

In the Privy Council

ON APPEAL

FROM THE COURT OF APPEAL OF NEW ZEALAND

BETWEEN

HANNAFORD & BURTON LIMITED *Appellant*

AND

POLAROID CORPORATION *Respondent*

Case for the Respondent

RECORD.

- 10 1. This is an appeal from a judgment of the Court of Appeal of New Zealand (Richmond, Woodhouse and Cooke JJ.) given on 29th November, 1974 allowing an appeal from a judgment of the Supreme Court of New Zealand (Beattie J.) given on 14th August, 1973 and ordering rectification of the Trade Marks Register by expunging therefrom New Zealand Trade Mark Registration No. B82513 dated 21st October, 1966, in respect of the mark SOLAVOID in Class 9 for "sunglasses" registered by the Appellant Hannaford & Burton Limited (hereinafter referred to as "Hannaford").
- p. 125 ff. p. 139.
p. 95 ff. p. 122.
p. 211.
- 20 2. On 22nd January, 1971, the Respondent Polaroid Corporation (hereinafter referred to as "Polaroid Corp.") made application to the Supreme Court for an order rectifying the Trade Marks Register by the expungement of Hannaford's registration No. B82513 SOLAVOID and alleged that the mark was wrongly remaining on the Register for the reasons, so far as is relevant to this appeal, that :—
- pp. 1-3.
- (A) At the date of registration the trade mark was not and could not have been distinctive of the goods of the proprietor. p. 2. 18-21.
- (B) At the date of registration the mark was likely to deceive or cause confusion and otherwise disentitled to protection. p. 2. 22-25.
- 30 (C) At the date of registration there existed on the Register a trade mark belonging to Polaroid Corp., registered for the same goods or description of goods which the trade mark SOLAVOID so nearly resembled as to be likely to deceive or cause confusion. p. 2. 26-33.

p. 2. 40-43.

Each and every reason set forth in sub-paragraphs (A) to (C) inclusive hereof is as applicable to the said registration now as it was at the date on which the said registration was granted.

The application was supported by sixteen affidavits and in opposition eleven affidavits were filed on behalf of Hannaford.

3. The following circumstances as appear in the affidavits filed are relevant to this appeal.

p. 3. 29-32.

p. 141 ff.

p. 144 ff.

p. 4. 26-27.

p. 4. 35-42, p. 8. 1-15.

p. 4. 43, p. 5. 3, p. 9. 9-24.

pp. 149-173.

p. 78. 1-13, p. 86, 10-14.

p. 96. 17-19,

p. 111. 42-45,

p. 125. 30-34.

p. 54. 1-27, p. 70, 26-39,

p. 75. 25-29, p. 84, 21-27,

p. 86. 15-23, p. 89. 37-43,

p. 94. 17-31.

p. 67. 18-20, p. 72. 14-15,

p. 90. 5-6.

p. 150. pp. 168-178.

p. 8. 10-15, pp. 147-148.

p. 80. 6-10,

p. 93. 44, p. 94. 5.

p. 9. 25-35.

pp. 174-178.

p. 59. 1-18.

p. 59. 19-30.

p. 56. 20-22.

p. 57. 37-39.

p. 9. 42—p. 10. 7.

p. 10. 15-23.

p. 59. 31—p. 60. 5.

p. 179.

(i) Polaroid Corp., a United States Corporation, is the proprietor of the trade mark POLAROID which is the subject of two registrations in New Zealand relevant to this appeal—No. 38281, 10 dated 28th May, 1940, in Class 8 (Schedule III) and No. 42821, dated 29th March, 1946, in Class 9 (Schedule IV). The trade mark POLAROID has been used by Polaroid Corp. in virtually every country of the world in respect of sunglasses and in New Zealand has been used since 1938 and continuously since at least 1950. POLAROID sunglasses have been extensively advertised. It is not in dispute that POLAROID sunglasses have acquired a wide and valuable reputation among members of the trade and the general public and probably are the best known brand of sunglasses in New Zealand. There was some evidence that to some of the 20 public POLAROID signifies all sunglasses having polarising lenses, despite the fact that proper marking had at all times been used notifying the trade mark significance of the word POLAROID.

(ii) All POLAROID sunglasses have polarising lenses and this is featured in promotion of Polaroid Corp.'s product and in swing tickets attached to the sunglasses when sold.

(iii) Polaroid Corp.'s sunglasses carry the trade mark POLAROID embossed on the temple.

(iv) During the years 1967 and 1968 Polaroid Corp. employed in its advertising a stylized form of lettering in which the expression 30 "Sunglasses 1968" was featured.

(v) Hannaford, a New Zealand company, after making a preliminary enquiry directed to the Trade Marks Registry applied for registration of the word SOLAVOID as a trade mark on 21st October, 1966, and in due course registration was granted under No. B82513 without opposition from Polaroid Corp. The word SOLAVOID was first used by Hannaford in relation to sunglasses about January, 1968, and sunglasses sold under the trade mark SOLAVOID first went on sale to the public in September, 1968.

(vi) Late in the year 1968 or early in 1969 the New Zealand 40 representative of Polaroid Corp. became aware that sunglasses were being offered for sale under the mark SOLAVOID, that some of these incorporated polarising lenses and that in packaging and promotional material relating to these there was frequent use of such words as "polarglass", "polarplastic" and "polarclip" as well as the word "polarised".

(vii) Hannaford's sunglasses carried the word SOLAVOID on the temple and were accompanied by swing tickets some of which were printed with the words "Solavoid Sunglasses" in stylized lettering similar to that used in Polaroid Corp.'s earlier advertising. p. 80. 13-16, p. 93. 41- p. 94. 5.
p. 56. 28-32, p. 183.
pp. 174-178.

(viii) As an alleged goodwill gesture to Polaroid Corp., following objection, Hannaford decided to phase out the use of the terms "polarglass", "polarplastic" and "polareclip". p. 59. 31-p. 60. 5.

4. The circumstances surrounding the retail sale of sunglasses in New Zealand appear from the affidavits as follows:—

- 10 (i) Sales are made through chemist shops and also through opticians, optometrists, sports goods stores and department stores. p. 8. 41-p. 9. 8.
p. 57. 20-22.
- (ii) Most sales take place in the summer particularly during the few weeks prior to Christmas which coincides with the beginning of summer in New Zealand and during which time the shops are invariably crowded and noisy and the assistants are very busy. p. 9. 3-8, p. 70. 5-8.
p. 72. 6-7, p. 77. 31-33.
p. 80. 39-42, p. 92. 32-38.
- (iii) Retailers display sunglasses to enable customer selection by means of display stands or wire grills or frames. Display stands frequently carry signs referring to a particular brand of sunglasses. In these displays sunglasses of different brands are frequently mixed. p. 11. 31-p. 12. 12.
p. 67. 25-32, p. 72. 1-5.
p. 74. 28-43,
p. 78. 37-p. 79. 5,
p. 80. 23-36.
p. 86. 33-47,
p. 92. 16-24,
p. 193, p. 199.
- 20 (iv) More sunglasses having non-polarising lenses are sold than those having polarising lenses. p. 68. 20-25, p. 70. 40-44.
p. 72. 36-37, p. 75. 4-6.
p. 82. 27-32, p. 84. 33-34.
- (v) Many members of the public select sunglasses because of style or price rather than by reference to trade marks. p. 68. 31-36, p. 71. 4-8,
p. 72. 37-42, p. 75. 7-11,
p. 82. 21-24, p. 84. 35-40,
p. 90. 26-33.
p. 94. 6-11.
- (vi) Sales of sunglasses are promoted to the general public by reference to trade marks in published advertising material and also in radio and television advertising and this leads some prospective purchasers to ask for sunglasses of particular brands. p. 9. 9-24, p. 14. 7-13,
p. 15. 1-7, p. 17. 6-11,
p. 20. 7-11, p. 23. 6-11,
p. 24. 1-6, p. 32. 7-13,
p. 33. 1-6, p. 35. 6-11,
p. 36. 1-6, p. 38. 7-12,
p. 39. 1-6, p. 58. 1-9,
p. 68. 26-30, p. 70. 20-25,
p. 72. 8-13, p. 76. 27-29,
p. 78. 1-6, p. 84. 15-20,
p. 89. 33-36, p. 92. 30,
p. 93. 6, p. 75. 20-24,
p. 86. 10-15, p. 94. 11-16.
- 30 5. There is an instance of a department store assistant presenting SOLAVOID sunglasses in response to a request based upon a published advertisement for sunglasses with POLAROID lenses. p. 12. 13-36.

6. There are no marks other than the mark POLAROID on the New Zealand Trade Marks Register in Class 9 which cover sunglasses and which are derived from the words "polar" or "polarise". The brand names and trade marks in use in relation to sunglasses on the New Zealand market as referred to in the affidavits are:— p. 60. 17-28.

RAYBAN	RODENSTOCK	PROTEX	p. 11. 1-10.
CALOBAR	ZEISS UMBRAL	TELE RELAX	
COOLRAY	VERRES FILTRANTS	PROTECTOR	
SAMCO	NILSON	LOZZA	
FILOS	RATTI	FILTRAY	
SOLAMOR	VIENNALINE	SPOLAREX or	p. 60. 29-44, p. 81. 24-26,
POLARFLEX	ANDRY	POLAREX	p. 91. 22.
SOLAREX	SOLFLEX	SAPPHO	p. 94. 34-41, p. 77. 40.

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p. 54. 28-42.

Of these names and marks Polaroid Corp. claims that use of POLARFLEX has been insignificant and that the marks SPOLAREX and POLAREX are one and the same, that the use has been insignificant and that an application to register SPOLAREX was withdrawn under threat of Polaroid Corp.'s opposition.

p. 54. 43-p. 55. 13.

p. 58. 36-44.

7. Hannaford's evidence is that the mark SOLAVOID was evolved by the combination and telescoping of the word SOL, the Latin word for sun, and the English word AVOID. There is also evidence that to some retail pharmacists the idea of avoiding the sun is suggested by the mark.

p. 68. 1-2, p. 81. 5-6.
p. 89. 5-6.

p. 95. 23, p. 96. 16.

8. Beattie, J., giving the judgment of the Supreme Court, refused 10 the application. In his reasons for judgment, after summarising the history of use of the trade mark POLAROID in New Zealand, he found that undoubtedly POLAROID sunglasses have acquired a wide and high reputation among members of the trade and the general public. He then summarised the history of the use of the mark SOLAVOID and stated "it is also fair to say that SOLAVOID is a well-known sunglass in this country" and that in view of the competition the Court could fairly expect an energetic prosecution of allegations of confusion or deception.

p. 96. 17-19.

p. 96. 20-p. 97. 20.

p. 97. 20-22.

p. 97. 28-32.

p. 97. 39-43.

9. Beattie, J., referred to the manner in which Hannaford's trade 20 mark SOLAVOID was claimed to have been evolved and said, "Therefore, the idea suggested is 'sun avoid' or 'avoid the sun'".

p. 97. 43-44.

p. 99. 10-15.

10. After completing a summary of the facts Beattie, J. referred to Section 41 of the Trade Marks Act 1953 (hereinafter referred to as "the Act") giving the general power to rectify the Register and then set out the relevant grounds on which the application is based. In relation to the first ground (A), that Hannaford's mark lacked distinctiveness at the date of registration, he said this would be made out if the subsequent grounds based on similarity of marks were made out. He then referred to the argument that if the two trade marks are distinguishable because of the 30 meanings they convey SOLAVOID must be descriptive of the goods and therefore non-distinctive. He stated that ground (B) relates to Section 16 of the Act and ground (C) finds its basis in Section 17(1) of the Act.

p. 99. 15-38.

p. 100. 1-5.

p. 100. 5-12.

p. 100. 12-13.

p. 100. 14-19.

p. 100. 24-27.

11. Beattie, J. then turned to the principal grounds; that the registration was contrary to Sections 16 and 17 (1) of the Act. He first adopted the reasoning of McGregor, J. in the Supreme Court in *New Zealand Breweries Limited v. Heineken's Bier Browerij Maatschappij N.V.* [1964] N.Z.L.R. 115 and quoted the passage reported at page 117 of the report:—

p. 100. 28-37.

p. 100. 35-37.

"That the necessary starting point is therefore, to attach 40 great weight to the Commissioner's conclusions".

p. 100. 40-p. 106. 39.

12. He then referred to the onus and standard of proof required of an applicant in proceedings for rectification of the Trade Marks Register. After referring to a statement in the judgment of Skerrett, CJ. in *R. Jamieson & Co. Limited v. J. & J. Abel Limited* [1926] N.Z.L.R. 565, 581-2 which suggested to him that the criminal standard of proof beyond

p. 101. 1-p. 102. 4.

reasonable doubt might be required, he referred to a number of New Zealand, Australian and English decisions and concluded that an applicant for rectification must show there is a reasonable probability of deception having regard to the circumstances under which registration was obtained and the time it has been on the Register. p. 102. 1-p. 106. 17.
p. 106. 34-38.

13. Beattie, J. referred to the law applicable to rectification as stated in *General Electric Co. v. The General Electric Co. Ltd.* [1972] 2 All E.R. 507, 526 and to Sections 11 and 12 of the English Act of 1938 as counterparts to Sections 16 and 17. He referred to the tests for the application of Sections 16 and 17 (1) and to *Smith-Hayden & Co. Limited's Application* (1946), 63 R.P.C. 97, 101, *Aristoc Limited v. Rysta Limited*, 62 R.P.C. 65 and *Bali Trade Mark* [1969] R.P.C. 472. He then dealt with four matters as included in those to be taken into account on the matter of confusing similarity; first with reference to *General Electric Co. v. The General Electric Co. Ltd.* (*supra*) he said that since the goods were sold to the general public and not in a specialised market the judge is, as with a jury question, not confined to the evidence; secondly he referred to *In re Pianotist's Application* (1906) 23 R.P.C. 774 and quoted the well known rules for comparison of marks from the judgment of Parker, J. at page 777 of the report as summarised by Turner, J. in *New Zealand Breweries Limited v. Heineken's* (*supra*) at page 139 of the report; thirdly he referred to the "doctrine of imperfect recollection" and the dissenting judgment of Luxmoore L.J. in *In re Rysta's Application* (1943), 60 R.P.C. 87, 108 which was upheld by the House of Lords *sub nom Aristoc Limited v. Rysta Limited* (*supra*); and fourthly he dealt with the manner of use of the respective marks appearing from the evidence. He mentioned the notoriety of the trade mark POLAROID but did not accept that this was a case of the introduction of a new mark having general overall similarity to an already established mark as was the situation in *In re Koyo Seiko Kabushki's Application* (1958), R.P.C. 112 because each of the parties has a comparable number of retail outlets and both spend a great deal on advertising, including shop displays. He referred to the evidence of customer selection of sunglasses by style and price rather than by trade mark. He also referred to the use by Hannaford in conjunction with the word SOLAVOID of the words "polarised", "polar glass", "polar plastic" and "polar clip" and the fact that Hannaford had "wisely decided" to desist from references to the last three. He mentioned Hannaford's use of very similar lettering to that which formed a feature of Polaroid Corp.'s 1968 advertising campaign and the fact that retail traders keep together sunglasses of different brands. p. 106. 40-p. 107. 44.
p. 107. 45-48.
p. 108. 12.
p. 108. 45, p. 109. 7.
p. 109. 7-13.
p. 110. 9, p. 113. 10.
p. 110. 12-26.
p. 110. 27-46.
p. 111. 1-32.
p. 111. 3-p. 113. 10.
p. 111. 36-45.
p. 112. 12.
p. 112. 18-23.
p. 112. 24-27.
p. 112. 39-48.
p. 112. 45.
p. 113. 3-7.
p. 113. 7-10.
14. Beattie, J. next dealt with the construction of the two marks both being eight letter words with two letters of difference. He stated that undoubtedly they are of an equal number of syllables and at least on the pronunciation of some people they have identical vowel sounds. He said that when clearly heard or when read and properly assimilated, the opening parts of the words and consonants thereof are a means of distinguishing between them. He then said that he considered that looking at the words as a whole the "avoid" part of SOLAVOID is recognisable and does tend to register itself as such. He could not agree that the average New Zealand purchaser on encountering either of the marks would not closely examine or analyse them as to arrive at a difference in idea. He therefore concluded that the two marks were not visually or phonetically too close and that any idea which they might convey would so readily occur as to enable p. 113. 11-14.
p. 113. 14-17.
p. 113. 19-23.
p. 114. 2-5.
p. 114. 17-22.
p. 114. 28-32.

p. 114. 33-p. 116. 2.

p. 115. 4-18.

p. 115. 19-21.

purchasers to distinguish between them. He did not accept that Hannaford's motive in selecting the mark SOLAVOID was to appropriate Polaroid Corp's. goodwill nor that the manner of subsequent use had this effect and referred to *In re Kidax (Shirts) Limited's Application* (1960) R.P.C. 117, 118 and *In re Koyo Seiko Kabushki's Application (supra)*.

p. 117. 36.

p. 117. 33-36.

p. 119. 1-4.

p. 118. 17-46.

p. 119. 11-13.

p. 119. 23-p. 120. 3.

15. Beattie, J. referred to the evidence as to the absence of confusion and pointed out the lack of positive evidence that deception or confusion has occurred which he regarded as very material. He summarised the circumstances prevailing in the market for the goods to which he had regard and stated that it would seem that such confusion as does exist 10 is between POLAROID and POLARISED. He also stated that the time sequence in bringing and prosecuting the proceedings was inconsistent with the claim of deception and confusion.

p. 120. 4-p. 121. 23.

16. He found that the mark SOLAVOID was inherently capable of distinguishing under Section 15 of the Act. This point is not in issue in this Appeal.

p. 121. 31-42.

17. Beattie J. also stated that if he was wrong in his judgment that there was no reasonable probability of deception he would not in the exercise of his discretion lightly remove the mark from the Register.

pp. 123-124.

18. Polaroid Corp. appealed from the judgment of the Supreme 20 Court on the ground that it was wrong in fact and law as particularised in its Memorandum of Grounds of Appeal. The appeal was heard on 9th and 10th September, 1974. Judgment was reserved and delivered on behalf of the Court of Appeal by Richmond, J., on 29th November, 1974, allowing the appeal with costs and ordering expungement of the trade mark SOLAVOID from the Register.

p. 125 ff; p. 139. 30.

p. 125. 10-p. 126. 23.

p. 126. 36-p. 127. 4.

19. In the reasons for judgment the Court stated the facts briefly, set out the relevant parts of Section 41 and referred to the principal grounds upon which rectification of the Register is sought as : first that the trade mark was wrongly entered on the Register because at the date of registra- 30 tion it offended against Sections 16 and 17 (1) of the Act, and secondly that the mark wrongly remains on the Register because even if at the date of registration there was not a likelihood of deception or confusion the subsequent use of the mark by Hannaford has created that likelihood.

p. 127. 12-35.

p. 129. 1-p. 130. 18.

p. 130. 19-23.

20. The Court found that Beattie, J., had misdirected himself in adopting, as a starting point in the circumstances of this case, the view that great weight should be attached to the views of the Commissioner. The Court also considered that Beattie, J., had misdirected himself on the standard of proof required of an applicant for rectification in so far as he considered that the standard of proof must have regard to the time the 40 mark has been on the register. In these circumstances the Court considered that its duty was to approach the factual questions in issue *de novo* although naturally giving due regard to the views which Beattie, J., expressed.

21. The Court then turned to a consideration of the first ground for rectification ; that at the date of registration the trade mark SOLAVOID was wrongly entered on the Register because it so nearly resembled Polaroid Corp.'s established trade mark as to be likely to deceive or cause confusion. It referred, as background, to the fact that at the relevant date Polaroid Corp.'s mark had acquired a wide and established reputation and Hannaford's mark SOLAVOID had not been used. It mentioned the general legal principles reviewed by Beattie, J., and by the Court of Appeal in *New Zealand Breweries Limited v. Heineken (supra)* and made specific reference to *In re Pianotist Co.'s Application (supra)*, *Aristoc v. Rysta Limited (supra)* and *The G.E. Trade Mark (supra)*. The Court then considered five aspects of the case as follows :—

(1) It said that the reputation of the trade mark POLAROID is such that there would be a very large number of people in New Zealand to whom the word POLAROID is well known and accurately known thus reducing the importance of the "doctrine of imperfect recollection" but still leaving a considerable field in which that doctrine can operate.

(2) It stated that the substantial body of evidence that purchasers of sunglasses are guided by style and price does not remove the probability, which also is supported by the evidence, that a substantial number of customers ask for POLAROID sunglasses as such.

(3) It concluded from the evidence as to the way in which sunglasses are displayed and sold that purchases are normally made by customer selection rather than by demand over the counter.

(4) The Court considered that not a meticulous but a common-sense comparison of the two marks has to be made bearing in mind that a great body of purchasers would be quite unlikely to make any kind of careful analysis or comparison of the two marks. It said that by no means all purchasers are likely or indeed capable of analysing the SOLAVOID mark to identify the two words SOL and AVOID and that purchasers in New Zealand must come from a wide range of age, social, cultural and ethnic groups. On the question of pronunciation the Court was of the view that it is highly probable that a considerable percentage of persons would pronounce the vowel sounds in a completely similar way. It then referred to the differences in the opening and third consonants of the respective marks and concluded that it was not satisfied that persons with an accurate knowledge of the word POLAROID would mistake one word for the other and that visually the marks are different to anybody studying them with reasonable care. The Court further concluded that to the considerable number of persons to whom POLAROID is not so well known, with an imperfect recollection, there would be a real risk of confusion.

(5) The Court went on to consider whether a substantial number of persons familiar with the trade mark POLAROID would be likely to be confused in the sense of being led seriously

p. 134. 30-p. 135. 6.
 p. 135. 8.
 p. 135. 15.
 p. 135. 18.
 p. 135. 21-p. 136. 5.
 p. 135. 23-30.
 p. 136. 25-31.

to wonder whether sunglasses labelled SOLAVOID come from the same source as POLAROID glasses. After considering a passage from the judgment of Lord Upjohn in the *Bali Trade Mark Case (supra)* at page 496, *Jellinek's Trade Mark* (1946), 63 R.P.C. 59, 78, *Hack's Application* (1940), 58 R.P.C. 91, 110, *Southern Cross Refrigerating Co. v. Toowoomba Foundry Pty. Ltd.* (1954), 91 C.L.R. 592, 608, *New Zealand Breweries v. Heineken's (supra)* pp. 133-4, 141, 142 and the legislative history of the wording of the statute, the Court reached the strong *prima facie* impression that there is a real tangible danger that a significant number of buyers would be caused to wonder whether the two products come from the same manufacturer and have been differently named because of differences in lenses, style or price. 10

p. 136. 32-p. 137. 14.

22. The Court then considered the question whether the evidence was sufficient to offset that *prima facie* impression and concluded that it was not.

p. 137. 29-36.

23. Having held that there would be a probability of confusion on the part of persons having an imperfect recollection of the word POLAROID and a probability of confusion of a different kind among a significant number of persons to whom POLAROID is well known, the Court considered it unnecessary to deal with the further submissions made to it on behalf of Polaroid Corp. 20

p. 137. 37-40.

p. 137. 41-p. 139. 19.

24. The Court considered the views of Beattie, J. on the question of the discretion to allow the registration to remain but stated that in view of its conclusions it would be plainly wrong to refuse the application.

p. 138. 16-20.

p. 139. 20-25.

25. The Court of Appeal accordingly allowed the appeal and ordered rectification of the Register by expunging therefrom the trade mark registered number B82513.

26. Polaroid Corp. humbly asserts that the decision of the Court of Appeal was right and should be affirmed and that this appeal should be dismissed with costs and submits :— 30

(i) That the trade mark No. B82513 SOLAVOID was wrongly entered in the Register because at the date of the registration it offended against Sections 16 and 17 (1) of the Act because the word SOLAVOID so nearly resembled Polaroid Corp.'s established and registered trade mark POLAROID as to be likely to deceive or cause confusion.

(ii) That the trade mark is wrongly remaining on the Register because even if at the date of the registration there was not a likelihood of deception or confusion, the subsequent activities of Hannaford created that likelihood. 40

(iii) That no grounds exist upon which, in the exercise of the Court's discretion, the registration should be permitted to remain on the Register.

27. In support of the submissions in para 26 hereof Polaroid Corp. relies upon the following among other

Reasons

(1) As to the submission (i) in para 26 hereof :—

10 (A) The word SOLAVOID bears very close visual and phonetic similarity to the word POLAROID. The two words have an equal number of letters and syllables and on the findings of both the Courts below the vowel sounds, on the pronunciation of a substantial number of New Zealanders, are the same.

(B) The goods covered by the SOLAVOID registration are the same as those for which the trade mark POLAROID is registered and in relation to which it enjoys a wide and high reputation among members of the trade and the general public.

20 (C) Purchasers of sunglasses would include persons from a wide range of age, social, cultural and ethnic groups. There is no evidence that the purchasing public is limited in any way.

(D) The evidence shows that sunglasses are items purchased infrequently, so that most purchasers would be unlikely to be accustomed to practices in the retail trade and able to take account of them.

30 (E) At the date of its registration the mark SOLA-VOID was unused whereas there was already established a substantial business in goods sold under the trade mark POLAROID the wide reputation of which must have been well known to Hannaford.

(F) Each of the marks should be considered as a whole. Purchasers of the goods would be unlikely to analyse the respective marks so as to detect their derivation or any idea which they might convey.

(G) The circumstances in which sunglasses are promoted and offered for sale greatly increase the likelihood of confusion ; in particular

40 (i) Purchasers encounter trade marks for sunglasses both visually and aurally as a result of printed advertising, shop displays, radio and television advertising and across the counter discussions.

(ii) A high proportion of retail sales take place in the period immediately prior to the Christmas summer vacation when retail shops are busy.

(iii) Sunglasses of various brands are frequently displayed together ; often on stands carrying signs referring to the brand of one manufacturer.

(iv) The use of swing tickets means that when sunglasses are displayed for sale the trade mark may be remote from the article to which it is affixed.

(v) Many purchasers tend to concentrate upon 10 style and price when selecting sunglasses so that trade marks are not always foremost in their minds.

- (2) As to the submission (ii) in para 26 hereof ; Polaroid Corp. submits that Hannaford, having adopted a mark bearing general overall similarity to the famous registered trade mark POLAROID, adopted for its labelling lettering almost identical to that forming part of the then current advertising campaign of Polaroid Corp., and, further, used in conjunction with the SOLAVOID mark the word " polarised " and the contrived words 20 " polareclip ", " polarglass " and " polarplastic ".
- (3) As to the submissions (i) and (ii) in para 26 hereof Polaroid Corp. submits that the evidence of retailers as to the absence of actual confusion does not establish that at the relevant dates members of the public were not likely to be deceived or confused.
- (4) As to the submission (iii) in para 26 hereof ; neither the fact that a trade mark may have been on the Register for a lengthy period, nor the fact that business activities developed by the registered proprietor subsequent to the 30 date of registration might be adversely affected, are sufficient to justify the exercise of the discretion in favour of retaining the registration.
- (5) And for the reasons given in the judgment of the Court of Appeal.

VIVIAN PRICE, Q.C.

T. M. GAULT.

In the Privy Council.

ON APPEAL

from the Court of Appeal of New Zealand

BETWEEN

HANNAFORD & BURTON

LIMITED *Appellant*

AND

POLAROID

CORPORATION *Respondent*

Case for the Respondent

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