



## TRADE MARKS ACT 1955

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

**Re: Opposition by WARNER-LAMBERT COMPANY to Application No. 562715 in the Name of YOSSI HAREL**

Application no. 562715 was lodged on 30 August 1991 in the name of YOSSI HAREL ("the applicant") of Bentleigh, Victoria who sought to register a trade mark consisting of the word DERMOFILM accompanied by an abstract representation of a hand and an arrow, in respect of protective creams for skin care, being goods included in International Class 3. Following examination the mark was accepted for registration in Part B of the Register and duly advertised in the *Official Journal* of 4 March 1993. On 3 June 1993 opposition to the registration of the mark was lodged by WARNER-LAMBERT COMPANY ("the opponent"), a United States company, in accordance with the provisions of s49 of the Act. After several extensions of time in which to do so the opponent served its evidence in support of the opposition on the applicant on 17 November 1993. The evidence consisted of a declaration made by John N. O'Shea, Assistant Secretary of the opponent company. The applicant's evidence in answer therefore became due on 17 February 1994 in accordance with reg. 44. No evidence having been served by that date and no request for an extension of time to do so having been received, on 15 April 1994 the opponent requested that the matter be set down for hearing. After several adjournments the matter finally came on for hearing before me in Sydney on 1 March 1995. Mr Gerard Skelly of Spruson & Ferguson, patent attorneys, appeared for the opponent. The applicant did not appear at the hearing and was not represented.

## Proprietorship

Mr Skelly referred me to the O'Shea declaration in which that declarant states that the opponent company has used the trade mark DERMAFILM on skin protective creams in Australia since the year 1966, the product being sold through hospitals and retail pharmacies. Sales figures for the years 1986-1992 are given and annexed to the declaration is a photograph of a tube of what is described as a "skin protection cream" and a "silicone barrier cream". The tube also bears the words DERMAFILM and PARKE-DAVIS. In the declaration Mr O'Shea states that the opponent has applied to register the trade mark DERMAFILM, under no. 584890, and has applied to register Parke-Davis Pty Ltd as a registered user. Mr Skelly therefore submitted that the opponent was the proprietor of the trade mark sought to be registered by the applicant by virtue of the first use of the mark DERMAFILM.

The concept of proprietorship of a trade mark was explained by McGarvie J in *Settef v Riv-Oland Marble* 10 IPR 402 at 413:

"Acquiring proprietorship

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: *Re Registered Trade Mark "Yanx"*; *Ex parte Amalgamated Tobacco Corp Ltd* (1951) 82 CLR 199 at 203; *Thunderbird Products Corp v Thunderbird Marine Products Pty Ltd* (1974) 131 CLR 592 at 603; *Moorgate Tobacco Co Ltd v Philip Morris Ltd (No 2)* 59 ALJR 77 at 83. 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.

...

In considering who, within s.40(1) of the Act, was at the time of Settef's application for registration the proprietor of the trade mark, one considers who at common law was the proprietor in Australia *Shell v Rohm and Haas* (1949) 78 CLR 601 at 625 and 627. Settef claims to be the first person to have used the trade mark in Australia and therefore to have been proprietor at common law in Australia."

The opponent's uncontradicted evidence is that it has used the mark DERMAFILM in Australia since 1966. This use predates the date of lodgment of the applicant's application, 30 August 1991, by many years. There is no evidence as to the date of first use, if any, by the applicant of the mark applied for, but there was an evidentiary onus on the applicant to rebut the opponent's claim based on earlier use which it has not discharged.

However, the opponent claims proprietorship of the applicant's trade mark which consists of the word DERMOFILM together with a small device, based on use of the word DERMAFILM which is not the same mark.

In *Carnival Cruise Lines v Sitmar Cruises Limited* (1994) AIPC ¶91-049 Gummow J of the Federal Court, in considering the disputed claims to proprietorship of the marks FUNSHIP or FUN SHIP, posed the following questions:

Will substantial identity suffice? Or may questions of deceptive similarity be considered? Or is visual identity essential?

Then, having considered a submission based on *The Shell Company of Australia Limited v Rohm and Haas Company* (1949) 78 CLR 601, His Honour continued:

When the decision is understood in this way, it does not supply any general authority for the proposition that in the case of disputed claims to proprietorship under the present statute anything less than substantial identity between the two marks will suffice. The phrase "substantially identical" as it appears in s62 (which is concerned with infringement) was discussed by Windeyer J in *The Shell Company of Australia Limited v Esso Standard Oil (Australia) Limited* (1963) 109 CLR 407 at 414. It requires a total impression of similarity to emerge from a comparison between the two marks. In a real sense a claim to proprietorship of the one extends to the other. But to go beyond this is, in my view, not possible.

...

In the present case there would, in my view, be no material distinction to be drawn between "Fun Ship" and "Funship" or between the addition of the definite article or the use of the plural. However, "Fun Ship" is for this purpose a substantially different trade mark to "Sitmar's Funship" and "Fairstar The Funship".

In *Karu Pty Ltd v Robert Leon Jose* (1994) AIPC ¶91-101 Drummond J, while noting that the comments of Gummow J were obiter, applied them directly to the matter before him.

It is not therefore necessary that the marks should be identical before the question of proprietorship can arise. It is sufficient if the marks are substantially identical. Here Mr Skelly relied on *Kendall v Mulsyn Paint and Chemicals* (1963) 109 CLR 300 where the marks in dispute were the words POLYKIN and POLYKEN, that is, a difference of one letter in the spelling with little if any difference in pronunciation. He argued, and I agree, that that case is directly in point in the present case. The two words DERMOFILM and DERMAFILM are, like POLYKIN and POLYKEN, words of three syllables with a difference of one vowel in an unstressed position which has little, if any, effect on the pronunciation of the words. It is true that the applicant's mark contains a small device element which is quite nondescript and attracts minimal attention. The mark would undoubtedly be known as DERMOFILM. On the whole therefore I find that the marks are substantially identical and that the opponent is entitled on the basis of its uncontradicted evidence of prior use to be considered the proprietor of the trade mark which the applicant seeks to register.

## **Section 28**

Mr Skelly also relied on s28 of the Act arguing that because the two marks were substantially identical the applicant's mark should be refused registration under that section. However, following the decision of the Federal Court in *Settef v Riv-Oland* 12 IPR 320 and that of the High Court in *New South Wales Dairy Corporation v Murray Goulburn Co-operative Ltd* the Office published a Practice Note in the *Official Journal* of 12 September 1991 in which it was stated that in order to succeed an opponent would be required to show not only that the applicant's mark would be likely to cause confusion or deception but also that that likelihood had been brought about by conduct on the part of the applicant which was somehow wrongful. There is no evidence in this case of the circumstances surrounding the applicant's adoption or use of its trade mark and I am not therefore able to find that it has been guilty of any blameworthy conduct.

## **Conclusion**

I have found that the opponent is entitled to be considered the proprietor of the mark in suit and the opposition therefore succeeds on that ground. Subject to any appeal from this decision the registration of the trade mark the subject of application no. 562715 is refused. I see no reason to depart from the usual practice that costs should follow the event and I therefore award costs in the proceedings to the opponent.

Michael Homann  
Hearing Officer

18 May 1995