

## TRADE MARKS ACT 1995

### DECISION OF A DELEGATE OF THE REGISTRAR OF TRADE MARKS WITH REASONS

Re: Opposition by Gary Macris to registration of trade mark application 1024201(43) - **GARYS ORIGINAL GREEK YUM CHA** - filed in the name of Ray Bradbery.

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<b>DELEGATE:</b>	<b>Rowena Beal</b>
<b>REPRESENTATION:</b>	<b>Opponent:</b> Written submissions only from legal representative Spruson & Ferguson, Patent and Trade Mark Attorneys <b>Applicant:</b> Siobhan Ryan of Counsel, instructed by Actuate Intellectual Property
<b>DECISION:</b>	<b>2009 ATMO 20</b> 1. Section 52 opposition: registration allowed – s55(b). 2. Costs awarded against opponent

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#### Background

1. Ray Bradbery ('the applicant') filed an application to register a trade mark, current details of which appear below:

**Application number:** 1024201

**Filing date:** 9 October 2004

**Services specification:** Class 43: Provision of food and beverages

**Trade mark:** garys original greek yum cha ('the trade mark')

2. The application was accepted for possible registration. However, on the 2 March 2005, Gary Macris ('the opponent'), filed a notice of opposition under section 52 of the *Trade Marks Act 1995* ('the Act'), objecting to the registration of the trade mark.
3. The opponent served and filed evidence in accordance with the *Trade Mark Regulations 1995*. The opponent's evidence in support comprised the statutory declaration of:

Gary Macris, dated 1 June 2005, with exhibits GM-1 to GM-7 ('Macris 1')

4. Evidence in answer comprised the following declaration:

Raymond John Bradbery, dated 21 April 2006 with exhibits RB-1 to RB-5 ('Bradbery 1')

5. Evidence in reply consisted of the following declarations:

Gary Macris, dated 30 January 2007 with exhibits GM-1 to GM-6 ('Macris 2')

Lance Newman Scott, dated 1 February 2007 ('Scott')

Veronica Harrison, dated 23 January 2007 ('Harrison')

Alexander Lowry, dated 31 January 2007 ('Lowry')

6. The applicant sought and was granted permission to file the following further evidence:

Raymond John Bradbery, dated 17 July 2008 with exhibits RJB-1 to RJB-4 ('Bradbery 2')

7. The opposition was set down before me, a delegate of the Registrar of Trade Marks, for a hearing on 12 December 2008 in Canberra. The applicant was represented by Siobhan Ryan of Counsel, instructed by Actuate IP, and the opponent relied on submissions filed for the hearing by its representatives Spruson & Ferguson of Sydney.
8. The notice of opposition listed a range of grounds of opposition under the Act, however, the submissions filed by the opponent only pursued those grounds under sections 42(b), 43, 58, 59 and 60. As there is nothing in the material before me I dismiss the remaining grounds of opposition. I will deal with the section 58 ground first as it is arguably the crux of this opposition.

## **Submissions and Reasoning**

### ***Section 58***

9. Section 58 of the Act provides:

#### **Applicant not the owner of the trade mark**

The registration of a trade mark may be opposed on the ground that the applicant is not the owner of the trade mark.

10. It is now well established in law that, in order to succeed under this ground of opposition, the opponent must establish three factors. These are:

- (i) that the respective trade marks of the applicant and opponent be either identical or substantially identical <sup>1</sup>,
- (ii) that the respective services of both parties be the 'same kind of thing' <sup>2</sup>
- (iii) that the opponent has the earlier claim to ownership based on use prior to both the application to register and any actual use of the mark by the applicant<sup>3</sup>.

11. The principles governing a claim to ownership of an unused trade mark were established by Dixon J in *Shell Co of Australia Ltd v Rohm & Haas Co* (1949) 78 CLR 601, where his Honour stated at 627:

The basis of a claim to proprietorship in a trade mark so far unused has been found in the combined effect of authorship of the mark, the intention to use it upon or in connection with the goods and the applying for registration.

12. The relevant date at which the proprietorship must be determined is the date of application of the opposed mark being 9 October 2004<sup>4</sup>.

13. The history of the authorship of the trade mark was outlined in the evidence submitted by both the applicant and the opponent and I will reiterate those facts as far as they are relevant here. The concept of a Greek Yum Cha appears to have been developed while Macris ('the opponent') was a business partner/manager/chef in a restaurant named Enigma at Brighton-le-Sands in Sydney from around 1997. He developed what he claimed was a different style of cooking Greek food, namely, to present one piece of food from each dish per person, based on a similar concept traditionally associated with Chinese food. The opponent also claimed to have a 'hands on' highly interactive style with his customers and made a point of knowing them personally. This style of food and service, by all accounts, was quite successful and attracted the attention of customers and local newspaper editorial comment.

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<sup>1</sup> *Carnival Cruise Lines Inc. v Sitmar Cruises Ltd* 31 IPR 375 (1994) 120 ALR 495

<sup>2</sup> *Re Hicks' Trade Mark* (1897) 22 VLR 636, 3 ALR 75

<sup>3</sup> *Settef SpA v Riv-Oland Marble Co (Vic) Pty Ltd* 10 IPR 402 at 413

<sup>4</sup> *Seven Up Co v O.T. Ltd* (1947) 75 CLR 211

14. Ray Bradbery ('the applicant') met the opponent in 2002 when he dined in the Enigma restaurant. The Enigma restaurant was subsequently sold in December 2003 whilst the opponent took a break and considered his next project (Macris 1). He registered the words GARY'S ORIGINAL GREEK YUM CHA as a business name in New South Wales on the 24 December 2003. The opponent claims that he was approached by the applicant in late 2003 and there were 'some discussions' about running a restaurant for the applicant. In January 2004 he finally agreed to run Bradbery's recently purchased restaurant Yasou for a period of two years. Six weeks after the opponent commenced running the restaurant he suggested that the trade mark GARYS ORIGINAL GREEK YUM CHA ('GARYS...') be used because of his success at the Enigma restaurant. 'It was only when the applicant contacted me in January 2004 that I actually committed to joining him. At that point, there was certainly no discussion about using even the name GREEK YUM CHA. This did not occur, until I started working in the restaurant' (Macris 2). I note that due to various delays with the lease Yasou did not commence trading until January 2004.
15. The applicant's memory of the time frames of the above dealings differs in that he claims to have contacted the opponent in October 2003 (Bradbery 2 in 'further evidence') about employment as a restaurant manager and that Macris agreed in that same month. As evidence of this Bradbery 2 notes that he has knowledge of a text message from Macris to Themistos (an employee of Enigma who joined the opponent when he went to work at Yasou and is still an employee of the applicant), sent on 11 December 2003. This text message claims to discuss the commencement date at Yasou. Whilst this text is referred to it is not in evidence and I do not believe anything turns on it in any event. It does not discuss trade mark use or call into question any of the facts outlined by the opponent.
16. In addition, the applicant's two declarations (evidence in answer and further evidence) appear to give different accounts of the adoption of the trade mark. The first declaration states that *the trade mark was first created* (my emphasis) and used as a trade mark, under the direction of Bradbery as employer, in relation to food and beverages, in February 2004. In the second declaration (filed as 'further evidence') Bradbery declares that it was shortly after October 2003 that the opponent and he '...discussed and I eventually decided on using the GARYS.. trade mark at Yasou.

The menu at Yasou, including the Greek Yum Cha menu that was marketed by myself and Yasou by reference to the GARYS... trade mark, was settled long before Yasou opened for business in early 2004'.

17. The applicant declares to creating the brand so as to differentiate Yasou's Greek food from similar dishes sold in competitors' restaurants. The only other restaurants referred to in the evidence as using the term 'Greek yum cha' are those associated with the opponent at some point, that is, Enigma and the opponent's new restaurant Opah. No other account is provided by the applicant as to why these particular words were chosen but presumably there was a perceived benefit to linking the menu to the eponymous 'Gary'.
18. The opponent continued in the service of Yasou until October 2004 when he was dismissed and he and the applicant appear to have parted on bad terms. The opponent denies that he threatened to leave if his salary wasn't increased, as alleged by the applicant without substantiation. Both parties agree that at the time of the opponent's departure signage and other references to Gary Macris, including those bearing the trade mark, were removed from Yasou. In October 2004, shortly after terminating the relationship, the applicant applied for the registration of the trade mark under application 1024201. The opponent purchased his new restaurant in the Cronulla area around 21 October trading under the name Opah and in November 2004, upon discovering the applicant's application, the opponent sought instructions from an attorney. He then applied for registration under applications 1030531 (GREEK YUM CHA) and 1030532 (GARYS ORIGINAL GREEK YUM CHA). Opah also offers Greek food and to this day serves Greek yum cha under the trade mark.
19. From the evidence provided I consider that the nature of the relationship between the applicant and the opponent in 2004, although not formalised through a contract, was that of employer/employee. The applicant stated that the opponent was employed in the capacity of chef/manager of Yasou as evidenced by the fact that he received a weekly salary for his services and had made no financial contribution to the purchase or running of Yasou. The title of chef/manager is also used in several newspaper articles. In this role, as employee, the opponent in my opinion had a fiduciary duty to Yasou and his efforts were in the service of that employer. The development and promotion of restaurant food would certainly fall within the standard expected duties

of a chef/manager and so could not be said to fall outside the ambit of his employment responsibilities<sup>5</sup>. However, where the opponent is shown to be the proprietor of the trade mark from a date prior to the relevant date then these common law rights remain with the opponent unless they are lost by intentional abandonment, acquiescence or estoppel<sup>6</sup>.

20. Turning to section 58 and the issue of whether the trade marks referred to in the opponent's evidence are substantially identical with the opposed trade mark, the evidence is clear that the words GREEK YUM CHA were used in relation to the services provided at Enigma from about early 1997. Whether this use was by Gary Macris solus or with a business partner is not clear. However, if it could be said that these words were functioning as a trade mark I would not consider them to be substantially identical with the subject mark as is a requirement of a ground of opposition under section 58. The addition of the words GARYS ORIGINAL to words that are arguably descriptive of the services results in the respective marks being visually and aurally dissimilar when considered on a side by side basis as per the familiar tests<sup>7</sup>. The use of these words cannot be said to be use of the trade mark the subject of this opposition.
21. In relation to the GARYS ORIGINAL... trade mark the declaration of Ms Harrison, the opponent's wife until 1998, refers to her recollections of banners at the Enigma restaurant using GREEK YUM CHA and GARYS GREEK YUM CHA. On the usual tests I would consider the latter of these two marks to be substantially identical to the opposed trade mark. The only difference appears to be the addition of the descriptive word 'original' in the opposed mark. In trade marks consisting of many words the addition of a descriptive term is unlikely to be noted nor considered an essential feature. On a side by side comparison of the two trade marks I consider them to be substantially identical.
22. Ms Harrison has declared she was involved in the day to day operation of the restaurant, in particular, the maintenance of accounts. Her recollections appear to be supported by an inference in a placed advertisement for the Leader newspaper, a local

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<sup>5</sup> *Metroll Queensland Pty Ltd v Collymore and Courier Pete Pty Ltd* [2008] ADO 9 (1 December 2008)

<sup>6</sup> *Riv-Oland Marble Co (Vic) Pty Ltd v Settef SpA* (1987) 10 IPR 402, (1988) 12 IPR 321

<sup>7</sup> *Shell Co (Aust) Ltd v Esso Standard Oil (Aust) Ltd* (1963) 109 CLR 407

community newspaper of unspecified readership, dated 6 May 2004, a date only some 3 months after the opponent commenced managing Yasou. The text of the advertisement reads ‘...one of the most memorable is Enigma Restaurant at Brighton Le Sands. It was there where Gary introduced an interesting new concept of a Greek Yam [*sic*] Cha which to this day carries his name. So popular has Gary’s original Greek Yam [*sic*] Cha become that customers from as far as Manly now travel to Cronulla to enjoy it’. Both parties claim the evidence of the newspaper clippings support their respective cases. I have no reason to doubt the veracity of the information contained in this advertisement regardless of whether it was placed by the applicant or the opponent.

23. Ms Harrison’s declaration is countered by declarations by Mr Psaroudis, a former business partner of Gary Macris at Enigma, and Mr Themistos. The quality of reproduction of the first declaration is very poor but Mr Psaroudis attests that the Greek style of cuisine being described as ‘Greek Yum Cha’ was never referred to as ‘Gary’s Greek Yum Cha’ or ‘Gary’s Original Greek Yum Cha’. Mr Themistos, a then employee of Enigma and an employee of Yasou at the time of his declaration, also claims that the trade mark was not used at Enigma.
24. I have a measure of difficulty with some of the material lodged as evidence supporting the applicant’s case. The Themistos declaration states that Mr Macris approached Mr Themistos, whilst the latter was an employee of Enigma, with a view to him joining Mr Macris at Yasou as an employee. This approach was apparently made in October 2003 where it is claimed the opponent told Mr Themistos that he had already been offered and accepted employment at Yasou. Yasou was supposed to have commenced operations in October 2003 (Themistos, Bradbery 1) but due to leasing difficulties the opening was delayed until February 2004. It would seem unlikely that if the Opponent was still involved in the day to day operations at Enigma until December 2003 (Psaroudis, Themistos) he would commit himself to another full time venture which was intended to have commenced operation in October.
25. The claim of an October 2003 commencement date also appears to contradict the statement by the opponent’s former business partner (Psaroudis); ‘Mr Macris ceased co-ownership and involvement in Enigma in December 2003. Mr Macris ceased day to day involvement with Enigma in November 2003’. Mr Psaroudis also states ‘To the

best of my knowledge, during Mr Macris' period of co-ownership of and involvement at Enigma, the Enigma business was Mr Macris' sole business interest'. This again points to it being highly unlikely that the opponent had made any firm commitment to the applicant's business prior to terminating his involvement with Enigma in December 2003. I note there is also no indication of the extent of Mr Psaroudis' involvement in the day to day operations of the restaurant and whether he was in a position to know the details of the trade marks used within the Enigma restaurant.

26. In relation to the ownership issue, I have already related the inconsistency in the applicant's account of the origin of the trade mark at paragraph 16.
27. In addition, the exhibits intended to support the applicant's claim of initial and continuing use are largely undated. These include business cards and printed menus. Several receipts are also undated or dated well after the relevant date. However, despite these failings in the applicant's evidence, the onus to clearly demonstrate its prior claim to proprietorship falls on the opponent in the first instance.
28. The first documented indication of the words used in the form of the subject trade mark is with the NSW business registration on the 24 December 2003 in the name of Gary Macris (evidence in support). In his declaration the opponent claims that it was his belief that the business name registration would protect his rights in the name and use of the brand. Whatever the opponent's belief or intentions, registration of a business name is, of itself, not sufficient to provide rights in the trade mark<sup>8</sup>. However, the business name registration does point to authorship of the trade mark as belonging to the opponent even if it cannot be considered use as a trade mark as defined by a combination of subsection 7(1) and (5) of the Act. Such use must be 'in the course of trade' and for the purpose of distinguishing the services of the owner from the services of others. Use 'in the course of trade' may be established by identifying an actual trade or offer to trade in goods bearing the mark or an existing intention to offer or supply goods/services bearing the mark in trade<sup>9</sup>. The opponent has stated it was his intention to begin a new business venture but without substantiating evidence, this claim is not sufficient to demonstrate a firm intention to offer services under the subject trade mark.

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<sup>8</sup> See for example, *Fitzroy Milk Tanks Pty Ltd v Challenge Engineering Ltd* (1997) 40 IPR 647

<sup>9</sup> *Lomas v Winton Council* (2003) AIPC 91 839

29. It is not entirely clear from the evidence when the trade mark was created, however, I am satisfied that it was before the end of 2003 and before Yasou began operation. I am also satisfied that it was the opponent who authored the trade mark. Indeed it would seem odd that such a trade mark, incorporating the opponent's Christian name and a reference to a particular style of food he was associated with through a previous business, could be constructed without his consent or cooperation.
30. Taking into account the statements by the opponent, the newspaper exhibits, and the business name registration, these are all factors pointing to the creation of an identical or substantially identical trade mark by the opponent. I am satisfied that, at a date prior to use claimed by the applicant at Yasou, the author of the trade mark at issue was the opponent. However, authorship in itself is not sufficient to claim ownership of the trade mark, as the relevant tests require at least one instance of use in the course of trade. The first documented use of a similar trade mark, GARYS ORIGINAL YUM CHA, is 17 March 2004 on a tax receipt for Yasou. There is also evidence of signage bearing the trade mark that was in use at Yasou (Macris 1, Bradbery 2).
31. The opponent stated in Macris 2 that, 'After about 6 weeks of trading I suggested to the Applicant that the Yasou business was able to use my name GARYS ..., because of my previous success. There was no formal license agreement and I had not considered an agreement as I had believed that the business name protected my rights in the name GARYS ... in future business endeavours following my sale of Enigma' (Macris 2). There is no substantiation of this claim that there existed a reputation in the trade mark, rather than the concept of Greek yum cha, prior to commencing at Yasou. Whilst the opponent may have intended that the use of the trade mark at Yasou inured to him, without the protection of a trade mark application, a written agreement of some licensing arrangement or a clear instance of his own use of the mark in the course of trade prior to commencing at Yasou, any use of the mark would naturally inure to the restaurant where the service is provided to the customer. The Leader articles in evidence indicate a connection between Yasou and the trade mark, and also signify that the opponent is an employee of Yasou. In addition, the opponent's statement that, after Yasou had been trading for some weeks he suggested the Greek yum cha concept to the applicant, indicate the applicant as the final arbiter of the style and type of food service available at Yasou.

32. It appears that in effect the opponent has, from a position of having coined the trade mark, acquiesced in the trade mark being used to indicate a connection between the provision of restaurant services and Yasou. It is possible that an employment contract may have dealt with the issue of intellectual property rights between the parties to ensure the opponent retained ownership of the trade mark. This would require an examination of the terms of employment between the opponent and the applicant or some other documentation showing the ownership of intellectual property rights before or during the time of the opponent's employment. This documentation is not in evidence and apparently does not exist. Both parties declare that no formal employment document was ever produced or signed.
33. I am satisfied that the opponent was the author of the trade mark. However, there is an absence of evidence of any unambiguous use of the opposed trade mark, or use of a trade mark that is substantially identical with it, by the opponent prior to commencing employment with Yasou. In addition, by not establishing its rights to the trade mark earlier the opponent has effectively acquiesced in the use of the trade mark to the benefit of applicant. The opponent has failed to establish its claim to proprietorship of the trade mark and has not discharged its onus in relation to this ground of opposition.

### ***Section 59***

34. *Shanahan's Australian Law of Trade Marks and Passing Off*, 3<sup>rd</sup> Edition, at 11.95 states 'There is a heavy burden on an opponent seeking to establish an applicant's lack of intention to use because of the subjective nature of intention, the fact that an applicant is not required to demonstrate intention to use and the general onus on an opponent'.
35. The basic common law principle is that the first person who uses a trade mark of an appropriate type within a country becomes the proprietor of the mark there<sup>10</sup>. A person who becomes proprietor of a trade mark in this way is entitled at common law to restrain a person who later commences to use the trade mark.
36. Thus, the person who claims ownership of a trade mark must establish first use of it in Australia in relation to the services nominated in the application for registration of the

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<sup>10</sup> *Moorgate Tobacco Co Ltd v Philip Morris Ltd (No 2)* 59 ALJR 77 at 83

mark. For a person to upset ownership of the trade mark, that person would need to show earlier use by a party other than the applicant of an identical or substantially identical mark as that of the applicant and that that use was for the same kind of services as those of the applicant <sup>11</sup>.

37. This section provides that, by applying for the trade mark, the applicant has made a claim as to use or intention to use the mark in respect of the services specified in the application - [s.27\(1\)\(b\)](#). By accepting the subject mark for registration the Registrar was satisfied, within the meaning of [s.33](#), that the applicant had the requisite intention to use the mark on the services of the application.
38. In opposition proceedings, the onus rests on the opponent to rebut such claims<sup>12</sup>. In the opponent's view, the only use of the mark at Yasou was due to the opponent's actions and the applicant's purpose in applying for registration of the trade mark was to inconvenience the opponent as, at the time of filing, both the applicant and the opponent were in direct competition. The opponent's evidence in this regard consists in particular of declarations by Lowry and Scott, in support of Macris 2. Mr Lowry was an employee at Yasou at the time of the opponent leaving the employ of the applicant. He declares that once the opponent left the restaurant the applicant removed all signs and menus which referred to Gary Macris and Greek Yum Cha. Mr Lowry stayed on as joint manager for two months after the opponent left and then joined him at Opah.
39. The applicant has conceded (Bradbery 2 in further evidence) that he removed signage and other references to GARYS ORIGINAL .. at the time that Mr Macris left Yasou, however, he claims that the mark was still used on register receipts. The applicant also claims use on business cards (undated), and the Yasou website since its launch in 2006 (I note after the commencement of the opposition) as evidence of its genuine continuing use of the trade mark.
40. The other declaration is by Mr Scott of Spruson & Ferguson Patent and Trade Mark Attorneys in Sydney. He claimed to have visited the Yasou restaurant on 27 January 2007 to inspect the premises for relevant signage or references to the trade mark. He

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<sup>11</sup> *Carnival Cruise Lines Inc v Sitmar Cruises Ltd* (1994) AIPC 91-049

<sup>12</sup> *Aston v Harlee Manufacturing Co*(1960) 103 CLR 391

found references to Greek Yum Cha but no references to the name Gary or to the trade mark in question. Macris 2 also refers to the fact that references to ‘Gary’ or ‘Gary Macris’ were also withdrawn from the website for the restaurant at that time. Photos taken of the Yasou restaurant in August 06, and copies of menus from the same time do not show any reference to a Gary or to the trade mark.

41. The applicant’s concession that he removed references to the trade mark once the opponent left his employ appears to support the view that the trade mark indicated the opponent, or the applicant at least believed the mark would be inaccurate once there was no Gary at Yasou. The applicant has not adequately addressed why that particular signage was removed at that time but in itself this is not sufficient to show a lack of intention to use the mark, particularly in light of the use that had occurred during the time the opponent worked at Yasou.
42. I have found above in my discussion involving section 58 that the applicant's claim to ownership of the trade mark for the services has not been overturned by the opponent. The use of the trade mark until September 2004 inured to the applicant in this matter. The applicant filed its trade mark application on the 9 October 2004 and use of the trade mark by the applicant since that date has been intermittent at best. However, the opponent has not been able to demonstrate a lack of intention to use the mark on the part of the applicant. I find that the ground of opposition under section 59 has not been established.
43. I also note that there is an implication in the opponent’s evidence that the applicant has made an application here without a genuine intention to use the trade mark but simply to prevent use by the opponent. Such a claim goes toward alleging that the application was not made with an intention to use the trade mark in good faith.
44. In the *Barrier Beam*<sup>13</sup> decision, Hope J said at 493:

In addition, I am not satisfied that the defendant used the words in good faith. It may well be that the defendant believed that it was entitled to use the words as a trade name or mark, but I have little doubt that the occasion for this use was only the prior use of it by the plaintiff and its parent company and that the defendant was well aware that the words had come to have a secondary signification as denoting the plaintiff’s goods

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<sup>13</sup> *James Watt Constructions Pty Ltd v Circle-E Pty Ltd* [1970] 3 NSW 481

\* The unamended form of section 60 applies as the application was filed before 23 October 2006.

I note that a ground of opposition under section 62A of the Act was not available to the opponent in this matter, because the application was accepted before 23 October 2006 (the date that section 62A became an available ground of opposition after the commencement of the *Trade Marks Amendment Act 2006*). The opponent has claimed that the application and evidence filed by the applicant have ‘been filed in bad faith and as a deliberate attempt to hurt my business interests and use of my brand’ and are ‘very misleading as the applicant does not have a continued interest or any legitimate interest’ in the GARYS trade mark. In light of this belief the opponent may consider whether recourse under the *Trade Practices Act 1974* is appropriate. Whilst I am not convinced on the material before me that the opposed application was made in good faith, the opponent has failed to discharge its onus that the applicant had no specific intention to use the trade mark at the relevant date.

### ***Section 60***

45. To satisfy section 60\*, the opponent has the burden of establishing the following elements;
- a pre-existing trade mark;
  - substantial identity or deceptive similarity between the applied for trade mark and the pre-existing trade mark;
  - the acquisition of a reputation in Australia by the pre-existing trade mark; and
  - a likelihood that, because of that reputation, use of the applied for trade mark would be likely to deceive or cause confusion.
46. I have already determined that there is a pre-existing substantially identical trade mark.
47. The next question to be answered is whether the opponent has shown sufficient reputation in its trade mark to satisfy the requirements of subsection 60(b), such that the reputation is sufficient that deception and confusion is likely. The reputation must be shown to have existed at the relevant date, being 9 October 2004. The evidence must show there is a ‘real risk that the result of the user of the [opposed] mark will be

that a number of persons will be caused to wonder whether it might not be the case that the two products come from the same source'<sup>14</sup>

48. Reputation must be established as a question of fact<sup>15</sup>, and it is not necessary to prove reputation by direct evidence of consumer appreciation; it is commonplace to infer reputation from a high volume of sales, together with substantial advertising and other promotions<sup>16</sup>. The evidence does not demonstrate that the terms GARYS GREEK YUM CHA or GARYS ORIGINAL GREEK YUM CHA had established the necessary reputation by the relevant date. There are no sales or advertising figures, nor any other indicator of the volume of business conducted under the trade mark. The opponent has claimed reputation in the trade mark but there is no indication of the volume of sales under the trade mark or of the effect of advertising on consumers. There were no consumer surveys in evidence, declarations from customers, nor more specific evidence of the advertising undertaken other than the Leader articles, the text of which appear to be have been provided by Yasou itself rather than being an independent review. It is not possible to assess the extent of the reputation in the trade mark from the evidence provided and consequently this ground is not made out.

#### ***Section 42***

49. Section 42(b) requires that the opponent prove that use of the trade mark would be contrary to a specific law<sup>17</sup>. In this case the claim is that use of the trade mark would be contrary to sections 52 or 53 of the *Trade Practices Act 1974*. To succeed, the opponent is required to demonstrate the requisite likelihood of confusion as a result of its reputation in the trade mark, or in trade marks containing the word GARYS generally, whether registered or not.
50. The standard to be applied is that there must be a 'real or not remote chance or possibility'<sup>18</sup> of a reasonably significant number of people being mislead or deceived. Shanahan, *supra*, at page 456, states:

Misleading conduct does not merely cause confusion; it actually directs a person towards the wrong choice.

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<sup>14</sup> *Southern Cross Refrigeration Co. v Toowoomba Foundry Pty Ltd* (1954) 91 CLR 592

<sup>15</sup> *Lockhart J in Conagra Inc v McCain Foods (Aust) Pty Ltd*, (1992) 23 FCR 302

<sup>16</sup> *McCormick & Co Inc v McCormick* (2000) 51 IPR 102, at 129.

<sup>17</sup> *Advantage Rent-a-Car v Advantage Car Rental Pty Ltd* [2001] FCA 683

<sup>18</sup> *Red Hat Inc v Martinek* (2002) 56 IPR 292

51. For the applicant to fall foul of this test, it must have engaged in conduct that either has, or is likely to, direct customers to choose its restaurant services, based upon the misapprehension that they originate from the opponent. Also, section 42 of the Act requires the Registrar to decide that use of the trade mark would, not could, be contrary to law.
52. There is no evidence before me to support this scenario, nor is there any other reason to believe that this conduct is likely to occur. I do not accept that the opponent has demonstrated that the applicant's use of the trade mark would mislead consumers as there is no objective evidence that a significant number of restaurant users in the Cronulla area would connect the trade mark to the opponent, other than his own assertions (Macris 2) or those of a former employee who has not worked in the industry for some time (Lowry declaration).
53. As the primary question of whether there has been a contravention of section 52 and/or 53 of the *Trade Practices Act 1974*, it follows that I cannot form the view that registration of the applicant's trade mark would be contrary to law, in terms of section 42 of the Act. The opponent has failed to discharge its onus in relation to this ground.

### ***Section 43***

54. An application for the registration of a trade mark in respect of particular goods or services must be rejected if, because of some connotation that the trade mark contained has, the use of the trade mark in relation to those goods or services would be likely to deceive or cause confusion. The test is a subjective one, on the balance of probabilities.
55. The opponent has argued that the presence of the word GARY in the trade mark was likely to cause deception or confusion in the marketplace in the minds of the public who may believe that the opponent is involved with that restaurant. I note the opponent's arguments with regard to the recognition of his 'celebrity' status, and the fact that it is property eligible for protection as demonstrated through cases such as *Warwick v Townsend & Sons* (1979) AC 731 and *Durkin v Twentieth Century Fox Film Corporation* (2000) 47 IPR 651.

56. In order to succeed with this ground, the opponent is first obliged to provide evidence of his reputation in the trade mark, and that this reputation is such that the trade mark at issue is at least strongly identifiable with the subject it is alleged to connote<sup>19</sup>. In this case the opponent contends that the connotation within the mark is a link to him. Consequently, to establish this ground of opposition the opponent will be required to demonstrate that association in the minds of consumers of the services. Such evidence would normally include the amount of use, shown in dollar terms, of sales in connection with the trade marks and the value of advertising using the trade mark. No evidence of such a reputation was submitted. The opponent has declared that he was known as simply Gary to his customers at Enigma (Macris 1) however, this is unsubstantiated. Mr Lowry's declaration in support of this claim is less persuasive given that he was an employee and not a customer at both restaurants. Whilst other evidence does show commercial value in the trade mark at the relevant date there is insufficient evidence to establish that the trade mark connotes the opponent in the minds of customers. I find that opposition must fail on this ground also.

### **Decision**

57. The opponent has failed to establish any of the grounds of opposition on which it relied in the Notice of Opposition so that the opposition as a whole has failed. The trade mark application may therefore proceed to registration one month from the date of this decision. If the Registrar has been served with a notice of appeal before that time, I direct that registration shall not occur until the appeal has been decided or discontinued.

### **Costs**

58. Both parties sought their costs. I award costs against the opponent in accordance with the official scale.

Rowena Beal  
Hearing Officer  
Trade Marks Hearings  
27 February 2009

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<sup>19</sup> *Twentieth Century Fox Film Corp v South Australian Brewing Co Ltd* (1996) 34 IPR 225