive and cannot itself perform the function of a trade mark and therefore the Opponent is not entitled to claim exclusive rights to the word "club";
- iii. the Applicant's "CLUB DIAMOND" mark is a well-known trade mark which has been registered in Canada, used in Jamaica and applied for in Jamaica as of September 27, 2011. Accordingly the Applicant's mark qualifies as an earlier trade mark under the Act and not the Opponent's marks;
- iv. the Applicant's "CLUB DIAMOND" mark is not similar to the Opponent's "DIAMOND RESORTS INTERNATIONAL" and "THE CLUB" trade marks;
- v. the Applicant's "CLUB DIAMOND" mark is not likely to cause confusion or association with the Opponent's trade marks;
- vi. the Applicant's use of its "CLUB DIAMOND" mark would not contravene any laws of Jamaica including the law relating to the tort of passing off;
- vii. the application was not filed in bad faith as the Applicant coined its own trade mark for its business and trade, independently and without reference to the Opponent's marks or the marks of any other trader.

## **Evidence**

### Opponent's Evidence

10. On August 7<sup>th</sup>, 2012 and September 27<sup>th</sup>, 2013 respectively, the Opponent filed Statutory Declarations of David Palmer and Tara Young in support of the Opposition.
11. Mr. David Palmer is the President of the Opponent company. In his Declaration made on July 19<sup>th</sup>, 2012 he states *inter alia* that:

- i. The Opponent is the proprietor of the well-known family of “DIAMOND” trade marks and “THE CLUB” trade mark among other internationally registered marks. The Opponent’s family of “DIAMOND” trade marks include “DIAMOND RESORTS”, “DIAMOND LOYALTY”, “SHARE THE DIAMOND DIFFERENCE”, “DIAMOND DIFFERENCE”, “DIAMOND EXPERIENCE AMBASSADOR”; “DIAMOND SERVICE EXCELLENCE”, “DISCOVER THE DIAMOND DIFFERENCE”, “THE DIAMOND ADVANTAGE” and “THE DIAMOND WAY”.
- ii. The Opponent is in the business of providing hospitality services throughout the world since 1999 and has over 200 branded and affiliated resorts and over 27,000 guest beds in 28 countries, with approximately 5,000 team members catering for over 418,000 owners and members;
- iii. The Opponent’s “DIAMOND RESORTS INTERNATIONAL” word marks were registered in the United States for “hotel services” in international class 42 on December 5, 2000 and for “real estate time sharing services” in international class 36 on February 27,2001 (Registration Nos. 2,411,239 and 2,432,190 respectively);
- iv. The Opponent’s “DIAMOND RESORTS INTERNATIONAL” word marks are also registered in other international classes – class 16 (USA, May 5, 2012) and class 1 (Canada, May 20, 2010). The marks are also registered at OHIM - Class 35 (one registration), Class 36 (three registrations), Class 42 (one registration), Classes 43 and 44 (one registration). The “DIAMOND RESORTS INTERNATIONAL & DESIGN” (“D & DESIGN”) mark is also registered at the USPTO in Classes 36 and 43 (October 2007);
- v. The Opponent applied to register the “DIAMOND RESORTS INTERNATIONAL” and the “D & DESIGN” marks in Jamaica on November 29, 2011 in Classes 35 and 36, which applications

were published in the JIPO Trade Marks Journal dated March 26<sup>th</sup>, 2012.

- vi. The Opponent has developed significant common law rights in its trade name and the family of “DIAMOND” marks through its extensive use around the world and has built significant reputation in the name “DIAMOND” and its associated marks;
- vii. The Opponent is the registered proprietor of “THE CLUB” mark in class 36 in the USA, France, Italy, Spain and Portugal. The mark was first used in the USA in 2007;
- viii. The Opponent uses “THE CLUB” mark in Jamaica in connection with its promotion of the Grand Palladium Jamaica Resort and Spa as well as other branded “DIAMOND RESORTS INTERNATIONAL” goods and services.
- ix. The Applicant’s mark is confusingly similar to the Opponent’s earlier “DIAMOND” and “THE CLUB” marks and the services in respect of which the Applicant has applied for are identical and/or similar to the services for which the Opponent’s earlier marks are protected;
- x. The Opponent’s “DIAMOND” and “THE CLUB” marks have garnered significant reputation and goodwill and the use by the Applicant of the “CLUB DIAMOND” mark is calculated to deceive or confuse the public and should be prevented from registration;
- xi. The Applicant’s mark is not distinctive of their services and is derived from the Opponent’s “DIAMOND” and “THE CLUB” marks;
- xii. The Applicant has misappropriated the Opponent’s well-known trade marks and has thus applied to register its mark in bad faith;
- xiii. The use or proposed use by the Applicant of the “CLUB DIAMOND” mark amounts to an unlawful invasion of the Opponent’s intellectual property rights and is prejudicial to the Opponent’s lawful use and registration of its marks.

12. Attached to Mr. Palmer’s Declaration were the following exhibits:

- i. A Certified copy of the Certificate of Existence for Diamond Resorts Holdings, LLC (Exhibit 1)
- ii. Evidence of Diamond Resorts' registration of their various marks (Exhibits 3,4,4a-f, 5,6,6a-k, 9,9a-e)
- iii. Evidence of Diamond Resorts' use of their various registered marks (Exhibits 7, 7a-kk, 10, 10a-r)

13. Ms. Tara Young is the Assistant Secretary and Vice President of Legal of the Opponent company. In her Declaration made on the 18<sup>th</sup> of September, 2013 in response to the Statutory Declaration of Pat Lista filed by the Applicant, she states *inter alia* that:

- i. in the visual representation of the Applicant's "CLUB DIAMOND" mark (as exhibited in Ms. Lista's Affidavit), "DIAMOND" is the more prominent element of the mark and therefore consumers would be even more likely to confuse and/or associate the Applicant's "CLUB DIAMOND" mark with the Opponent's well-known "DIAMOND" marks;
- ii. the Opponent's "DIAMOND RESORTS INTERNATIONAL" mark is an earlier mark by virtue of section 14(1)(a) of the Act, it having been entered on the Trade Marks Register in Jamaica as of July 3, 2012 and it also being a well-known trade mark;
- iii. she admits that the Opponent's "THE CLUB" mark is on the USPTO's supplemental register.

14. Attached to Ms. Young's Declaration is the following Exhibit:

- i. A copy of the JIPO Certificate of Registration for the "DIAMOND RESORTS INTERNATIONAL" trade mark.

### Applicant's Evidence

15. On the 19<sup>th</sup> of July 2013, the Applicant filed the Affidavit of Pat Lista. Ms. Lista is the Senior Vice President – Product at the Applicant company. In her Affidavit sworn to on the 3<sup>rd</sup> of July 2013 she states *inter alia* that:

- i. the Applicant's "CLUB DIAMOND" mark has been used in Jamaica since November 2011. 7,270 persons have attended the Gran Bahia Principe Hotel as part of the CLUB DIAMOND programme since November 1, 2011 and thus approximately 7,270 copies of each of two exhibited CLUB DIAMOND documents (Exhibits A and B) have been distributed to CLUB DIAMOND guests in Jamaica since then;
- ii. the Applicant's "CLUB DIAMOND" mark has also been used in Jamaica in display at the Gran Bahia Principe Hotel as well as in the Gleaner newspaper in December 2011 (Exhibit E);
- iii. the Applicant's trade mark application for "CLUB DIAMOND" was filed on September 27<sup>th</sup>, 2011 and this filing date is earlier than the filing date of the Opponent's "DIAMOND RESORTS INTERNATIONAL" trade mark application which was filed on November 29<sup>th</sup>, 2011, therefore the Applicant's mark is the earlier mark for the purposes of these proceedings;
- iv. by virtue of the Applicant's use of "CLUB DIAMOND" in Jamaica, the Applicant also has an earlier right;
- v. the Opponent's and Applicant's marks are dissimilar when considered as a whole. They are easily distinguishable and convey different messages. Thus the simultaneous use of the marks will not cause confusion;
- vi. "THE CLUB" is a descriptive and non-distinctive term which does not and cannot function as a trade mark as the word "club" is commonly used for a variety of goods and services, including class 42 and 43 services in Jamaica (Exhibit G); The Opponent has no acquired distinctiveness in that term in Jamaica;



- vii. the Opponent's USA registration of "THE CLUB" mark is on the USPTO's Supplemental Register which is for non-distinctive marks which have not yet acquired distinctiveness and which has different criteria for registration from that permitted under the Act. Therefore "THE CLUB" would not satisfy the requirements for registration or protection in Jamaica;
- viii. except for the USA, the Opponent's international registrations of "THE CLUB" mark are all in non-English speaking countries.

16. Attached to Ms. Lista's Affidavit are the following exhibits:

- i. Copies of photographic evidence of the Applicant's use of the "CLUB DIAMOND" mark in Jamaica (Exhibits A and B);
- ii. Copies of documents circulated to select Gran Bahia patrons since November 1, 2011 (Exhibits C,D);
- iii. Extract from the Jamaica Gleaner showing use of the "CLUB DIAMOND" mark in Jamaica (Exhibit E);
- iv. Copy of the Trademark application for the "CLUB DIAMOND" mark filed in Jamaica on September 27<sup>th</sup>, 2011 (Exhibit F);
- v. Copy of search results of the Jamaican Trade Mark Register in classes 42 and 43 revealing numerous trade marks containing the word "Club" (Exhibit G);
- vi. Copy of the USPTO registration of "THE CLUB" trade mark in the USPTO Supplemental Registration (Exhibit H);
- vii. Copy of explanatory notes regarding the USPTO Supplemental Register (Exhibit I).

### **The Opposition Hearing**

17. By letter to JIPO dated July 10, 2014, the Attorneys-at-Law for the Applicant indicated that the Applicant did not wish to be heard or to make legal submissions in respect of the Opposition and would rely solely on its grounds in support of its counter-statement and statutory declaration of Pat Lista filed herein. By letter to JIPO dated July 16, 2014, the Attorneys-at-Law for the

Opponent indicated that in light of the position taken by the Applicant, they would make written submissions in lieu of personal appearance and presentation at a hearing. Those submissions were delivered to JIPO on July 18, 2014 and are considered herein. No live or oral Opposition hearing was therefore held in this matter. The proceedings therefore continued by way of a paper hearing.

18. Based on the Notice and Statement of Grounds and the written submissions filed by the Opponent, the Applicant's mark is opposed on the following grounds:

- i. Likelihood of confusion with the Opponent's well-known mark, pursuant to ss. 13(2)(b) of the Act
- ii. Passing off, pursuant to s. 13(4)(a) of the Act
- iii. Bad faith, pursuant to s. 11(4)(e) of the Act

**s. 13(2)(b) – Similar marks in relation to identical or similar goods or services and likelihood of confusion with the Opponent's well-known mark**

19. In relation to the first Ground of Opposition, section 13(2)(b) provides that:

*“A trade mark shall not be registered if-  
(b) it is similar to an earlier trade mark and the goods or services in relation to which application for registration is made are identical with or similar to those for which the earlier trade mark is protected and there exists a likelihood of confusion on the part of the public, including the likelihood of association with the earlier mark.”*

20. Three issues therefore arise:

- (1) Whether the Opponent's trade mark is an earlier trade mark;
- (2) Whether the goods or services of the respective marks are identical or similar; and
- (3) Whether there is a likelihood of confusion.

The second and third issues only come into play if the first issue is answered in the affirmative.

21. Section 14 (1) defines an “earlier trade mark” as:

- (a) A registered trade mark; or*
- (b) A trade mark which, at the date of application for registration of the trade mark in question or (where appropriate) of the priority claimed in respect of the application was entitled to protection, under the Paris Convention or the World Trade Organization Agreement, as a well-known trade mark; or*
- (c) A trade mark in respect of which an application for registration has been made and which, if registered, would be an earlier trade mark by virtue of paragraph (a), subject to its being so registered.*

22. The evidence shows that the Opponent applied to register its “DIAMOND RESORTS INTERNATIONAL” and “D & DESIGN” marks in Jamaica on November 29, 2011 and that the “DIAMOND RESORTS INTERNATIONAL” mark was entered on the Trade Marks Register in Jamaica on July 3, 2012. It is clear therefore that the Opponent’s trade marks were not registered in Jamaica as at the date of the application for registration of the Applicant’s mark (September 27, 2011), nor had an application for registration of the Opponent’s marks been filed in Jamaica as at that date. Therefore, sections 14(1)(a) and (c) are not applicable.

23. In relation to section 14(1)(b), Article 6bis of the Paris Convention, to which Jamaica is party, provides protection for well-known trade marks as follows:

*The Countries of the Union undertake, ex officio if their legislation so permits, or at the request of an interested party, to refuse or to cancel the registration, and to prohibit the use of a trademark which constitutes a reproduction, an imitation or a translation, liable to create confusion, of a mark considered by the competent authority of the country of registration or use, to be well known in that country as being already the mark of a person entitled to the benefits of this convention and used for identical or similar goods. These provisions shall also apply when the essential part of the mark constitutes a reproduction of any such well-known mark or an imitation liable to create confusion therewith.*

24. Similarly, Article 16.2 of the World Trade Organization's Trade Related Aspects of Intellectual Property Rights (TRIPs) Agreement, to which Jamaica is also signatory, provides that:

*"Article 6bis of the Paris Convention (1967) shall apply, mutatis mutandis, to services. In determining whether a trademark is well-known, Members shall take account of the knowledge of the trademark in the relevant sector of the public, including knowledge in the Member concerned which has been obtained as a result of the promotion of the trademark."*

25. Jamaica has given effect to Article 6bis of the Paris Convention and Article 16.2 of the TRIPs Agreement, in section 49 of the Act, which states that:

*(1) The proprietor of a well-known mark which is entitled to protection under the Paris Convention, as mentioned in subsection (2) is entitled to restrain by injunction the use in Jamaica of a trade mark which, or the essential part of which, is identical with or similar to his mark in relation to identical or similar goods or services, where the use of the mark is likely to cause confusion.*

*(2) A trade mark is entitled to protection under the Paris Convention if it is well known in Jamaica as being the mark of a person who is-*

*(a) a citizen of a Convention country; or*

*(b) is habitually resident, in or has a real and effective industrial or commercial establishment in, a Convention country, whether or not that person carries on business or has any goodwill in Jamaica;*

*and references to the proprietor of such a mark shall be construed accordingly.*

26. Based on the Counterstatement and evidence filed by the Opponent, the Opponent implicitly represents itself as a citizen of a Convention country (the USA, which is a party to the Convention) and/or that it has a real and effective industrial or commercial establishment in a Convention country (USA and/or Jamaica). It is clear however from the Paris Convention and the Act that in order for the Opponent's trade marks to be recognised and protected as well-known trade marks in Jamaica, they must be well known in Jamaica.

27. As there are no substantive local guidelines to determine whether a mark is well known, the World Intellectual Property Organization (WIPO) Joint Recommendation Concerning Provisions on the Protection of Well-Known Marks as applied in the UK decision of *Hotel Cipriani v Cipriani (Grosvenor Street) Ltd* [2008] EWHC 3032 is persuasive. The considerations are:
- a. The degree of knowledge or recognition of the mark in the relevant sector of the public;
  - b. The duration, extent and geographical area of use of the mark;
  - c. The duration, extent and geographical area of any promotion of the marks including advertising or publicity and the presentation, at fairs or exhibitions, of the goods and/or services to which the mark applies;
  - d. The duration and geographical area of any registration, and/or any applications for registration, of the mark, to the extent that they reflect use or recognition of the mark;
  - e. The record of successful enforcement of rights in the mark in particular, the extent to which the mark was recognized as well-known by competent authorities;
  - f. The value associated with the mark.
28. As stated in *Kerly's Law of Trade Marks and Trade Names (13<sup>th</sup> ed.)* at paragraph 13-183, a mark is to be considered well known if it is “well established amongst, and familiar to, the interested public and so, in short the mark is famous.”
29. The Opponent submits that the “THE CLUB” and “DIAMOND” marks are well known in Jamaica solely based on their widespread registration and use throughout the world. The exhibits that are submitted as evidence by the Opponent show widespread use of the Opponent’s marks to promote the Opponent’s several hotels throughout the world including, its one hotel in Jamaica. However there is no evidence of the marks being used in the Opponent’s sole hotel operating in Jamaica. Although there are exhibits showing use of the marks in connection with the promotion of the Opponent’s Jamaican hotel since Spring 2011 (Exhibits 10 a - f in Statutory Declaration of David Palmer), there is no evidence of the extent of the promotion of the marks in

Jamaica; or the duration, extent and geographical area of use of the mark in Jamaica; or the degree of knowledge or recognition of the marks in the relevant sector of the public in Jamaica.

30. Ultimately, no evidence has been submitted to prove that the Opponent's "THE CLUB" and "DIAMOND" marks are so widely recognized and well established amongst and familiar to the interested public in Jamaica, as to constitute well-known or famous marks in Jamaica. I am therefore not in a position to assess the degree of knowledge or recognition of the mark in the relevant sector of the public, nor of the duration, extent and geographical area of use of the mark, including advertising or publicity, in Jamaica. There is no other evidence to satisfy the other considerations as laid out in the *Hotel Cipriani* case. I therefore find that the Opponent's "THE CLUB" and "DIAMOND" marks are not well-known marks in Jamaica. Consequently, not being able to satisfy any of the provisions of section 14 of the Act, the marks do not qualify as 'earlier trade marks' in Jamaica.

31. As such, given that neither of the Opponent's marks can be deemed to be earlier marks, there is no issue as it relates to either the similarity of the marks or the similarity of the goods that the marks are used for, or the likelihood of confusion.

**s. 13(4)(a) - Passing off**

32. In relation to the second Ground of Opposition, section 13(4)(a) provides that:

*"A trade mark shall not be registered if, or to the extent that, its use in Jamaica is liable to be prevented-*

*(a) by virtue of any law (in particular the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade"*

33. The House of Lords in *Reckitt & Colman Products Ltd v Borden Inc* [1990] R. P. C 341 provided a helpful summation of the elements of the tort of passing off as follows:

(1) That the plaintiff's goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;

(2) That there is a misrepresentation by the defendant (whether or not intentional) leading or likely to lead the public to believe that the goods or services offered by the defendant are goods or services of the plaintiff; and

(3) That the plaintiff has suffered or is likely to suffer damage as a result of the erroneous belief engendered by the defendant's misrepresentation.

34. Furthermore, as cited by the counsel for the Opponent in their submissions, Halsbury's Laws of England (4<sup>th</sup> edition), vol. 48 (1995 reissue) clarifies the considerations when determining whether any deception is likely to occur. These are:

(a) the nature and extent of the reputation relied upon;

(b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;

(c) the similarity of the mark, name etc. used by the defendant to that of the plaintiff;

(d) the manner in which the defendant makes use of the name, mark etc. complained of and collateral factors; and

(e) the manner in which the particular trade is carried on, the class of persons who it is alleged is likely to be deceived and all other surrounding circumstances.

35. The evidence presented by the Opponent shows the widespread international use of "THE CLUB" trademark, with no evidence showing its use directly in Jamaica. The claim is that "THE CLUB" mark has been in use between 2011 and 2012 specifically in Jamaica but despite showing how the mark was being used,

there is no information indicating how many brochures were dispensed or the likely number of persons in Jamaica to have been exposed to the various publications. Additionally there was no evidence presented to show that the opponent's "DIAMOND" mark was used in Jamaica, despite the large amount of evidence to show its use in the United States and throughout the rest of the world.

36. With regard to a finding of misrepresentation, the two marks would have to be so similar so as to lead or be likely to lead the public to believe that the services offered by the Applicant are services of the Opponent. In this case, the common word used "Club" can be considered as generic and/or descriptive of the services offered in relation to the marks for both parties. As such, it is unlikely that the general public will mistakenly believe that there is a connection between the two marks just because both include that word. That point is iterated by Lord Simmonds in the case of *Office Cleaning Services v Westminster Window and General Cleaning* (1946) RPC 39 and quoted by Rattray, J. in the Supreme Court in *Jamaica Lottery Company Ltd v Supreme Ventures Ltd et al* (unreported):

"where a trader adopts words in common use for his trade name, some risk of confusion is inevitable. But that risk must be run unless the first user is allowed unfairly to monopolise the words. The Court will accept comparatively small differences as sufficient to avert confusion."

37. Similarly, in the UK case of *Furnitureland Limited v Harris and others* (1989) 1 Fleet Street Reports 536, the Court stated that "If confusion results, that is the natural consequence of choosing to trade under a name which, to a substantial extent, involves identification by reference to an ordinary descriptive word in which the plaintiffs have no monopoly."

38. It is well established that "words and terms which prima facie are merely descriptive in the sense just explained may, by use and reputation, acquire a secondary distinctive meaning, so that they may be practically monopolised for use in connection with certain classes of goods by a particular trader, since their employment by anyone else would be calculated to deceive." (Kerly's 13<sup>th</sup> ed., page 473, para. 14-154). In such cases, the relevant question is whether the



Opponent's marks were recognised by the public as being trade marks and if so, whether the Applicant's marks are confusingly similar (Kerly's 13<sup>th</sup> ed., page 474, para. 14-155).

39. Parker, J. in *Burberrys v Cording* [1900] 26 RPC 693, held that although no one can claim monopoly in the use of a word or name at common law, no one is entitled to represent his goods as those of another trader to that other trader's injury and that therefore the use of a word or name can only be restrained if there is misrepresentation which injures or intends to injure another (Kerly's 13<sup>th</sup> ed., page 474, para. 14-156). If the word or name is prima facie descriptive, the difficulty of establishing the probability of deception is greatly increased (Kerly's 13<sup>th</sup> ed., page 474, para. 14-156, citing Parker, J. in *Burberrys v Cording*). It is recognised that a trader who chooses a descriptive mark must expect others to use similarly descriptive marks so that confusion may be inevitable. Therefore the courts may accept relatively small differences (Kerly's 13<sup>th</sup> ed., page 475, para. 14-157).

40. It seems clear to me that the Opponent's mark "THE CLUB" is generic and/or descriptive of the services being offered and that use of the "CLUB DIAMOND" mark cannot be said to be a misrepresentation and thus the Opponent is unlikely to suffer any damage to its "THE CLUB" mark should the Applicant continue to use its "CLUB DIAMOND" mark.

41. As it relates to the Opponent's "DIAMOND" marks, based on the evidence presented, the Opponent has used the "DIAMOND" marks throughout the world, but has presented no evidence of its actual use in Jamaica. There is extensive use of the mark in many of the Opponent's hotels throughout the world. However there is no evidence to show its use in Jamaica, despite claims that the mark is well known in Jamaica. It is clear from this evidence that the "DIAMOND" marks have acquired a reputation among a relevant class of persons outside Jamaica, however, little is known of how this translates to its reputation within Jamaica. Further it is recognised that the use of words such as "diamond", "gold", "silver" and "platinum" is common in the hotel industry, often in conjunction with the use of "Club", to signify quality, luxury, exclusivity and/or special rates, deals, packages, services or other benefits to members. It is

unlikely therefore that the general public will mistakenly believe that there is a connection between the two marks just because both include the word “diamond”. With little evidence of goodwill or reputation within Jamaica, it is difficult to conclude that the Opponent’s marks are recognised by the public in Jamaica as being trade marks and that the Opponent’s goodwill would be damaged by the use of “CLUB DIAMOND” in Jamaica.

42. It appears that using the services offered by both parties does not require upfront knowledge of the marks, so it is unlikely that sales may be lost because of confusion as to the origin of the marks. The recognition of the mark seems to come into play once guests have become affiliated with the hotel and exposed to hotel specific promotional material. As explained above, in cases of use of such common words by both parties, small differences are sufficient to avert confusion. I am of the view that despite the similarity in the marks, the differences are sufficient to avert confusion.

43. In light of these considerations, I believe that it is unlikely that the public will be led to believe that the services offered by the Applicant are services of the Opponent. The Ground for Opposition under s. 13(4)(a) is therefore unsuccessful.

**s. 11 (4)(e) A trade mark is not registrable if the application is made in bad faith**

44. Section 11(4)(e) provides that:

*“A trade mark is not registrable if---*  
*(e) the application is made in bad faith”*

45. The Opponent claims in its Statement of Grounds that the Applicant, by attempting to register a similar mark to the Opponent’s, is misappropriating the Opponent’s well-known trademarks which have established a strong international reputation and that the Applicant’s behaviour falls below acceptable business practices and therefore the application was made in bad faith.

46. “Bad faith” is undefined in the Act. Jeremy Phillips in *Trade Mark Law: A Practical Anatomy*, para 13.72 says that bad faith arises where “One person tries to register a mark which rightfully belongs to someone else.” Looking to case law, the Courts have decided that in determining whether an application has been made in bad faith, several factors are to be considered. In the leading case of *Red Bull GmbH v Sun Mark Limited and Sea Air & Land Forwarding Limited* [2012] EWHC 1929, Mr. Justice Arnold highlighted various principles for determining bad faith as follows:

*“131. First, the relevant date for assessing whether an application to register a trade mark was made in bad faith is the application date: see Case C-529/07 Chokoladenfabriken Lindt & Sprüngli AG v Franz Hauswirth GmbH [2009] ECR I-4893 at [35].*

*132. Secondly, although the relevant date is the application date, later evidence is relevant if it casts light backwards on the position as at the application date: see Hotel Cipriani Srl v Cipriani (Grosvenor Street) Ltd [2009] EHWc 3032 (Ch), [2009] RPC 9 at [167] and cf. Case C-259/02 La Mer Technology Inc v Laboratoires Goemar SA [2004] ECR I-1159 at [31] and Case C-192/03 Alcon Inc v OHIM [2004] ECR I-8993 at [41].*

*133. Thirdly, a person is presumed to have acted in good faith unless the contrary is proved. An allegation of bad faith is a serious allegation, which must be distinctly proved. The standard of proof is on the balance of probabilities but cogent evidence is required due to the seriousness of the allegation. It is not enough to prove facts which are also consistent with good faith: see BRUTT Trade Marks [2007] RPC 19 at [29], von Rossum v Heinrich Mack Nachf. GmbH & Co KG (Case R 336/207–2, OHIM Second Board of Appeal, 13 November 2007) at [22] and Funke Kunststoffe GmbH v Astral Property Pty Ltd (Case R 1621/2006-4, OHIM Fourth Board of Appeal, 21 December 2009) at [22].*

*134. Fourthly, bad faith includes not only dishonesty, but also “some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined”: see Gromax Plasticulture Ltd v*

*Don & Low Nonwovens Ltd [1999] RPC 367 at 379 and DAAWAT Trade Mark (Case C000659037/1, OHIM Cancellation Division, 28 June 2004) at [8].*

135. *Fifthly, section 3(6) of the 1994 Act, Article 3(2)(d) of the Directive and Article 52(1)(b) of the Regulation are intended to prevent abuse of the trade mark system: see Melly's Trade Mark Application [2008] RPC 20 at [51] and CHOOSI Trade Mark (Case R 633/2007-2, OHIM Second Board of Appeal, 29 February 2008) at [21]. As the case law makes clear, there are two main classes of abuse. The first concerns abuse vis-à-vis the relevant office, for example where the applicant knowingly supplies untrue or misleading information in support of his application; and the second concerns abuse vis-à-vis third parties: see Cipriani at [185].*

136. *Sixthly, in order to determine whether the applicant acted in bad faith, the tribunal must make an overall assessment, taking into account all the factors relevant to the particular case: see Lindt v Hauswirth at [37].*

137. *Seventhly, the tribunal must first ascertain what the defendant knew about the matters in question and then decide whether, in the light of that knowledge, the defendant's conduct is dishonest (or otherwise falls short of the standards of acceptable commercial behaviour) judged by ordinary standards of honest people. The applicant's own standards of honesty (or acceptable commercial behaviour) are irrelevant to the enquiry: see AJIT WEEKLY Trade Mark [2006] RPC 25 at [35]-[41], GERSON Trade Mark (Case R 916/2004-1, OHIM First Board of Appeal, 4 June 2009) at [53] and Campbell v Hughes [2011] RPC 21 at [36].*

138. *Eighthly, consideration must be given to the applicant's intention. As the CJEU stated in Lindt v Hauswirth:*

*“41. ... in order to determine whether there was bad faith, consideration must also be given to the applicant's intention at the time when he files the application for registration.*

*42. It must be observed in that regard that, as the Advocate General states in point 58 of her Opinion, the applicant's intention at the relevant time is a subjective factor*

*which must be determined by reference to the objective circumstances of the particular case.” ”*

47. The Opponent claims that the actions of the Applicant have been done in order to “deceive the public”. Reference is made by the Opponent to the similarity of the marks, which is claimed to have been intentional on the part of the Applicant as a way to pass off their services as that of the Opponent’s. The Opponent claims that the Applicant’s use of the “CLUB DIAMOND” mark is prejudicial to the Opponent’s use of its “DIAMOND” and “THE CLUB” marks.
48. The relevant date for assessing whether an application to register a trade mark was made in bad faith is the date of application, that is, the 27th of September, 2011. The Applicant is presumed to have acted in good faith unless the contrary is proved. The allegation of bad faith must be distinctly proved by the Opponent with cogent evidence, on a balance of probabilities.
49. Applying and considering the various principles for determining bad faith and after conducting an overall assessment, taking into account all the factors relevant to the particular case, I must first ascertain what the Applicant knew about the matters in question and then decide whether, in light of that knowledge, the Applicant's conduct is dishonest or otherwise falls short of the standards of acceptable commercial behaviour judged by ordinary standards of honest people. I must also consider the applicant's intention.
50. It is imprecise for me to ascertain what the Applicant knew about the matters in question and whether it intended to and/or did appropriate the Opponent’s mark in its mark. I cannot presume that the Applicant was aware of the Opponent’s marks prior to using and filing its mark. It would appear from the evidence that both marks were first used in Jamaica in 2011. As reasoned above, the use by the Applicant of the words “Club” and “Diamond”, which are not uncommon in the class, without more, could not lead me to conclude that the Applicant intended to appropriate the Opponent’s marks. The Opponent bears the burden of proof and has not provided evidence of any prior knowledge of its marks by the Applicant or of any stated or obvious intention of the Applicant to

misappropriate the Opponent's marks. On the evidence presented, there appears to be no ill-intent or nothing untoward about the Applicant's actions *per se*.

51. I therefore am unable to conclude that the Applicant's conduct in this matter falls short of the standards of acceptable commercial behaviour observed by reasonable and experienced persons in the hospitality industry in Jamaica. The Ground of Opposition under section 11(4)(e) therefore fails.

### **Conclusion**

52. The Opposition is therefore refused on the basis that:

- i. the Applicant's mark does not contravene section 13(2)(b) of the Act;
- ii. the use of the mark in Jamaica is not liable to be prevented by the law of passing of and is therefore not contrary to section 13(4)(a) of the Act; and
- iii. the application for registration of the Applicant's mark was not made in bad faith and therefore does not contravene section 11(4)(e) of the Act;

53. The Applicant's mark shall be registered in class 43 for the goods and services specified in the Trade Mark Application No. 58,969.

54. There is no order as to costs

Marcus Goffe  
for Registrar of Industrial Property  
May 29, 2015