TRADE MARKS ACT 1995

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

Re: Trade mark application number 533024 in the name of THE AMERICAN TOBACCO COMPANY

Application number 533024 was filed by The American Tobacco Company (the applicant) on 24th April 1990 for the statement of goods: "Tobacco, cigarettes, smokers' supplies" in class 34. It sought registration of a trade mark shown here:

The American Tobacco Company

An examiner of trade marks objected to registrability of the mark in terms of paragraph 24(1)(a) of the *Trade Marks Act 1955*, based on the grounds that the mark consisted of a name of a person not represented in a special or particular manner. In response, the applicant submitted that the mark, the applicant's corporate name, was in fact rendered in a unique and special manner. It proposed a disclaimer endorsement to the effect that registration of the mark would give no right to the exclusive use of the words comprising the mark, except as represented in the mark. In a further report, the examiner maintained the objection stating that the name was represented in a typeface that did not set it apart from other scripts used in everyday trade.

Subsequently, the applicant applied for a hearing, which was held before me, as the delegate of the Registrar, in Sydney on 15th March 1996. Mr Robert Cobden of Counsel, assisted by Ms Diane Hamer, solicitor of Allen Allen & Hemsley, represented the applicant.

Submissions

Before commencing the submissions, Mr Cobden tendered two statutory declarations, with exhibits, by Pamela Diane Hamer, solicitor of Allen Allen & Hemsley. To the first of these declarations are annexed copies of registrations of the applicant's mark in various countries. The other declaration contains a copy of a declaration by Jacobus M Ockers, the vice president of Brand Operations of the applicant company, to which are affixed eighteen exhibits of the mark in use. A supplementary declaration by the said Pamela Diane Hamer containing material accidentally omitted from Ms Hamer's first declaration was filed after the hearing on 19th March 1996. A further statutory declaration by Charles I Sherman, secretary of BatMark Inc, assignee of the applicant company, was received by me on 29th March 1996.

In opening his submissions, Mr Cobden stated that the subject mark had the character of a corporate signature, i.e. it was in the style of hand-writing, a style which was evocative of "old-fashioned America", therefore it was not rendered in a known typeface. Acknowledging that the present application was governed by the *Trade Marks Act 1995*, he turned to section 41 of the said act. In light of sub-section 41(3), Mr Cobden said that, given the applicant's offered disclaimer endorsement, it was the applicant's view that the mark was adapted to distinguish its goods from those of other persons.

In the event of this argument not being accepted, he proceeded to consider the mark under the provisions of para 41(5)(a), first noting that in s 7 of the act there was no reference to "in Australia" in the definition of "use of trade mark", whereas in other relevant sections the reference was expressly made to "in Australia", for example, in ss 59 and 60. In absence of these limiting words, therefore, account should be taken of use of the mark outside Australia. If, however, use in Australia was in fact inferred, then "any other circumstances" would comprehend the notion of extensive international use, i.e. what is called "reputation spill-over". He further submitted that at the time of drafting the new trade mark legislation, the Parliament would have been aware of the state of the law in relation to reputation as per the decision of the full Federal Court in *ConAgra Inc v McCain Foods (Aust) Pty Ltd* 23 IPR 193, namely, that reputation in passing off, which previously had the tight geographical

limitations of the first use, in the modern world had expanded to include business operations conducted outside the jurisdiction of the original country, leading to reputation in that jurisdiction, even if there had been no trading of the goods within the jurisdiction.

He then referred to the decision of the High Court in *Minister for Immigration and Ethnic Affairs v Teoh* ALR 353, where it was held that, provided it was not in conflict with the domestic law, officers of the Commonwealth exercising discretionary powers under the Commonwealth statutes were expected to take account of the full effect of international treaties to which Australia is a party, even if the particular provisions of those treaties have not been incorporated in the definitive law.

To substantiate his contention, Mr Cobden discussed the presented evidence in Mr Ockers' declaration, filed in support of registration of the subject mark in Hong Kong. He directed my attention to the extremely wide use of the mark in the United States of America, as well as use in Hong Kong, United Kingdom and France, which would lead the Registrar to the conclusion that, in view of the spill-over reputation, the subject trade mark did already distinguish the designated goods.

To elaborate further on the submissions in relation to "any other circumstances" under sub-section 41(5), Mr Cobden stated that, having regard to the well-known fact of a large number of Australians travelling overseas, the spill-over reputation considered in *ConAgra v McCain*, supra, should also be taken into account. Similarly, in light of *Minister for Immigration v Teoh*, supra, and given the broad provisions of "any other circumstances" in sub-section 41(5), Article 6 and Article 6 quinquies of the *Paris Convention for the Protection of Industrial Property* should apply to the present situation.

Were it necessary to consider the mark under the provisions of sub-section 41(6), Mr Cobden said that the script style of the mark could not be a known typeface; it was developed in 1917 and, therefore, would, more likely, have been the work of an artisan, even though evidence in this regard could not be produced. As already argued, Mr Cobden continued, in the absence of a clear definition as to use of the mark in Australia, a large

amount of use had been demonstrated, particularly in the United States of America with which Australia has strong trading and travelling links, and, similarly, with Hong Kong, United Kingdom and France.

Decision

As recognized by Mr Cobden, although the present application was lodged under the repealed *Trade Marks Act 1955*, it was pending immediately before 1st January 1996, therefore, under the provisions of s 241 of the *Trade Marks Act 1995,* which came into effect on 1st January 1996, registrability of the subject trade mark is to be considered under Division 2 of Part 4 of the 1995 act.

Sub-sections 41(2) and 41(3) of the *Trade Marks Act 1995* read:

> (2) An application for the registration of a trade mark must be rejected if the trade mark is not capable of distinguishing the applicant's goods or services in respect of which the trade mark is sought to be registered (designated goods or services) from the goods or services of other persons.
>
> (3) In deciding the question whether or not a trade mark is capable of distinguishing the designated goods or services from the goods or services of other persons, the Registrar must first take into account the extent to which the trade mark is inherently adapted to distinguish the designated goods or services from the goods or services of other persons.

To determine registrability of the subject mark, a corporate name, it must be decided whether other traders in the ordinary course of their business and without any improper motive are likely to wish to use it, or a mark nearly resembling it, upon or in connection with their own goods (see *Clark Equipment Co v Registrar of Trade Marks* 111 CLR 511). It is therefore necessary to consider the extent to which the trade mark is adapted to distinguish the designated goods from those of other traders.

For a mark to be represented in a special or particular manner, the representation of the name should not be a mere rendering of it in an ordinary type or script. Similarly, it should be more than simply an unusual font.

In his second report, the examiner stated that the mark in question was represented in a script very similar to known typefaces such as Grayda, Virtuoso or Bond scripts, extracted from the *Type & Lettering,* 4th edition, by William Longyear, Watson-Guptill Publications, New York. The representation of the applicant's mark may have originated from a hand-written form, as was submitted by Mr Cobden, but the letters comprising the mark are in no sense rendered in a novel or unique style, nor is the mark as a whole uncommon. In *British Milk Products Co Ltd's Application* (1915) 32 RPC 453, Sargant J found that, if the name comprising the mark was rendered in a more or less ordinary handwriting, it did not constitute a registrable trade mark. For a representation of a trade mark such as the applicant's to be considered capable of distinguishing the designated goods, it would need to have an exceptional appearance "so as to strike the eye as peculiar", in the words of Lawrence L J in *Fanfold Ltd's Appn* (1928) 45 RPC 325 at p 333. This was not found to be so in that case where the mark consisted of the word "Fanfold" arranged in a curve and the abbreviation "Ltd.", both placed above a commonplace scroll with folded ends. A similar view to that of Lawrence L J, was expressed by Jacob J in *Standard Cameras Ltd's Application* 69 RPC 125, where the mark, consisting of the name "Robin Hood" represented in an unusual manner by having the letter "R" in a form of an archer and the letter "D" depicting a target, was found to be original and one which other traders would be unlikely to devise. His Honour said at p 129:

> "No one, I think, would seriously contend that to any ordinary eye the representation of the words "Robin Hood" set out on this application would not be accepted by everybody as being out of the common. Having come to the conclusion that it is out of the common, I have to look at it to see whether it is sufficiently out of the common to strike the eye as peculiar, and by "peculiar" I mean not likely to occur to somebody who merely wishes to represent the word.
>
> I myself entertain no doubt that it is an unusual representation, which does strike the eye as uncommon, and which I should suppose is so unlikely as to be substantially impossible for any ordinary man wishing to represent the name "Robin Hood" to arrive at."

Having perused the typefaces mentioned by the examiner and, given that the applicant's mark does not fall within the above-considered criteria, in my estimation, it is a mark incapable of distinguishing the designated goods and one which other persons would desire to use as per *Clark Equipment v Registrar,* supra.

Sub-section 41(5) states:

> (5) If the Registrar finds that the trade mark is to some extent inherently adapted to distinguish the designated goods or services from the goods or services of other persons but is unable to decide, on that basis alone, that the trade mark is capable of so distinguishing the designated goods or services:
>
> (a) The Registrar is to consider whether because of the combined effect of the following:
>
> (i) the extent to which the trade mark is inherently adapted to distinguish the designated goods or services;
>
> (ii) the use, or intended use, of the trade mark by the applicant;
>
> (iii) any other circumstances:
>
> the trade mark does or will distinguish the designated goods or services as being those of the applicant; and
>
> (b) if the Registrar is then satisfied that the trade mark does or will so distinguish the designated goods or services - the trade mark is taken to be capable of distinguishing the applicant's goods or services from the goods or services of other persons; and
>
> (c) if the Registrar is not satisfied that the trade mark does or will so distinguish the designated goods or services - the trade mark is taken not to be capable of distinguishing the applicant's goods or services from the goods or services of other persons.

Even though the applicant's mark has not been used in Australia, from the information provided in the statutory declarations by Mr Ockers and Mr Sherman, it is evident that by virtue of exceedingly long use it has achieved a most impressive reputation in the United States of America. It has also been used extensively in the United Kingdom, France and Hong Kong. However, having concluded that the applicant's mark lacks any scintilla of inherent adaptability to distinguish, I am unable to take into account use of the mark in similar overseas markets, as considered in *Burger King Corp v Registrar of Trade Marks* (1973) 128 CLR 417, or any other circumstances, as argued by Mr Cobden.

Sub-section 41(6) reads as follows:

> (6) If the Registrar finds that the trade mark is not inherently adapted to distinguish the designated goods or services from the goods or services of other persons, the following provisions apply:
>
> (a) if the applicant establishes that, because of the extent to which the applicant has used the trade mark before the filing date in respect of the application, it does distinguish the designated goods or services as being those of the applicant - the trade mark is taken to be capable of distinguishing the designated goods or services from the goods or services of other persons;
>
> (b) in any other case - the trade mark is taken not to be capable of distinguishing the designated goods or services from the goods or services of other persons.

In the *Trade Marks Office Draft Manual of Practice and Procedure,* in relation to evidence in Part 23, under para 4.16 it is stated:

> 4.16 However, acceptance under subsection 41(6) relies upon evidence that the applicant's trade mark does distinguish the designated goods or services in the Australian market place. Thus, evidence of use overseas could only be an adjunct to the main evidence necessary to overcome grounds for rejection under subsection 41(6), and would not of itself be convincing.

From these guidelines it follows that, in the absence of any use whatsoever of the subject mark in Australia, the filed evidence concerning use of the mark overseas does not in any way assist the applicant's case.

Conclusion

Having assessed the applicant's mark under the provisions of sub-section 41(3) of the act, I have found the mark to be devoid of any degree of inherent adaptability to distinguish. As a result, I reject the application for registration of the subject mark as one not capable of distinguishing the applicant's goods in respect of which the mark is sought to be registered from those of other persons.

Sandra Jarvis
Senior Examiner
21 May 1996