



TRADE MARKS ACT 1955
DECISION OF A DELEGATE OF THE REGISTRAR OF
TRADE MARKS, WITH REASONS

Re: Opposition by CLARK EQUIPMENT COMPANY to the registration of trade mark application number 560540 in the name of BCHQ AUSTRALIA PTY LTD.

Background:

After examination, trade mark application 560540 was advertised as having been accepted for registration. The applicant is BCHQ Australia Pty Ltd, to which I will refer simply as “the applicant” from this point.

The mark in question is the word BOBTRAX, sought to be registered in relation to vehicle tracks and tracking systems for wheeled and rubber tyred vehicles, and parts and attachments therefor in class 12.

Registration of the application is opposed by Clark Equipment Company (“the opponent”). The opposition process followed the course set out in the regulations. Both sides served evidence to support their positions and the opposition came on for hearing and decision by me, as a delegate of the Registrar of Trade Marks.

At the hearing, the opponent was represented by Mr Bruce Caine of counsel, instructed by Freehill Hollingdale and Page, solicitors. The applicant did not attend the hearing, but made written representations in lieu of appearing.

The issues:

The opponent relies on registration and use, and the reputation consequent on the latter, of the trade mark BOBCAT. Mr Caine argued that the applicant’s mark, BOBTRAX, was too close to the opponent’s registrations for the trade mark BOBCAT, said to be registered for goods of the same description. Similarly, he argued that, because of the resemblance between the marks, there would be deception or confusion in the minds of a substantial number of people in the trade. This was so because of the extent of the reputation in the opponent’s trade mark, the uncommonness of the

prefix BOB- and the fact that, both notionally and in fact, the applicant's mark would be used on tracks for BOBCAT products.

The applicant vehemently denies that there will be any confusion, arguing that there is very little in common between its mark and BOBCAT. It also argues that the opponent has lost control of the word BOBCAT, which has, it asserts, become generic in relation to skid steer loaders. The mark will not, according to the applicant, give rise to a significant amount of confusion.

The applicant has, by way of example, said in its evidence that there have been very few enquiries about the existence of any connection with the opponent over the nine years when it traded as "Bobcat Headquarters". At the same time, the applicant is not entirely consistent in its use of the word "bobcat". It has not, in the material I have in evidence, ever described its tracks as, for example, "to fit a FORD bobcat" and it now marks all its literature with "BOBTRAX Products have no association with BOBCAT".

Needless to say, the opponent finds the claim that BOBCAT, in relation to loaders, is anything but a trade mark, little short of incendiary. There is evidence, inter alia, that the opponent devotes time and energy to finding and eliminating careless use of the trade mark BOBCAT in relation to the products of anyone other than itself.

It is clear from the evidence that the opponent's products are well known. Its products have the biggest single market share, around 40% of the field of skid-steer loaders. Other competitors divide up the remainder into many smaller slices.

The opponent also produces derivative vehicles in various forms: tree fellers, trenchers, articulated loaders, excavators, scrapers and so forth. In most instances, with the exception of some track-mounted excavators, the base vehicle is essentially a multi-purpose skid-steer chassis with four wheels, steered by braking the wheels on one side while applying power to the other. Only the articulated loader is fundamentally different, having an articulated body which hinges in the middle for steering control. The opponent also produces a range of accessories which can adapt a general-purpose skid-steer loader to differing jobs. Most of these accessories can also be used on the articulated version.

The accessories are mounted on a quick release frame and sold under the trade mark Bob-Tach, a system which has been a selling point of the opponent's machines since 1970. It is apparently part and parcel of the way the accessories are fitted to skid-steer and articulated loaders. The opponent also sells tracks for skid-steer vehicles. These tracks are made by third parties and are sold under the trade marks GROUSER and LOEGERING.

As to the possibility of confusion, the opponent has served a number of trade declarations. There is no way of knowing if the views of the declarants are typical of those in the trade but a common thread emerges from the declarations, which are made by those responsible for buying plant for hire or excavation companies or, in one instance, a city council:

(Declaration of Ronald Dixon): "I would assume that Clark (the opponent) has probably licensed someone to manufacture these products to their own design. I would assume that this is the case as the word "Bobtrax" sounds related to "Bobcat"...and the obvious meaning of the word "Bobtrax" is "tracks for use on a "Bobcat" skid-steer loader".

(Declaration of Michael Gorman): "...indicates to me that these vehicle tracks may be manufactured by Clark Melroe. I am not 100% sure of this - but I believe that this is a reasonable assumption given that both of these names start with the letters "B-O-B"... I would lean towards choosing the "Bobtrax" products over other brands of tracks on the basis that they originated at Clark Melroe..."

(Declaration of Terence Kavanagh): "I know very little about the "Bobtrax" product, however I assume that Clark Melroe manufactures or supplies the "Bobtrax" removable vehicle tracks as part of a range of products for use with the Bobcat skid-steer loaders. I make this assumption because I am not aware of any other company which uses brand names on excavation equipment which start with or feature the letters "B-O-B". ... Bobtrax therefore sounds like an offshoot of the "Bobcat" brand of tracks supplied by Clark Melroe..."

(Declaration of Donald Chilcott): "the word "Bobtrax", when used in relation to removable vehicle tracks, indicates to me tracks which are specifically suitable for use on a "Bobcat" skid-steer loader." From this "obvious meaning", the declarant goes further and says that he would assume that BOBTRAX tracks "would be related in some way to "Bobcat" skid-steer loaders". This declarant is also aware of the BOB-TACH system. Leaving aside the opponent's actual dealers, he is the only one who declares to such knowledge.

(Declaration of Kevin Johnson): "I have heard of "Bobtrax", but I do not know very much about this product. I believe it may be a brand name for a skid-steer loader or an attachment or accessory for a skid-steer loader. Without knowing the origin of the "Bobtrax" product, the name "Bobtrax" suggests to me that it may be manufactured by the same company which manufactures "Bobcat" skid-steer loaders."

The applicant, on the other hand, has served declarations which have a common theme of their own: BOBTRAX are tracks to suit a bobcat, which may be made by Clark, or may be made by another firm such as Toyota. Many of the declarants support the applicant's claim that bobcat is generic, at least if spelt in lower case. The managing director of the applicant, Peter Rowland, even goes so far as to declare that "tracks to suit bobcats have been referred to by the expression "Bobtracks" for as long as I have been in this industry, regardless of their manufacturer or brand name but an abbreviated description of bobcat tracks that became a slang name". In this, he is supported by

two trade declarants, both of whom claim to have heard the term “bobtracks” used to mean no more than tracks for a skid-steer loader.

However, the exhibit to Mr Rowland’s own declaration, claimed to support this, does not show any use of “bobtracks” by anyone other than the applicant - who uses the form BOBTRAX. What the exhibited material, copies of the classified advertisement section of various newspapers, does show, is many, many instances like “BOBCAT tracks to suit Toyota” and “BOBCAT Ford CL40”. It appears from these that operators are in the habit of using the trade mark BOBCAT in a very careless way. Equally, since some of the advertisements are of a form “BOBCAT No! Toyota”, it may be that sellers of used skid-steer equipment are simply making sure their advertisement, which will be listed alphabetically, will appear in the same area of the paper as the genuine, market leading products.

Be that as it may, the misuse of the term extends to at least some suppliers of accessories such as loading ramps and tyres.

The opponent’s evidence in reply addresses some of these issues. It is less than clear just how wide the misuse of the opponent’s trade mark is. On the whole, I must accept the opponent’s claim, backed by a comparison of Yellow Page telephone advertisements with its own customer lists. The opponent’s claim is that slightly more than half of the advertisements referring to BOBCAT machines were, from the opponent’s investigations, using the trade mark correctly. The trade mark is apparently more frequently misused in Brisbane, Canberra and Perth than in the other capital cities surveyed. The only safe conclusion I can come to is that the misuse, despite the best endeavours of the opponent, is still quite wide. Perhaps the last word on that subject comes from the applicant’s own patent application, relied on by the opponent: “Skid-steer loaders are quite often known under the trade mark “Bobcat”.

There is evidence that the opponent has not been able to put that situation to rights. However, the simple fact is that, while the trade mark in question is used carelessly, at least some of the time, by people other than the opponent, it is no more generic than other trade marks such as HOOVER or THERMOS.

Very little more needs to be said of the background facts.

Decision:

I will deal first with the question under section 33. Sub-section 33(1) states:

Subject to this Act, a trade mark is not capable of registration by a person in respect of goods if it is substantially identical with or deceptively similar to a trade mark which is registered, or is the subject of an application for registration, by another person in respect of the same goods, of goods of the same description as those goods, or of services that are closely related to those goods, unless the date of registration of the first-mentioned trade mark is, or will be earlier than the date of registration of the second-mentioned trade mark.

At the outset, let it be said that the opponent has relied on registration 198207, for the mark BOBCAT. The goods specified in that registration are: Loaders, fork lift trucks, bulldozers and other earth moving or materials handling vehicles. In the absence of any dissenting argument on the question, I will take it as obvious that loaders and their specialised tracks are goods of the same description.

As to the comparison of the marks at issue, a long standing test which has been applied to s 33 of the Act is, to paraphrase *Smith Hayden & Co Ltd's Appn*, 63 RPC 97 at p 101: Assuming use by the opponent of its marks in a normal and fair manner for any of the goods covered by the registrations of those marks, am I satisfied that there will be no reasonable likelihood of deception and confusion amongst a substantial number of persons if the applicant used its mark normally and fairly in respect of any goods covered by its proposed registration?

Viewed in those simple terms, away from the glare of the opponent's reputation, on one hand, and the evidence of confusing misuse of the opponent's trade mark on the other, are the trade marks BOBCAT and BOBTRAX deceptively similar?

On the one hand, there are the applicant's arguments, that these are two words which have many differences. What they have in common is just the first element, BOB-. It is true that the syllable BOB is not common to the trade, but on the other hand its mere presence in two trade marks will not necessarily give rise to reasonable doubt about a common origin of the goods.

It is sometimes the case that the proprietor of an existing trade mark will not readily coin another similar trade mark for the same goods, diluting, as it were, the value of the original mark. See, in relation to the liquor trade, *Riccadonna v European Foods* [1985] 2 APOR 59. The case law gives many counter examples to this, such as PAN and HYPERPAN or JEST and EASYJEST, of course, and these cases are reviewed in Shanahan's book *Australian Law of Trade Marks and Passing Off* at pages 181 - 182, and in the cases footnoted on those pages. But there is an obvious difference between many such cases and the present one.

Here, the goods sold under the second mark are accessories. Had the comparison been between one brand of loader and another, perhaps many people would hesitate to read a great deal into the common prefix BOB. Probably normal caution would have applied, but here the coining of the word “BOBTRAX” may suggest authorisation, since the one set of goods are to complement another, rather than to be marketed as substitutes for them. More to the point, the applicant itself says in the evidence that the derivation of its trade mark is in “tracks for a BOBCAT”, although the applicant would no doubt express this as “tracks for a bobcat”.

Of course, a derivation such as “tracks for a BOBCAT” is possibly innocent enough. It does not necessarily say that the tracks are made by the same people who make BOBCAT loaders, any more than it says that they will suit all such BOBCAT loaders. But equally, the coining of a trade mark by the liberal use of another trader’s property must invite a reasonable number of those who encounter the later mark, BOBTRAX, to go further, and to expect some more direct connection.

Beyond this, and even under the restricted comparison to be made under section 33, deception or confusion would be inevitable whenever a BOBCAT dealer displays (hypothetically) a set of BOBTRAX, or when the applicant produces, as it has, brochures showing BOBTRAX fitted to a BOBCAT skid-steer. I can, in postulating this, take notice of the fact that, while there are many brands of skid-steer in existence, these goods are not low cost items and so the truth is that there are fewer brands in the market place than there might be for, say, hand tools or for food products. Thus, it is quite realistic to ask what will be the effect of such a close display of the two marks, as the evidence shows that, in the actual market with which I am concerned, the probabilities are that such close displays will happen regularly enough. Even if, as the applicant has argued in its evidence, the applicant’s present business might be run in a way which prevents any confusion with the opponent, there is no guarantee that this will continue to happen.

Therefore, on balance, I find that the trade marks BOBCAT and BOBTRAX are, despite their differences, deceptively similar for the purposes of section 33 of the Trade Marks Act.

Section 28.

In my decision under section 33, I was concerned with hypothetical use of the two competing marks. While I could take notice of the general features of the real market place, I excluded any reference to the reputation of the opponent.

Section 28, however, is more complex in its actions. It specifies, in full:

A mark-

- (a) the use of which would be likely to deceive or cause confusion;
- (b) the use of which would be contrary to law;
- (c) which comprises or contains scandalous matter; or
- (d) which would otherwise be not entitled to protection in a court of justice,

shall not be registered as a trade mark.

Paragraph (a) deals with the prevention of the registration of trade marks which would, at the date of application, have been the cause of a sufficient likelihood of deception or confusion. All relevant factors, including the extent of an opponent's reputation at that date, must be looked at.

At the outset, I reject the claim that the applicant is free to make careless use of the word BOBCAT. At the same time, my decision under section 28 must reflect the actions and probable beliefs of people in the real world, not in some ideal world where the use of all words is controlled by lawyers. In that real world, it is often hard to tell if the word "bobcat" is being used correctly as a trade mark or not. But, on the other hand, the word BOBTRAX is very clearly a trade mark. It stands above any confusion that may surround the intention behind use, particularly spoken use, of the word "bobcat".

On the present evidence, I do not consider that the BOB-TACH system, used by the opponent, has been so well advertised as to have a particularly significant reputation. Thus, there is no suggestion, in the evidence before me, that the opponent is the owner of a family of well-known trade marks. Rather the contrary, since if the opponent's trade declarations establish anything at all, they show that the majority of customers are aware of, at most, two BOB- trade marks, BOBCAT and BOBTRAX. None the less, the BOB-TACH system is on the face of it not unknown, and its existence adds to the difficulties faced by the applicant in showing, as it must, that it is entitled to its registration.

I note the seriously declared opinions of the traders who have made declarations supporting the opponent's case. Some of these declarations cannot be taken too literally. It is true that the traders have said that they would speculate about a connection between the sources of goods bearing the two trade marks. None the less, despite all that Mr Caine said in support of the experience of the declarants, their words sometimes lack the sincerity of feeling of traders who say that, when they first heard of BOBTRAX - and nearly all of them know something of the goods bearing that mark - they did in fact have some serious doubt about a connection with the opponent. Rather, most of them are careful to say that, now, in a (perhaps) academic way, in the course of making a statutory declaration, they can see their way clear to ask questions which did not necessarily arise in a real-world context.

I have thus discounted the weight I can give to the opponent's trade evidence, heavily discounted the possibility that there is a reputation in the word BOB-TACH, and tried to place myself in the position of an ordinary buyer of tracks for skid-steer vehicles. I have also taken into account the fact that the ordinary buyer of these goods will not always expect the word "bobcat" to be used as a trade mark.

What can, I think, be said, is that the trade mark BOBCAT is not always used properly, but that, once a context of trade mark use is established, there is a reputation in BOBCAT products, a reputation which belongs to the opponent, as a single source of skid-steer loaders. That single source is the market leader, and also the source of a very wide range of accessories for loaders, using the BOB-TACH attachment system. At least some traders and buyers would be aware of BOB-TACH and all of them would realise that the opponent sells a range of accessories that are expressly designed for its skid-steer loaders. The opponent, indeed, also sells tracks for skid-steer vehicles, albeit that they are made by third parties and sold under the trade marks GROUSER and LOEGERING.

All in all, I find that the opponent's case under s 28(a) is stronger than the one under s 33. The trade mark BOBTRAX is deceptive in the light of the reputation of the trade mark BOBCAT.

A finding under s 28(a) alone does not defeat the application. Without going too deeply into the matter, I am constrained by the terms of the practice note in the *Journal* of 12.9.91. I must direct the registration of this application, even if I am convinced that there is a reasonable likelihood that it will be deceptive or confusing in use, unless the applicant is guilty, in adopting or using the mark, of some sort of blameworthy conduct, ie conduct which would disentitle the applicant to protection in a court of justice. The view of the Registrar is that his delegates are competent to determine what is and is not blameworthy conduct. I therefore turn to that issue.

Mr Caine argued that, on the authority of *New South Wales Dairy Corp v Murray Goulburn Co-Operative Ltd* 171 CLR 363, it was open to me to find blameworthy conduct in this case. Brennan J, at page 391 of that report, agreed with the British line of law in *General Electric Co v General Electric Co Ltd*, and specifically with Lord Justice Diplock's approach on the question, provided that blameworthy conduct was defined in the way in which Brennan J stipulates. He said:

I would take to be "blameworthy" any conduct (whether by act or omission) on the part of a registered proprietor or his predecessor in title which he knew or ought to have known would result in the likelihood that the use of the mark would deceive or cause confusion and which has in fact caused or contributed to that result. I find, moreover, that the applicant is responsible for the causing of this deception or confusion and should have known that it would arise.

Nothing in the decisions of Dawson and Toohey JJ is inconsistent with this. They agreed that the term was no more than a shorthand form for conduct which would disentitle the relevant party to protection in a court of equity. It was not to be used to erect an independent standard. McHugh J made similar comments.

On the evidence before me, the applicant's adoption and use of the trade mark BOBTRAX is based on a wrong premise, that the word BOBCAT is an ordinary noun, like tractor or bulldozer. This is both wrong in law and wrong in practice, to the point that the trade mark applicant should have known better. The applicant, on the contrary, went ahead, and this is central in a situation that may reasonably be the cause of deception or confusion. The applicant's failure to know better and act differently thus constitutes blameworthy conduct.

Therefore, I find that the application cannot, under the terms of both ss 28 and 33, be registered, and I refuse to register it. I award costs in accord with the scale to the opponent.

T. Williams
Hearing Officer.

2 February 1996