



TRADE MARKS ACT 1955

DECISION OF A DELEGATE OF THE REGISTRAR OF TRADE MARKS

Re Opposition by JOHNSON & JOHNSON to Trade Mark Applications Nos. 452585 and 520821 in the Name of L.N.KALNIN Trading as MEDICAL INDUSTRIES AUSTRALIA

Applications 452585 and 520821 have been accepted for registration in respect of the following mark

BAND»IT

the first for "supportive, elastic and suspensory bandages" in International Class 10 and the second for "medical dressings and bandages" included in Class 5. The applicant in each case is LAURENCE NASH KALNIN, also trading as MEDICAL INDUSTRIES AUSTRALIA, of 148-152 Regent Street, Redfern, N.S.W. Both applications have been opposed in accordance with s49 of the Act by JOHNSON & JOHNSON, of One Johnson & Johnson Plaza, New Brunswick, New Jersey 08933-7001, United States of America on various grounds which I will detail below. Both matters were set down for hearing before me in Sydney on 29 October 1991. The opponent was represented by Mr John Terry, patent attorney, of Griffith Hack & Co and Mr Graham Halford, patent attorney, of Halford & Co. appeared for the applicant.

Mr Terry said that the opponent proposed to rely on four main grounds in support of its opposition, namely

- . that the applicant's mark is not a registrable mark in terms of s24 of the Act
- . that the applicant's mark offends against s33 of the Act because of the opponent's own registered marks
- . that registration of the applicant's mark would contravene s28 of the Act because of the opponent's reputation in its goods
- . that in his discretion the Registrar ought to refuse the applicant's mark.

I will deal with each of those grounds in turn.

Registrability

Mr Terry submitted that in terms of paras (c) and (d) of sub-s (1) of s24 the applicant's mark is not an invented word but a mere combination of two known words and that it contains a direct reference to the character and quality of the goods in respect of which the applicant seeks registration of his mark. He said that it was phonetically similar to the word "bandage" for which it would be taken because of the tendency of people to slur the endings of words. Registration of the mark would therefore inhibit his client's right to use ordinary language such as, for example, "Bandage it with Johnson & Johnson products" which it should be free to use. Mr Halford conceded that the mark was not an invented word but denied that it referred directly to the nature of the goods. The mark was not equivalent to "bandage it" and the expression "band it" was not a natural use of language in referring to bandages which would be required by other traders in those goods. Use of the phrase "bandage it" would not be an infringement of the mark "band it" if registered and would in any case be protected by the provisions of para

64(1)(b). He argued that the second syllable of the mark could not be so slurred as to be dropped and thus confused with "bandage" and that the matter was one of first impression: *Eno v Dunn* (1890) 7 R.P.C. 311.

Section 33

The opponent, Johnson & Johnson, is the registered proprietor of a number of trade marks containing or consisting of the words BAND-AID in respect of, among other goods, "material for bandaging". There is no question that these are the same goods or goods of a similar description as those for which the applicant has applied to register his mark. Mr Terry submitted that the two marks were also deceptively similar when used in relation to those goods. This was so, he said, because both marks conveyed a common idea and the applicant's mark incorporated the essential feature of the opponent's mark: *Vap-O-Rub* case 68 R.P.C. 103. The opponent was the only one with marks on the Register beginning with BAND-. Both marks contained the same initial syllable and this would tend to be more heavily stressed: *Tripcastroid* case (1925) 42 R.P.C. 264. Mr Halford pointed out that two of the marks relied on by the opponent had in fact been removed from the Register and that one, A81017, was registered in respect of only "adhesive pads for wounds, cuts and sores". Also, one of the marks, D155298, based on that earlier mark, was registered in Part D of the Register. He submitted that the comparison of trade marks should be a sensible comparison, looking at the marks as wholes and comparing them as wholes while taking into account such things as pronunciation and imperfect recollection. The opponent's mark is, he said, BAND-AID and it is a notorious fact that that mark is pronounced with equal emphasis on both syllables or even with more emphasis on the second. The word AID is an inseparable part

of the opponent's mark and the opponent's own advertising as shown in the evidence emphasized the relationship of the expression with "first aid". Moreover, the mark BAND-AID was not susceptible of contraction or slurring so that it was readily distinguishable from the applicant's mark and would not be confused with that mark by anybody even taking into account imperfect recollection.

The applicant lodged as part of his evidence in answer some eight declarations from persons connected with the trade in the relevant goods. All were asked if they knew of the mark the subject of these two applications and, if so, with whom they associated the mark. They were then asked if they knew of the trade mark BAND-AID and with whom they associated that mark. All eight declarants stated that they knew of the applicant's mark and associated it with the applicant. All eight also knew of the mark BAND-AID and associated it with Johnson & Johnson. Mr Halford submitted that despite criticism which has been made of this questionnaire method of gathering evidence it is a practical way of obtaining information and in this instance showed that persons in the trade did in fact know of the two marks and were able to distinguish them. A declaration of the applicant himself was also lodged. Mr Kalnin states that he adopted the mark for use in 1986 and began distribution of bandage products bearing the mark in September 1986. Application no. 452585 was lodged on 23 September 1986. There was therefore little or no use of the mark prior to lodgment of the application. Mr Kalnin also states at para 9 of his declaration:

9. It has been my experience that in oral use of the name BAND-IT by customers the second word IT is clearly pronounced. I have noticed no tendency to emphasize the word BAND at the expense of the word IT

This statement was criticized by Mr Terry but Mr Halford submitted that Mr Kalnin was the person most familiar with the use of the mark and closest to the operations of the applicant. His evidence should not therefore be disregarded as it was not simply an expression of opinion but sprang from his direct experience. Mr Kalnin also states, at para 10:

10. I am aware of no instance during the period of 4 years' use of the trade mark BAND-IT, of any confusion occurring between the mark and the trade mark BAND-AID. My business is a small one with 15 employees, and if any customer, distributor or salesperson had expressed such confusion, or any instance of deception had been brought to my company's attention, I would have been aware of it.

Mr Halford submitted strongly that both marks had been in use since the lodgment of the first application in 1986 and that yet there was no evidence of actual instances of confusion between the two marks. While not conclusive for the purposes of s33 he argued that the absence of confusion must be relevant where there are no other special circumstances. It was common ground that the onus was on the opponent to establish a *prima facie* case of the likelihood of deception and confusion and therefore due weight should be given to the absence of any evidence of actual confusion or deception. The applicant's packaging, he said, showed that the applicant had used his mark in a normal and fair manner and the presumption must be that he would continue to do so. The marks had been used on the same or similar goods which had passed through the same trade channels - pharmacies, supermarkets etc - and yet the opponent had led no evidence of confusion and had made no effort to restrain the use of the mark by the applicant.

Section 28

Mr Terry's case under s28 was essentially that because of the opponent's reputation in relation to the goods in question the use of the applicant's mark would be likely to cause deception and confusion. In support of its claim the opponent had lodged as evidence a statutory declaration by Vito Cincinnato, marketing manager of Johnson & Johnson Australia Pty Limited, (J.J.A.), a local subsidiary of the opponent. Mr Cincinnato states that for more than 50 years wound care products have been marketed in Australia by a subsidiary of Johnson & Johnson, the present opponents, that the range of wound care products includes and has included adhesive dressing strips for wounds which have always been sold under the trade mark BAND-AID and that other wound care products have also been marketed and sold by J.J.A. under the trade mark BAND-AID. Mr Halford contended that despite the constant references to "wound care products" it appeared that at most the opponent could claim 50 years' use and a reputation at the date of lodgment of the application only in relation to adhesive dressing strips. Also, despite the fact that the declarant was the marketing manager of the subsidiary of the opponent the only evidence of the use of the mark prior to the date of lodgment provided was a copy of a report (for the years 1978 to 1989) by a company named Blueprint described by Mr Cincinnato as "an independent company that monitors warehouse withdrawals and publishes data concerning the Australian market". No sales or marketing figures or other information as to the extent of use of the opponent's mark before the date of lodgment of the application had been given. The rest of the Cincinnato declaration and the exhibits related to the period subsequent to the lodgment of the application and were therefore irrelevant to the question to be decided under s28.

Discretion

Under this heading Mr Terry made three main submissions in support of the contention that the Registrar's discretion should be exercised adversely to the applicant:

i) The nature of the applicant's packaging for his goods was such that at times only the BAND- portion of the mark would be visible. This was particularly so in the case of rolled bandages where if the mark were disposed around the roll rather than along its length not all the mark could be seen. This increased the likelihood of deception or confusion with the opponent's mark and was therefore something to which I could rightly have regard in exercise of the Registrar's discretion.

ii) Mr Terry submitted that the opponent's evidence showed that all the opponent's goods are sterile whereas the applicant's goods are not necessarily so. Any confusion as a result of the use of the applicant's mark could also therefore lead to the possibility of danger to the public and was an added reason why the registration of the applicant's mark should be refused.

iii) The onus was on the applicant to justify registration of his mark. He must show not only that there has been no actual deception but that there is no likelihood of deception or confusion as a result of the use of his mark. Registration of the applicant's mark would allow him to do, by virtue of s64(1)(e), what would otherwise be an infringement of the opponent's rights. Registration of the applicant's mark would be a licence to infringe. The Registrar's discretion should therefore be exercised against the applicant.

Decision

On the question of the registrability of the mark I find for the applicant. I accept Mr Halford's submission that the expression BAND-IT is not one that would naturally spring unaided to the mind in connection with the goods. Although the mark is derived from the words "bandage it", and Mr Kalnin has admitted as much, the words are not ones that would be required in the ordinary course of business by other traders to use in connection with their own goods without improper motive. Moreover, the mark does not consist simply of the words themselves. There is some "get-up" in the mark which gives it at least some visual distinctiveness.

The test to be applied in comparing marks for the purpose of s33 is the familiar one propounded by Evershed J in reference to the equivalent s12 of the British Act of 1938 in *Smith Hayden & Co. Ltd's Application* (1946) 63 R.P.C. 97. Adapted to the circumstances of this case that test may be stated as follows:

Assuming user by the opponent of its mark BAND-AID in a normal and fair manner for any of the goods covered by the registrations of that mark (and including particularly goods also covered by the proposed registration of the mark BAND-IT) is the tribunal satisfied that there will be no reasonable likelihood of deception and confusion amongst a substantial number of persons if the applicant also uses its mark BAND-IT normally and fairly in respect of any goods covered by their proposed registration?

Here there is no question but that the goods of the applicant and the opponent are the same goods. Although the opponent's earlier registration, A81017, is limited to "adhesive pads for wounds, cuts and sores", a later registration, A183357, covers "material for bandaging" in general. Nor is it to the point that application no. 520821 is in respect of bandages in Class 10 while the opponent's marks are registered in Class 5. I consider the goods to be the same. It was not really argued that the marks were

substantially identical in terms of s33 but I find that they are not, applying the test set out in *Shell Co. (Aust) Ltd v Esso Standard Oil (Aust) Ltd* (1961) 109 C.L.R. 407 where Windeyer J said, at 414-415:

In considering whether marks are substantially identical they should, I think, be compared side by side, their similarities and differences noted and the importance of these assessed having regard to the essential features of the registered mark and the total impression of resemblance or dissimilarity that emerges from the comparison...

There are obvious differences between the two marks concerned in this case when compared side by side. The question that remains to be decided, then, is whether the two marks are deceptively similar applying the *Smith Hayden* test above. Although the rights of the parties are to be determined as at the date of lodgment of the opposed application I think I am entitled to give due weight to Mr Kalnin's declaration that in the four years from the first use of the mark and the date of his declaration there were no instances of actual confusion between the two marks: *LANCER Trade Mark* [1987] R.P.C. 303. As Lord Tomlin stated in *Pirie's Application* (1933) 50 R.P.C. 147 at 160:

It is the user and not the registration which is liable to cause confusion, and the commercial user has not produced any proof of confusion. This fact cannot be regarded as unimportant even though allowance be made for difficulty of proof.

I also agree with Mr Halford's point that it is well-known that the opponent's mark is pronounced with equal emphasis on both syllables and is never slurred. In the case of the applicant's mark I think there is a strong likelihood that the second syllable will be weakened in some instances to a neutral vowel sound, or schwa, as in the pronunciation of the word "bandit". It is also true that the opponent's mark contains a strong suggestion of first aid while the applicant's mark suggests, if anything, the idea of a robber or brigand.

Looking at the whole matter, I take the view that there is not that "real tangible" risk of confusion either visually or phonetically that is required to substantiate an objection under s33 of the Act.

The test to be applied under s28 is also as stated by Evershed J in the *Smith Hayden* case (*supra*). Adapted to the circumstances of the present opposition that test may be stated as follows:

Having regard to the reputation acquired by the name BAND-AID is the tribunal satisfied that the mark applied for, if used in a normal or fair manner in connection with any goods covered by the registration proposed, will not be reasonably likely to cause deception and confusion amongst a substantial number of persons?

As Mr Halford pointed out, the only evidence of the extent of the opponent's reputation as at the date of application is the Blueprint report of "warehouse withdrawals" which appears to show that the opponent's share of the market for adhesive bandages ranged from 82.2% in 1978 to 59.9% in 1986 when the application was lodged. All the sales and marketing figures given in the Cincinnato declaration relate to the period after the date of lodgment. However, even giving the evidence of market share due weight, for the reasons already outlined in relation to the objection under s33 I am not satisfied that there would be a serious likelihood of deception or confusion amongst a substantial number of persons given the opponent's reputation in relation to adhesive bandages and assuming fair and normal use by the applicant of his mark in relation to the goods in respect of which registration is sought.

With regard to the exercise of the Registrar's discretion Mr Terry argued, firstly, that when used on rolled bandages, for example, it would frequently happen that only the BAND part of the applicant's mark would be visible to the purchaser who would thus be deceived into thinking that the goods were the product of the opponent. It was not

explained to me, however, why a purchaser, seeing the part-word BAND- on the packaging of a bandage, would assume a connection with the opponent rather than assume that it was part of the word "bandage". I think the latter would be the more likely assumption.

Mr Terry's second ground was that all the opponent's goods are sterile whereas the applicant's goods are not necessarily so.

This matter was not the subject of evidence and I am asked to infer the sterility of the opponent's goods from the statements on the samples of packaging exhibited to the Cincinnato declaration. I have no way of knowing which, if any, of the applicant's products are sterile and which are not. In any case this submission presupposes that use of the applicant's mark would be likely to lead to deception or confusion. I have already indicated my opinion that that is not so.

Mr Terry then submitted that registration of the applicant's mark would be a licence for him to infringe the opponent's mark. In order to infringe a registered mark the offending mark must be, pursuant to s62 of the Act, substantially identical with, or deceptively similar to, the registered mark. I have already found, on the identical wording of s33, that this is not so in the present case.

In the result, therefore, I find that opponent fails on all four grounds of its opposition and I direct that, subject to any appeal from this decision, the applicant's mark proceed to registration. The applicant having been successful is entitled to his costs of the opposition and I so award them.

Michael Homann

Hearing Officer

16 January 1992

