

**TRADE MARKS ACT 1994  
IN THE MATTER OF APPLICATION No 2167112  
BY ONE 2 ONE A PARTNERSHIP**

**AND**

**IN THE MATTER OF OPPOSITION THERETO UNDER No 49790  
BY EIRCELL LIMITED**

**TRADE MARKS ACT 1994**  
**IN THE MATTER of Application No 22167112**  
**by One 2 One a Partnership**

**and**

**IN THE MATTER OF Opposition thereto under No 49790**  
**by Eircell Co**

**BACKGROUND**

1. On 20 May 1998 Mercury Personal Communications, a partnership comprising of Mercury Personal Communications applied under the Trade Marks Act 1994 to register a series of two marks as shown below in respect of a specification of goods and services which reads:

Class 9

Telephone, telecommunications, telegraphic, telex, teleprinter, and electronic data communications apparatus and instruments; telephone apparatus and instruments for telephone exchanges; telephone answering machines; transceivers electrical switchboards; electrical and electronic apparatus and instruments all for the locating, paging and signalling of personnel; apparatus and instruments for the detection of fire, smoke, and heat, and of intruders; fire alarms and anti-theft alarms; electrical apparatus and instruments for the recording of time, cost and of production data; electrical apparatus and instruments for the collection and analysis of information, and electrical control apparatus and instruments for use therewith; radio receiving and radio transmitting apparatus; sound recording, sound reproducing and sound amplifying apparatus; audio and video recordings; recorded data carriers; computers; cards containing encoded data or containing computer chips; computer programs; electronic apparatus and instruments for use in receiving, transmitting, processing, storage and retrieval of data; measuring, signalling, checking and teaching apparatus and instruments; scientific apparatus and instruments; parts and fittings for all the aforesaid goods.

Class 38

Telecommunications services; personal communication networking services; broadcasting services; message sending services; data transmission and data network services; rental of telecommunications, broadcasting, broadcast receiving, message sending, message receiving, data transmission and data network apparatus and instruments.



2. The applicant claims the colours blue (Pantone 280), red (Pantone 186), purple (Pantone 2587) and white as an element of the first mark of the series. Following an assignment, the trade mark now stands in the name of One 2 One a partnership.

3. The application was accepted and published and on 20 May 1999, Eircell Limited of Dublin Ireland filed notice of opposition to the application. The notice of opposition was accompanied by a statement of grounds which set out two grounds of opposition. Following the filing of the opponents' evidence the applicants, in a letter dated 29 November 2000, requested that the opponents' ground of opposition under section 3(6) of the Trade Marks Act 1994 be struck out as no evidence had been filed directed to that allegation. On 25 January 2001, the registry issued a preliminary view that this ground had not been substantiated and that it should be struck out. The opponents were offered an opportunity to be heard on this issue. No hearing was requested and on 23 February 2001 the parties were informed that the ground of opposition under section 3(6) had been struck out. Thus, at the time these proceedings came to be determined the opponents' sole ground of opposition can be summarised as follows:

- under section 5(4)(a) in that the opponent is a telecommunications company in the Republic of Ireland and has been using the trade mark READY TO GO in the Republic of Ireland since October 1997 in relation to pre-paid mobile telephone services and telephones and cards for use therewith. That by virtue of the use and reputation of the opponents' trade mark READY TO GO prior to the date of application of the application in suit in relation to mobile telephone services and goods associated therewith, use of the applied for mark is liable to be prevented by virtue of the law of passing off.

4. The applicants, in their letter of 29 November, also objected to paragraph 4 of the statement of grounds which states that use of the trade mark the subject of the application would lead to confusion and prejudice the opponent in the conduct of their business. This is not a ground of opposition and it does not add anything to the opponents' objection under section 5(4)(a), it can be disregarded. The applicants filed a counterstatement denying the ground of opposition under section 5(4)(a). Both sides seek an award of costs. Only the opponents filed evidence in these proceedings and neither party has requested an oral hearing. The applicants' filed written submissions in a letter dated 12 April 2001. Acting on behalf of the registrar and after a careful study of the papers, I give this decision.

## Evidence

5. As noted above, only the opponents filed evidence in these proceedings. That evidence consists of a witness statement together with exhibits dated 25 August 2000. The witness statement is by Ms Ann Donnelly, the company secretary of Eircell Limited, the opponents in this matter. Ms Donnelly states that Eircell is the largest mobile cellular telephone company in the Republic of Ireland, it is a wholly owned subsidiary of Eircom Plc. There are approximately 100 retail outlets within the Eircom Group selling READY TO GO and a further 500 independent retail outlets also selling Eircell READY TO GO products. Ms Donnelly says that as at June 1999, Eircell had 680,000 customers in the Republic of Ireland and Northern Ireland.

6. Ms Donnelly explains that October 1997 saw the introduction of pre-paid mobile telephone services. Unlike previous mobile telephones which were based on annual contracts with monthly bills issued in respect of air time, the pre-paid mobile telephone is operated by loading the phone with credit. READY TO GO mobile telephones are said to be sold with a GO card providing an initial £20 worth of airtime. It is said that GO cards are available through 5,000 retail outlets throughout the Republic of Ireland and Northern Ireland. Ms Donnelly says that 60,000 READY TO GO units were sold by Christmas 1997 and 200,000 by 31 October 1998.

7. Ms Donnelly explains that READY TO GO phones appeal to young adults and women and that they have made mobile telephones accessible to a much larger audience. It is stated that the READY TO GO product made up more than 38.5% of the Irish mobile telephone market as at the end of March 2000. This she states indicates how very quickly the product became known on the Irish market.

8. Ms Donnelly gives turnover figures for the READY TO GO product between 31 October 1997 and 30 June 1999 as in excess of GB£ 15.7 million. This is said to be in the Republic of Ireland and Northern Ireland. Ms Donnelly says that her company spends many millions of pounds annually on advertising its products and that they have been promoted throughout the Republic of Ireland and Northern Ireland since its launch. Advertising is said to include television, radio and printed media, mail shots in the Republic of Ireland, distribution of promotional literature to existing registered customers and through a sales team responsible for promoting sales throughout the Republic of Ireland and Northern Ireland.

9. Ms Donnelly states that in marketing terms the Republic of Ireland and Northern Ireland are regarded as a single market and any advertising carried out in the Republic of Ireland automatically extends to potential customers in Northern Ireland. She gives as examples, magazines or printed media, advertising, radio and television. It is stated that there are in excess of 600 premises in which the READY TO GO products are sold.

10. Ms Donnelly says that at the application date, Eircell's products had been selling for 8 months and had already established itself as the market leader for pre-paid telephone services. Use of READY 2 GO in Northern Ireland at the date of application would in her view have been such as to mislead the public as to the origin of the product. Ms Donnelly states that enquiries were made on their behalf into the use made by the applicants of the mark READY 2 GO, I need not summarise these. Finally, Ms Donnelly exhibits various promotional and information leaflets showing the opponents' use of the trade mark READY TO GO. I will refer to these as part of my decision.

## The Law

11. The ground of opposition refers to sections 5(4)(a) of the Trade Marks Act 1994. The relevant provision reads as follows:

- “5.- (4) A trade mark shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented -
- (a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade, or
  - (b) .....

A person thus entitled to prevent the use of a trade mark is referred to in this Act as the proprietor of an “earlier right” in relation to the trade mark.

12. The opponents’ statement of grounds refers to the law of passing off. Mr Geoffrey Hobbs Q.C., sitting as the Appointed Person set out the basis for an action for passing-off in *WILD CHILD Trade Mark* [1998] RPC 455. The relevant part reads as follows:

‘A helpful summary of the elements of an action for passing-off can be found in Halsbury’s Laws of England 4th Edition Vol 48 (1995 reissue) at paragraph 165. The guidance given with reference to the speeches in the House of Lords in Reckitt & Colman Products Ltd -v- Borden Inc [1990] RPC 341 and Erven Warnink BV -v- J Townend & Sons (Hull) Ltd [1979] ACT 731 is (with footnotes omitted) as follows:

“The necessary elements of the action for passing-off have been restated by the House of Lords as being three in number:

- (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 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.

The restatement of the elements of passing-off in the form of this classical trinity has been preferred as providing greater assistance in analysis and decision than the formulation of the elements of the action previously expressed by the House. This latest statement, like the House’s previous statement, should not, however, be treated as akin to a statutory definition or as if the

words used by the House constitute an exhaustive, literal definition of ‘passing-off’, and in particular should not be used to exclude from the ambit of the tort recognised forms of the action for passing-off which were not under consideration on the facts before the House”

Further guidance is given in paragraphs 184 to 188 of the same volume with regard to establishing the likelihood of deception or confusion. In paragraph 184 it is noted (with footnotes omitted) that;

“To establish a likelihood of deception or confusion in an action for passing-off where there has been no direct misrepresentation generally requires the presence of two factual elements:

- (1) that a name, mark or other distinctive feature used by the plaintiff has acquired a reputation among a relevant class of persons; and
- (2) that members of that class will mistakenly infer from the defendant’s use of a name, mark or other feature which is the same or sufficiently similar that the defendant’s goods or business are from the same source or are connected.

While it is helpful to think of these two factual elements as successive hurdles which the plaintiff must surmount, consideration of these two aspects cannot be completely separated from each other, as whether deception or confusion is likely is ultimately a single question of fact.

In arriving at the conclusion of fact as to whether deception or confusion is likely, the court will have regard to:

- (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.

In assessing whether confusion or deception is likely, the court attaches importance to the question whether the defendant can be shown to have acted with a fraudulent intent, although a fraudulent intent is not a necessary part of the cause of action.” ’

13. There is no evidence from the applicants showing that their trade mark is in use but this is of no consequence. I must assume that the mark is put into use; *Reed Consumer Books Limited v. Pomaco Limited* [2000] F.S.R. 734. In order for the opponents to succeed under this head of opposition they must show that at the relevant date, that is the date of application 20 May 1998 they could have prevented use of the trade mark the subject of the application by virtue of the law of passing off. To satisfy the first criteria for passing off, the opponents must show that as at the 20 May 1998 they had the necessary goodwill or reputation in the trade mark READY TO GO.

14. The opponents' statement of case claims use in the Republic of Ireland from October 1997 of the trade mark READY TO GO. In their evidence, however, they seek to claim a reputation in this trade mark in the Republic of Ireland and also Northern Ireland. I will discuss whether their evidence is sufficient for me to make such a finding below. However, before considering their evidence in detail I should set out the requirements for showing a goodwill within the jurisdiction. I was not addressed on this issue but am familiar with the cases in this area and have made reference to Wadlow "The Law of Passing Off" and Halsbury's Laws of England". Wadlow at page 75 paragraph 2.32 states:

**"The existence of relevant goodwill in England**

The test for whether a foreign plaintiff may succeed in a passing-off action is normally stated in terms of whether his business has a goodwill in England. This criterion is broader than the obsolete statements that the plaintiff must have a business or place of business in England. Provided there are customers or ultimate consumers for the plaintiff's goods or services in England then the plaintiff stands in the same position as a domestic trader. It is of no importance whether the foreign plaintiff conducts his English business directly or through intermediaries of whatever legal status, nor whether his terms of trade provide for his goods to be sold in England in the sense of property in them passing to the buyer here. In *Anheuser-Busch v. Budvar* [1984] F.S.R. 413, Oliver L.J. put the question in terms of the foreign business having customers directly or indirectly in the jurisdiction.

"The principle was expressed by Walton J.....as follows:

'[A]s a matter of principle, no trader can complain of passing off as against him in any territory....in which he has no customers, nobody who is in a trade relation with him. This will normally shortly be expressed by stating that he does not carry on any trade in that particular country.... but the inwardness of it will be that he has no customers in that country: no people who buy his goods or make use of his services (as the case may be) there.'

This is, I think, a helpful statement, but needs, in the light of the authorities, to be approached with the caveat that 'customers' must not be read as confined to persons who are in a direct contractual relationship with the plaintiff but includes persons who buy his goods in the market".

15. Later at page 82 paragraph 2.37 it is stated:

**“Foreign plaintiffs with only reputation in England**

Reputation as such is a state of fact rather than a form or property capable of being protected by the law of passing-off. If the plaintiff has or has had no significant number of customers in England, in the broad sense identified by Oliver L.J. in *Budweiser* then he has no goodwill here which no amount of reputation can replace.

“[T]he plaintiffs’ name *Budweiser* was well known to a substantial number of people in this country...as a name associated with the beer brewed by the plaintiffs in the United States. The plaintiffs can thus legitimately claim that before the defendants’ entry into the market here, they had a reputation as brewers of a beer *Budweiser*, with a substantial section of the public. The question is whether this reputation associated with a beer which, for practical purposes, nobody could buy here, constituted a goodwill in any relevant sense.”

In *Budweiser* the plaintiff’s reputation in England was acquired without any advertising directed at the English market. Even such advertising, however, is no substitute for goodwill. In the *Athlete’s Foot* case American press advertising which reached the UK was not shown to have generated any custom.....In the *Crazy Horse* case, *Bernadin v. Pavilion Properties* [1967] R.P.C. 581, the plaintiffs’ night club in Paris had distributed promotional literature to English tourist organisations and hotels. Pennycuik J. held that this was insufficient to constitute user in this country, and that the reputation the plaintiffs had in the wider sense was insufficient to found a passing-off action.”

16. Whilst suggesting that *Crazy Horse* may not entirely be good law Wadlow continues:

“Two of the central propositions in the *Crazy Horse* case are undoubtedly correct: advertising on its own does not amount to carrying on a trade and reputation is not a sufficient basis for a passing-off action.”

17. The opponents’ business is based in the Republic of Ireland. Taking the authorities cited above into account, that of itself would not be a bar to the opponent having acquired a goodwill and reputation in Northern Ireland. It would still be possible for the opponents to have “customers” in Northern Ireland. Such cross-boarder custom is shown in *C & A Modes v. C & A (Waterford)* [1978] F.S.R. 126, a decision of the Irish Supreme Court. The claimants operated a chain of clothes stores throughout the United Kingdom including one in Northern Ireland in Belfast. They did not operate any stores in the Republic of Ireland. However, the court found:

“A very substantial and regular custom from the Republic of Ireland was enjoyed by this [the Belfast] store...an excursion train travelled each Thursday from Dublin to Belfast, and so great was the influx of customers from the Republic as a result of that excursion that the store ordinarily employed extra part-time staff on Thursdays on the same basis as it did on Saturdays which were normally the busiest shopping days.”

18. In that case, the plaintiff’s advertised on Welsh and Ulster television, the judge accepted that

various English newspapers and publications such as the *T.V. Times*, had a circulation within the Republic of Ireland. It seems to me that this case shows that the claimants had “customers” within the relevant jurisdiction, in that case, the Republic of Ireland.

19. The Hearing Officer in *Attaboy Trade Mark* SRIS O/032/97 noted that section 5(4) states that a trade mark “...shall not be registered if, or to the extent that, its use in the United Kingdom is liable to be prevented...”. He went on to find that if the opponents in that case had acquired a goodwill or reputation in Northern Ireland by the relevant date, then the application would only have been able to proceed if the applicant agreed to a voluntary geographical limitation of rights, under section 13 of the Act, so as to exclude Northern Ireland from the scope of the proposed registration. The question that I must answer is whether, at the relevant date the opponents possessed the necessary goodwill or reputation in Northern Ireland. I must consider whether the opponents can show they had customers within the broad meaning of that word within the jurisdiction.

### Decision

20. Is the evidence filed by the opponents sufficient for me to find that at the relevant date they had a goodwill or reputation in the trade mark READY TO GO in Northern Ireland? For the reasons that I will give I find that the answer to that question must be no. The applicants’ written submissions were critical of the evidence filed by the opponents and many of their comments were well founded. In my view, I have insufficient evidence to support the opponents’ claim to a goodwill or reputation, in the trade mark READY TO GO, in particular:

- Ms Donnelly states that October 1997 saw the introduction of pre-paid mobile phones. She does not state that such use was under the trade mark READY TO GO but I assume that it was since it is stated that by Christmas 1997 over 60,000 READY TO GO units were sold. I am informed that by October 1997 200,000 units had been sold. How many had been sold at the relevant date and how many of these products were sold in or to customers living in Northern Ireland at the relevant date?
- As at June 1999 Eircell are said to have had 680,000 customers in the Republic of Ireland and Northern Ireland. This figure is after the relevant date and does not tell me how many customers the opponents had in Northern Ireland at the relevant date.
- It is stated that “GO cards **are** made available through 5000 retail outlets throughout the Republic of Ireland and Northern Ireland”[my emphasis] Ms Donnelly uses the present tense and I am not informed as to the number of retail outlets stocking the GO cards at the relevant date. Further, and in my view of more significance, I am given no breakdown of the number of outlets in each country. How many retail outlets in Northern Ireland stocked the opponents’ GO cards at the relevant date?
- Ms Donnelly then goes on to state that the READY TO GO product makes up more than 38.5% of the Irish market as at March 2000. This is after the relevant date, what was the market share as at 20 May 1998? Is this the market in the Republic of Ireland, Northern Ireland or both? I am given no information to assist me.
- Turnover in READY TO GO between 31 October 1997 and 30 June 1999 is said to have been in excess of £15.7 million in the Republic of Ireland and Northern Ireland. The

same comments apply as above, I am not given the turnover figures for the relevant period nor am I informed as to the turnover in Northern Ireland.

- Advertising is said to have incurred many millions of pounds annually. No figures or details are provided beyond broad statements of printed media, television and radio advertising. Whilst it could be accepted that there will be some spill over of advertising in English language printed media and even in television and radio broadcasts, I am given no information as to the extent of such advertising before the relevant date. No specific details of the nature and number of advertisements for READY TO GO have been provided. Without such information, I cannot assess the likely reaction of the relevant public at the relevant date.
- There are said to be in excess of 600 premises in which READY TO GO products are sold. Where are they and are any in Northern Ireland? Were any sales made to customers living in Northern Ireland?
- It is stated that, “In marketing terms the Republic of Ireland and Northern Ireland are regarded as a single market so that any advertising carried out the Republic of Ireland automatically extends to potential customers in Northern Ireland.” This is a very bold and broad statement to make which is not supported in any way. As stated above, I accept that there will be some spill over of advertisements between the two countries but I am given no information as to the marketing that was carried out. Some of the exhibits show competitions customers can enter, they all give an address in Dublin and I am given no information as to when these competitions were run, and the quantity of such leaflets, if any, that circulated in Northern Ireland.

21. The opponents’ evidence seeks to make much of their use in Northern Ireland to support their claim to a reputation and goodwill there. For the reasons given above, I find that the evidence filed by the opponents does not satisfy me that at the relevant date they had established a goodwill or reputation in Northern Ireland sufficient to prevent registration of the application under the provisions of section 5(4)(a). The onus in opposition proceedings is on the opponents, they were aware of the onus that was upon them at the outset and in my view they have clearly failed to discharge that onus.

22. Further, I find the opponents’ claim to have a goodwill or reputation in Northern Ireland to be surprising. Whilst there may have been some awareness of the product in Northern Ireland at the relevant date, although, based on the evidence even this is not entirely without doubt. The exhibits attached to Ms Donnelly’s witness statement seem to me to indicate that the READY TO GO mobile phone does not operate in Northern Ireland. For example, the welcome pack which accompanies the mobile telephone in the READY TO GO product contains:

- (i) a “Terms & Conditions” leaflet, this states at point 2.3 “With the “Ready to Go” GSM service the type of calls you make is limited and excludes, in particular, calls made outside the Republic of Ireland and calls from the Republic of Ireland to destinations outside “Europe” and calls to premium rate services. You will not be able to receive calls when you are outside the Republic of Ireland.”

Later in point 3.6 it is stated: “With the “Ready to Go” service you can only

make calls to the United Kingdom and Europe. You will not be able to make or receive calls outside the Republic of Ireland....”.

- (ii) The “Ready to Go” customer guide at page 17 contains a similar statement, “Please note: Calls can only be made from the Republic of Ireland”.
- (iii) This point is best demonstrated by the map enclosed with the welcome pack. This map is attached as annex 1 to this decision and clearly shows that the coverage for the READY TO GO phone does not extend to Northern Ireland. Clearly there will be some slop over from the masts in the Republic of Ireland so that the READY TO GO phone could be used near the border but the opponents make no claim to be able to use the phone in Northern Ireland. The reverse of this map is shown at Annex 2 to this decision and again the statement is made that you cannot use your phone outside the Republic of Ireland.

23. I have found that at the relevant date the opponents have failed to show the necessary goodwill or reputation in the trade mark READY TO GO and I need not go on to consider the question of misrepresentation and damage. However, I should state that in my view, the opponents’ case faced a further hurdle. The opponents’ claim a reputation in the trade mark READY TO GO. Halsbury’s notes at page 119, paragraph 190.

**“Descriptive and geographical names.** Special considerations apply where the plaintiff seeks to restrain as passing off the use of words or phrases which are descriptive of the goods or services concerned or to their geographical origin.

It is possible for a word or phrase which is wholly descriptive of the goods or services concerned to become so associated with the goods or services of a particular trader that its use by another trader is capable of amounting to a representation that his goods or services are those of the first trader. In these circumstances it is sometimes said that, although the primary meaning of the word is descriptive, they have acquired a secondary meaning as indicating the products or a particular trader and no other. However, a trader who seeks to prove that words which are prima facie descriptive have acquired such a secondary meaning faces a heavy burden, and the fact that such words, if used on their own without differentiation or explanation, will deceive does not mean that they cannot fairly be used with distinguishing words or in a context where their meaning is descriptive. Where the similarity between the trade marks or names of the plaintiff and defendant lies in descriptive words, the court will generally accept that small differences will be sufficient to distinguish them.... as to do otherwise would allow the plaintiff unfairly to monopolise words in common use in the English language.”

24. It seems to me that the phrase READY TO GO is to a degree descriptive of the nature of the product to which it is applied. It describes a phone that is “Ready to go”, it is ready to use. There are two things that I take from the passage quoted above. Firstly that the opponents in this case would have faced a heavy burden in seeking to show that the phrase READY TO GO had acquired a secondary meaning as indicating their product and no other. I note that the evidence shows that use of the phrase READY to GO is nearly always accompanied by the house mark EIRCELL. Secondly I note that small differences between such marks may be enough to avoid confusion. On that basis, it seems to me at least arguable

that use of the applicants' trade mark would not result in any misrepresentation.

25. The opponents' have failed to make out their ground of opposition under section 5(4)(a) and it must be dismissed.

26. The applicants have been successful and are entitled to a contribution towards their costs. The applicants' representative requested a higher award costs than would normally be the case. This submission was based on the way in which the opponents' case was pleaded and the nature of the evidence filed in the proceedings, which in their view did not support their claim under section 5(4)(a). I have found many of the applicants' criticisms of the opponents' evidence to be well made and so will take this into account when determining the issue of costs. A standard award of costs from the scale for these proceedings would be £235-00. However, in the circumstances of this case I am prepared to increase those costs to £435-00. Therefore, I order that the opponents pay the applicants the sum of £435-00 as a contribution towards their costs. This sum is to be paid within seven days of the expiry of the appeal period or within seven days of the final determination of this case if any appeal against this decision is unsuccessful.

**Dated this 14<sup>th</sup> day of August 2001**

**S P Rowan  
For the Registrar  
the Comptroller General**

**Annex 1 & 2 as colour paper copy**

## **Annex 1**

## **Annex 2**