



## TRADE MARKS ACT 1995

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

Re: Opposition by Analyses Conseils Informations ACI to registration of trade mark application 578575(9) - 4D AND CUBE DEVICE- filed in the name of Iguassu (No 16) Pty Limited and Al Gray Nominees Pty Limited.

#### Background

Iguassu (No 16) Pty Limited and Al Gray Nominees Pty Limited (together, the applicants) lodged application number 578575 for the trade mark depicted below, in respect of 'Computer software' in class 9, on 18 May 1992 under the *Trade Marks Act 1955*. Hereafter I shall refer to this lodgement date as the filing date in terms of the parlance of the *Trade Marks Act 1995*.



One examination report issued under the 1955 Act, which resulted in the applicants requesting deferment of the application pending the outcome of nine applications (including eight of which are in the name of the present opponent) that had been cited against the present application. Thereafter, the application was assessed under the transitional provisions of the 1995 Act. The application gained acceptance under the 'prior use' provisions of s.44(4) of the Act for a restricted specification of goods, and was so advertised on 21 August 1997 in the *Australian Official Journal of Trade Marks*.

The statement of goods claimed by the applicants, at the time of acceptance, reads:

'Computer software for use in the civil engineering industry, but excluding computer software relating to mining'.

Analyses Conseils Informations ACI (the opponent), a French company, filed a notice of opposition on 21 November 1997, listing grounds of opposition under s.57 of the Act in terms of ss.41, 42(b), 43 and 44, and also under ss.58, 59, 60 and 62. The evidence in support of the opposition and evidence in answer was filed and served, and both parties indicated a desire to be heard in the matter. It came before me in Melbourne on 12 October 2000.

From the evidence and submissions made at the hearing, I have determined that the applicants provide highly specialised computer software programs with application to civil engineering, surveying and terrain modelling. The software uses sophisticated plotting techniques that enables three-dimensional surfaces to be represented as a graphic on a screen, with options for the user to change variables and observe the results from different views. The Managing Director of Iguassu No 16 Pty Limited (one of the joint applicants), Dr Lee Gregory, along with a business partner, Mr Alan Gray, have been the main developers and marketers of this software. A demonstration videotape of the applicants' products, submitted in the evidence, indicates that the applicants' goods are programs for a limited achievable market in Australia because of the highly specialised nature of the sophisticated software. Development of the applicants' products, which sold for between \$5 000 and \$15 000 per unit at the time, began some time prior to the first release in 1988. Only some 20 units had been sold prior to the date of application but, given the possible target market for a newly developing venture, such a figure is unsurprising. Sales have risen appreciably since that time, so that from 1989 to 1999 inclusive, some 626 units are now in the hands of users.

The opponent, a French company, is also a company in the field of computing. Its interests, however, lie in supplying users with broader based software that may be incorporated into programs with a multitude of uses. The opponent's various types of software have applications in almost any field - from project management systems (which could find application in the civil engineering field) to accounting packages suitable for virtually any end user. First use of its 4D trade marks began in Australia on 22 February 1988. The opponent's business has had an increase in sales through the 1990's that runs relatively parallel to the business of the applicants. All of the parties here first attempted to open their

markets in 1988, and the opponent provides sales figures for that calendar year, whereas the first figures from the applicants are in respect of the 1989-90 financial year. The parties did attempt a round of negotiations early in the evidence stages, but apparently no headway was achieved and the matter now requires a decision.

At the hearing, the opponent was represented by Mr Russell Waters of Phillips Ormonde Fitzpatrick, Melbourne, whilst the applicants were represented by Mr Ben Fitzpatrick of Counsel, instructed by Griffith Hack, Patent and Trade Mark Attorneys, Sydney.

### The Evidence

The evidence in support in this matter consists of three declarations, whilst two declarations were served as evidence in answer. Short details of these documents are:

DECLARANT	STATUS	DATE	ATTACHMENTS	HEREINAFTER
Damon James Carley #	General Manager Namadgi Marketing	26 May 1998	A and B	Carley declaration
John Andrew Waters #	Attorney for the opponent	20 August 1998	JAW-1 to JAW-3 inclusive	Waters declaration
Philippe Souveton #	General Manager of opponent	9 February 1999	A to E inclusive	Souveton declaration
John Livingstone *	Senior Adviser Queensland Main Roads	22 November 1999	JL-1 to JL-3 inclusive	Livingstone declaration
Lee Gregory *	Managing Director of joint applicant	15 November 1999	LG-1 to LG-10 inclusive	Gregory declaration

# - Evidence in support;

\* - Evidence in answer

At this stage, I do not intend to summarise the evidence that has been led. Some particular claims and exhibits in the material go toward more than one ground of opposition, and some of the individual issues to be decided are themselves complex. Thus, for the sake of efficiency, I intend to introduce specific material as it relates to each section of the Act, as it is required under the **Submissions** and **Discussion** headings.

## Submissions

Concerning the grounds of opposition that the opponent sought to pursue, Mr Waters opened his submissions with the comment that only the grounds under ss.41, 44, 58, 60 and 62(b) would be relied upon. He began with the comment that as the mark consists of a single letter, a single numeral and a common cube device; the provisions of s.41(5) should apply. The applicants, he said, had not met these requirements, and so the mark ought now to be refused.

In relation to s.44, Mr Waters directed me to ten registered trade marks of the opponent, in respect of either computer programs or services involving computer programs, each of which incorporated the sign 4D in some manner, and each pre-dated the present application. The applied for mark, he claimed, may not be substantially identical with this set of ten but is deceptively similar to them, in respect of similar goods to the opponent's registered marks, according to the standard tests from decided cases<sup>1</sup>.

Mr Waters next gave reasons why the application ought not to be registered under the provisions of s.44(3)(a) - those of 'honest concurrent use'. He said that such use by the applicants needed to be prior to the filing date<sup>2</sup>. Some of the evidence led by the applicants, he claimed, in 'internal' documents is not trade mark use at all, whilst other exhibits show that use prior to 1992 is not for the mark applied for. Mr Waters then addressed the criteria set out as requirements for an application to gain acceptance under the provisions of honest concurrent use in *Re: Alex Pirie & Sons Application* (1933) 50 RPC 147. Here, he claimed that, in view of the degree of similarity both of the respective trade marks and of the respective goods of both parties, and the limited extent of use prior to application being made, that the application should not proceed under s.44(3)(a). He added that it was of little import that no actual cases of confusion could be found, given that only some 20 units of the applicants' goods had been sold pre-filing.

In relation to reasons why the application should not be allowed under the provisions of s.44(4) - the 'prior continuous use' provisions - Mr Waters asserted that the mark, as applied for, had not been used prior to 1992 whereas a number of the cited marks had been registered from 5 February 1991. He also said that one citation, numbered 478688, had a filing date that

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<sup>1</sup> *Australian Woollen Mills Ltd v F. S. Walton & Co. Ltd.* (1937) 58 CLR 641  
*Rysta Limited's Application* (1943) 60 RPC 87  
*Jellinek's Application* (1946) 63 RPC 59

is prior to the claimed first use of the mark by the applicants. He concluded that, on the above basis, the initial acceptance of the mark had been in error and the application should now be refused.

Mr Waters submitted, in terms of s.58 of the Act, that the applicants have not used the mark '4D' as early as 1988, and that even in 1989 had used '4DTRI' rather than '4D'. The opponent, he asserted, has shown in its evidence, use of the '4D' mark on computer programs and software in Australia from 22 February 1988. He added that the application should accordingly be refused because the applicants are not the owners of the mark.

In terms of s.60, Mr Waters submitted that the opponent had achieved a significant reputation in its '4D' mark by the time of the present filing on 18 May 1992. He stated that sales under the mark commenced in 1988 and referred me to both quoted sales figures and examples of advertising material, in the exhibits to the Souveton declaration, to support the point. Mr Waters claimed that this prior reputation in a deceptively similar mark would lead to deception or confusion sufficient to validly support a ground of opposition under s.60.

The submissions made by Mr Waters under s.62(b) clearly pointed out that the opponent does not claim that the applicants deliberately provided false information, but that the examiner had been unintentionally misled into believing that the extent and nature of use of '4D' as a trade mark was greater than is actually the case.

Mr Fitzpatrick opened submissions on behalf of the applicants, in relation to the ground under s.41, by agreeing with Mr Waters that the 'cube' device in the present mark added little, if any, inherent capability to distinguish the applicants' goods from those of other traders. This factor, he said, strengthened the applicants' case under s.44 that use of the mark prior to filing qualified as use of the mark applied for - because the alteration or addition of the 'cube' device did not affect the identity of the mark. Returning to s.41, Mr Fitzpatrick led me through the evidence of use of the mark and stated that such use would readily qualify the mark for registration under the provisions of s.41(5) - if I accept the opponent's argument that the mark lacks sufficient inherent adaptability to distinguish the goods of the applicants from those of other traders.

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<sup>2</sup> *Re Granada Trade Mark* [1979] RPC 303 at 312

In relation to the s.58 ground, Mr Fitzpatrick submitted that it is accepted law that to succeed under this ground the opponent had to demonstrate use of the mark or a substantially identical mark<sup>3</sup> on goods that are the 'same kind of thing'<sup>4</sup>. He claimed that the opponent's case failed on both of these legs.

Mr Fitzpatrick did not challenge the determination made by the Acceptance Officer that the present trade mark is deceptively similar to registered trade marks numbered 549904, 549905, 549906, 549907, 549908, 549910, 549912, 549914 and 644789 (a divisional application from 549904). He did, however, challenge the claim that 478688 provides a barrier because, he said, the present application is neither substantially identical with, nor deceptively similar to, that trade mark.

Mr Fitzpatrick then argued that the terms of s.44(3) should be applied to enable registration of the present application. He took me through the factors relevant to a finding for both 'honest concurrent use' of the present mark with the nine marks of the opponent, and also for the 'other circumstances' provisions of the same subsection of the Act. He outlined the 'honesty of adoption and use of the mark' and the 'extent of use of the mark'. He went on to say that because there is no evidence that any actual confusion has ever occurred, and also that the applicants would be severely adversely affected due to the amount of money used to develop the mark, registration should be granted. The opponent, he said, would not be at all disadvantaged by allowing the application - because the actual markets of the competing parties did not overlap. Mr Fitzpatrick also argued that there is good reason to consider the period of more than eight years since filing, in relation to applying the provisions of s.44(3), in a similar manner to the application of s.34(1) of the 1955 Act as set out in *Dinning v New Balance Athletic Shoe Inc* (1992) AIPC ¶¶90-931. On this basis, the applicants had shown sufficient reason to allow s.44(3) to be applied, he claimed.

In relation to prior continuous use, under s.44(4), Mr Fitzpatrick claimed that the applicants' use of their '4D' mark pre-dated all but one of the marks relied on by the opponent. This mark, numbered 478688, Mr Fitzpatrick claimed, is one for which the applicants' mark is neither substantially identical nor deceptively similar. Accordingly, he said, the applicants had made out a case under s.44(4).

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<sup>3</sup> *Carnival Cruise Lines Inc v Sitmar Cruises Ltd* 31 IPR 375

<sup>4</sup> *Re: Hicks' Trade Mark* (1897) 22 VLR 636

Concerning the s.60 ground, Mr Fitzpatrick stated that the opponent did not have sufficient reputation in its mark in Australia as at the priority date, here 18 May 1992, to be likely to produce deception or confusion. The evidence submitted by the opponent shows use that was either undated, after this date, or for countries other than Australia, he claimed. Mr Fitzpatrick added that because s.60 had been shown to be an ineffectual ground of opposition, the application of the provisions of s.44(3) and/or s.44(4) stood unchallenged<sup>5</sup>.

For the s.62(b) ground, Mr Fitzpatrick asserted that the applicants had not, at any stage, attempted to provide evidence or representations that were false or misleading to the Trade Marks Office. He said that the evidence clearly set out the use of the 4D mark claimed by the applicants prior to 1992, shown in such material as the business letter at exhibit LG-5 to the Gregory declaration, which qualified as use of the mark in terms of s.9(1)(c)(ii) of the Act.

## Discussion

At the hearing, Mr Waters opened submissions on behalf of the opponent with the comment that the opponent did not intend to pursue grounds set out in the notice of opposition under ss. 42, 43, 59 or 62(a). Thus, I find that in relation to these grounds of opposition, the opponent is not successful.

The remaining grounds, as outlined in the notice of opposition, involving ss.41, 44, 58, 60 and 62(b), become therefore the focus of the remainder of this decision with reasons.

### *(a) Section 41 - Trade mark not distinguishing applicant's goods or services*

The portion of legislation, relevant to this ground of opposition, in terms of the arguments of the parties reads:

**41.(1) ....**

**(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.

Note: For *goods of a person* and *services of a person* see section 6.

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<sup>5</sup> *McCormick & Co Inc. v McCormick* (VG 240 of 1998)

(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.

(4) Then, if the Registrar is still unable to decide the question, the following provisions apply.

(5) ...

In relation to the initial assessment to be made for registrability under s.41(2) I find that I am, to some extent, in disagreement with the submissions of both parties. Although Mr Waters has argued that the mark is not inherently capable of distinguishing the goods from those of other traders, because it 'consists of a single letter and a single numeral, combined with common graphic elements', I believe that it is necessary to look at the effect of the combination of these elements in the mark in order to assess the 'mark as a whole'. I agree with Mr Waters that simple, unembellished combinations of a single letter and of a single numeral provide little in the way of 'inherent capability' to distinguish the goods on which the mark is used, and alone would not enable a trade mark to proceed to acceptance. However, much more is present in this mark. The letter and numeral are both incorporated into the device, the letter gives the appearance of being italicised - possibly due to the perspective, the 'cube' device casts a shadow below itself despite the top being shown as black, and, as the left hand side vertical face lacks a left border, the device requires some interpretation to be readily seen as a 'cube'. Both parties also submitted that 'cube' devices are common in class 9, the class for which the present application has been made, partly on the basis of the number of entries on the Register with that device descriptor. However, the incidence of the constituent particulars, which make up the indexing terms is not the basis for considering the rights of a trade mark in terms of s.41.

A review of the index may well indicate that a particular device is popular, but the matter to be determined under s.41 depends on a consideration of the trade mark as a whole, and the question to be asked is whether, in the normal course of trade, it is a sign that is likely to be required to innocent competitors. The matter of the prevalence of a description of a device constituent (which themselves may be quite different in appearance anyway) is not a direct factor to consider for s.41, if the sign is not likely to be required by others in the normal course of trade. Lockhart J discusses a circumstance not dissimilar to this in a judgement of the Full Court of the Federal Court in *Riv-Oland Marble v Settef SpA*, 12 IPR 321, at 355 where he states:

His Honour [Justice McGarvie] concluded that the literal words of s 24, considered in conjunction with s 26, should be read down so that an otherwise distinctive mark will not be treated as not distinctive "merely because the use of a similar trade mark by a concurrent user reduces or eliminates its adaptability to distinguish the goods of the proprietor from the goods of the concurrent user".

The device portion of the present mark, I believe, given the particular 'get-up' in the combination of it and the letter and numeral in the mark, provides sufficient inherent capability to distinguish the applicants' goods from those of other traders. As such, I find that the mark may be accepted under the provisions of s.41(2). Such an assessment, followed logically through s.41(3) and s.41(4), negates any need to consider the provisions of s.41(5).

Thus, I find that the ground of opposition taken under s.41 is not successful.

***(b) Section 44 - Identical etc. trade marks***

As the present application has been made in respect of class 9 goods and the alleged conflicting trade marks raised by the opponent are all registered, the relevant legislation under s.44 reduces to a consideration of the following:

**Identical etc. trade marks**

**44.(1)** Subject to subsections (3) and (4), an application for the registration of a trade mark (*applicant's trade mark*) in respect of goods (*applicant's goods*) must be rejected if:

(a) the applicant's trade mark is substantially identical with, or deceptively similar to:

- (i) a trade mark registered by another person in respect of similar goods or closely related services; ...
- (ii) ... and

(b) the priority date for the registration of the applicant's trade mark in respect of the applicant's goods is not earlier than the priority date for the registration of the other trade mark in respect of the similar goods or closely related services.

Note 1: For *deceptively similar* see section 10.

Note 2: For *similar goods* see subsection 14(1).

Note 3: For *priority date* see section 12.

**(2)** ...

**(3)** If the Registrar in either case is satisfied:

- (a) that there has been honest concurrent use of the 2 trade marks; or
- (b) that, because of other circumstances, it is proper to do so;

the Registrar may accept the application for the registration of the applicant's trade mark subject to any conditions or limitations that the Registrar thinks fit to impose. If the applicant's trade mark has been used only in a particular area, the limitations may include that the use of the trade mark is to be restricted to that particular area.

Note: For *limitations* see section 6.

(4) If the Registrar in either case is satisfied that the applicant, or the applicant and the predecessor in title of the applicant, have continuously used the applicant's trade mark for a period:

(a) beginning before the priority date for the registration of the other trade mark in respect of:

(i) the similar goods or closely related services; or

(ii) the similar services or closely related goods; and

(b) ending on the priority date for the registration of the applicant's trade mark; the Registrar may not reject the application because of the existence of the other trade mark.

Note 1: An authorised use of the trade mark by a person is taken to be a use of the trade mark by the owner of the trade mark (see subsection 7(3)).

Note 2: For *predecessor in title* see section 6.


Note 3: For *priority date* see section 12.

The opponent provided a listing of ten trade marks, all in the name of the opponent, that it alleged were a barrier to the present application in terms of s.44(1). The applicants, who accepted that they fulfilled the requirements of s.44(1), did not challenge nine of these ten registrations. I find that I am in agreement with this assessment also. The present application is, in my view, deceptively similar to each of these nine registered marks. The priority dates for all nine, being 5 February 1991, pre-date the present application, the date of priority for which is 18 May 1992. The goods and services involved for these nine marks are each similar to the present goods. Thus, I find that all nine do present a barrier in terms of s.44(1), details of which are shown in the table below.

Regd. No.	Trade Mark	Priority Date	Goods
549904	<b>4D COMPILE</b>	5 February 1991	Computer programs, computer software and computer software packages; but excluding computer programs, computer software and computer packages (consisting of computer software and instruction manuals) relating to mining
549905	As depicted above.	5 February 1991	Services relating to preparing and implementation of computer programs and software packages none being computer programs and software packages relating to mining
549906	<b>4D DRAW</b>	5 February 1991	As for 549904

549907	As depicted above.	5 February 1991	As for 549905
549908	<b>4D CALC</b>	5 February 1991	As for 549904
549910	As depicted above.	5 February 1991	As for 549905
549912	<b>4D WRITE</b>	5 February 1991	As for 549904
549914	As depicted above.	5 February 1991	As for 549905
644789	4D	5 February 1991	As for 549904

The alleged conflicting trade mark that the applicants did challenge has details as shown below. The basis on which the applicants challenged this trade mark concerns whether or not the applied for mark is either substantially identical with, or deceptively similar to, the mark shown below.

Regd. No.	Trade Mark	Priority date	Goods
478688		21 December 1987	Computer programmes and software packages, being goods in this class

The opponent did not seriously submit that the respective marks are substantially identical, but that they are deceptively similar. The test for deceptive similarity of trade marks has been

set out in several well known precedent cases<sup>6</sup>. The marks are not to be compared side by side, but comparison is to be made of one mark against the effect or impression of the other, allowing for an imperfect recollection of the mark not in view. In addition, all of the surrounding circumstances should be considered that could lead to the likelihood of deception and confusion.

Taking these factors into consideration, I believe that the present application and trade mark number 478688 have insufficient in common to warrant a finding that they are deceptively similar marks. Visually they are very different, aurally they are also quite different - being referenced as 4D and 4<sup>th</sup> DIMENSION respectively. There is, also, however the question of the effect of any common *idea* engendered by both marks. Here, I find that the overall difference between 478688 and the subject mark, 578575, are so significant that it is unlikely that purchasers, relying only on imperfect recollection of the opponent's mark, are likely to be confused. Thus, I find that I am in agreement with Mr Fitzpatrick's submissions concerning this trade mark and I do not find that it constitutes a barrier to the present trade mark in terms of s.44(1).

However, the opponent's nine '4D' marks do constitute a barrier to acceptance of the application mark.

The applicants endeavoured to overcome this difficulty by means of two different subsections of s.44 - the provisions found at s.44(3) and s.44(4). It should be noted that together these two subsections actually outline three different provisions under which an application could gain registration despite falling foul of s.44(1). These are 'honest concurrent use' at s.44(3)(a), 'other circumstances' at s.44(3)(b) and 'prior continuous use' at s.44(4).

***(i) Section 44(3)(a) - Honest Concurrent Use.***

In his submissions Mr Waters pointed out, with regard to honest concurrent use, that such use must be prior to the filing date of the application. He directed me to the words of Mr Myall, in a case from the United Kingdom Registry, to support his argument. At 312 in *Re: Granada Trade Mark* [1979] RPC 303 Mr Myall comments:

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<sup>6</sup> *Shell Co. (Aust) Ltd v Esso Standard Oil (Aust) Ltd* (1963) 109 CLR 407, *Australian Woollen Mills Ltd v F. S. Walton & Co. Ltd.* (1937) 58 CLR 641, *Rysta Limited's Application* (1943) 60 RPC 87 and *John Fitton & Co. Ltd's Application* 66 RPC 110

For the purpose of ascertaining the extent of concurrent use I do not consider I am entitled to take into account use of the trade mark after the date of the application for its registration ...

This has long been accepted law and applies in this case in relation to the evidence put to me by both parties. Both parties took me through the principal criteria to be considered in cases involving honest concurrent use, as set out in *John Fitton & Co. Limited's Application* (1949) 66 RPC 110, which was based on the House of Lords decision in *Alex Pirie & Sons Limited's Application* (1933) 50 RPC 147. These are:

- The honesty of the adoption and use of the mark,
- the extent of use in duration, geographic area and volume,
- the degree of confusion likely to ensue between the respective marks,
- whether any instances of actual confusion have in fact been proved, and
- the relative inconvenience to the respective parties if the mark is, or is not, registered.

I shall return to these five criteria for brief comments below, following my consideration of one other item. Both parties submitted that this list is not necessarily exhaustive, and the opponent requested that I also consider whether the actual use of the mark by the applicants could be said to be 'concurrent', in view of the markets for the respective goods of the applicants and of the opponent. Concerning this last factor, the opponent directed me to a decision of this Office, *Medicon eG Chirurgiemechaniker-Genossenschaft v Medison Co Limited* [2000] ATMO 12, issued on 7 February 2000, in which Hearing Officer Ian Thompson comments:

One other factor affects this application; that is, the question of whether any of the user of the trade mark has been concurrent (in the sense of being congruent through the same distributors) with use of the opponent's trade mark. If it is not shown that any of the user has been concurrent, the provisions of section 44(3) may not be applied: *Re "L'Amy" Trade Mark* [1983] RPC 137.

I note from the *L'Amy* decision, *supra*, the following comments of Mr Myall, the decision maker on that occasion, at 145:

In my opinion, however, the present application can derive no benefit from section 12(2). The opponents' mark that has to be considered under that subsection is not the one they have used but the one on the register. Since there is no evidence that that mark has ever been put into use, I do not think there can be said to have been any "concurrent use" at all. In my view that phrase means that the applicants' use must be concurrent with the opponents' use, not that the applicants' use has been concurrent

with the opponents' registration. Even if the opponents' registered mark had been put into use it would not have been concurrent with the applicants' user since, on the opponents' evidence, the parties' goods have never been sold through the same trade channels; the word concurrent has not the same meaning as contemporaneous and is not, in my opinion, to be limited as if it did.

Mr Waters has submitted that 'for honest concurrent use to be made out, it is necessary to show not only that the marks have been used at the same time but also that they should be sold through the same trade channels'. As I see it, this is the proposition expounded above in the *L'amy* decision by Mr Myall. Mr Waters then went on to describe why, in his opinion, the trade channels for the opponent and the applicants could not be said to be the same.

This information, based on a sixth 'factor' for honest concurrent use, does leave me in considerable doubt as to whether 'concurrent use' can be said to have taken place at all. However, I shall return to this matter in my summing up of the other five factors.

For the present matter, concerning the five criteria from *John Fitton*, supra, in relation to honest concurrent use, I make the following brief comments. I have no difficulty in accepting the honesty of the applicants in relation to the adoption and use of the applied for mark. I accept that the heart of the present mark, being the letter and numeral combination 4D, with a generally understood meaning of 'four dimensional', could occur to a reasonable number of persons in various branches of the computer industry. Dr Gregory's explanation, outlined in his declaration, given for the adoption of his mark satisfies me in this regard.

Although the applied for mark is not identical to any of the opponent's nine trade marks, the degree of similarity is sufficient, in my opinion, to produce a reasonable degree of confusion, especially in respect of registered mark 644789 for '4D' solus.

Both parties made submissions concerning the serious disadvantages that would result if I did, or did not, allow the mark to proceed under the provisions of honest concurrent use. The applicants now have an expanding business of significant proportion and the inconvenience of developing a new trade mark, I have no doubt, would be considerable. The opponent, on the other hand, believes that its rights through its registrations would be undermined to a considerable extent, by allowing the mark on the Register, and also that there would be an unacceptable level of public deception or confusion in respect of its mark. Weighing this material, I am of the opinion that the applicants would suffer greater loss by a denial of the application than would the opponent by it proceeding.

No actual instances of confusion have been proved in the matter, or for that matter, raised in any manner by the opponent. The opponent argued that this could have been due to the small amount of use of the mark pre-filing and the differences between the respective markets of the parties. The applicants pointed out that it has now been using its '4D' mark for 12 years without any documented cases of confusion and that this should be a telling factor to enable the provisions of honest concurrent use to be applied.

In my view, however, the most relevant issue in the present case, in relation to honest concurrent use, concerns the extent of use of the application mark. As mentioned above, the only use that I can consider must fall before the date of filing, 18 May 1992<sup>7</sup>. The use relied on by the applicants, as shown in the evidence, is as follows:

- (1) 1988 a wholesale price list displays the trade mark '4dtri'<sup>8</sup>,
- (2) December 1988 a handwritten minute of project planning meeting uses '4D - Triangles', '4D - Tools', '4D - Contours', '4D - Cogo' and '4D - Volumes'<sup>9</sup>,
- (3) January 1989 a business card showing a highly stylised '4D' and device together with the word SOLUTIONS<sup>10</sup>,
- (4) October 1989 a business letter from '4D SOLUTIONS' to 'Alan' showing use of the marks '4dtri', '4dcogo', '4dgl' and '4d model'<sup>11</sup>,
- (5) November 1989 a handwritten wholesale price list that uses the marks '4d' and '4dtri'<sup>12</sup>,
- (6) December 1989 notes of Dr Gregory referring to the development of the systems model showing use of the marks '4D Modeller' and '4d-model'<sup>13</sup>, and
- (7) 1992 prior to this date some 20 units of the applicant's software, under trade marks 4DTRI, 4D VOLUMES and 4D LIB, had been sold.

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<sup>7</sup> *Re: Granada Trade Mark*, supra.

<sup>8</sup> *Gregory declaration* - Annexure LG3

<sup>9</sup> *ibid* - Annexure LG2

<sup>10</sup> *Livingstone declaration* - Annexure JL1

<sup>11</sup> *Gregory declaration* - Annexure LG5

<sup>12</sup> *ibid* - Annexure LG4

<sup>13</sup> *ibid* - Annexure LG6

I note, firstly, that none of this use is of the mark applied for. Secondly, some items appear to be internal documents, consisting of handwritten memos or development notes. However, what this material does show me is that the applicants were developing a business using a '4D' house mark. I note that, at paragraph 10 of the Gregory declaration, the explanation is given that the logo form of the mark, as applied for, was only developed after Dr Gregory had been advised that simple combinations of a letter and a numeral could not be registered. I also note the low level of volume of use, in terms of sales figures, achieved pre-filing.

Taken together, I believe that the applicants have a number of serious deficiencies in their case for honest concurrent use. These include that there is no evidence that the mark applied for was used at all prior to the application for registration being made, that the extent of use of the 4D 'family' of marks in quantity is not strong and in time covers around three and a half years, and that serious doubt exists that even the use that has been made of the 4D 'family' of marks can be said to be 'concurrent' because of the variation of the markets for the respective goods.

As a result of these factors, I find that I am in agreement with Mr Waters in his submissions that the applicant has not made out a sufficient case to enable the application of the provisions of honest concurrent use.

***(ii) Section 44(3)(b) - Other Circumstances.***

The legislation provides:

**(3)** If the Registrar in either case is satisfied:

(a) ...

(b) that, because of other circumstances, it is proper to do so;

the Registrar may accept the application for the registration of the applicant's trade mark subject to any conditions or limitations that the Registrar thinks fit to impose. If the applicant's trade mark has been used only in a particular area, the limitations may include that the use of the trade mark is to be restricted to that particular area.

The phrase limiting the application of this provision 'if it is proper to do so' would appear to enable the Registrar to take into consideration a wide ranging set of possible circumstances. The applicants particularly argued that the lack of any documented deception or confusion is significant, given the length of time that the respective marks of the applicants and of the opponent have been used. Much of that time period, of course, is subsequent to the filing date. In this regard, Hearing Officer Homann comments, in applying the 'other special

circumstances' provisions of s.34(1) of the *Trade Marks Act 1955*, in *Dinning v New Balance Athletic Shoe Inc* (1992) AIPC ¶¶90-931 at 38, 726:

Although I have said that the honest concurrent use provisions of s.34 apply as at the date of the lodgment of the application I think I am entitled to take into account that the inconvenience to the applicant of refusing the application now would appear to outweigh by far the inconvenience to the opponent of allowing registration. Further, as Mr Doyle pointed out, if I were to refuse the application the applicant could simply re-apply and almost certainly obtain registration on the basis of extensive and concurrent use over the last 8 years.

Hearing Officer Zars in *Stingray Surf Company Pty Limited v Lister*, 37 IPR 306, made a similar application, also under the repealed Act. At 313 Ms Zars, in relying on the authority of *Dinning*, supra, comments:

Given the specialised nature of the goods in question, therefore, the applicant's evidence establishes considerable value of sales of the protective clothing and relatively wide exposure of the subject mark throughout Australia subsequent to lodgment of the application. Such use may be considered for the purposes of determining "special circumstances", ....

I believe that I am entitled to take account of the post-filing use and the relevant situation in assessing the 'other circumstances' provisions of s.44(3)(b), as Mr Homann expressed for similar provisions under s.34 of the 1955 Act. In the present circumstances, the applicants provide highly specialised goods. The applicants' evidence shows use of the present trade mark in relation to highly sophisticated computer software applications for use by civil engineers. The terrain modelling applications in the evidence encompass projects for road making, landscaping, dam construction, and rail studies, with further claims that channels, storage tanks, subdivisions, major pipelines, waste water reticulation and general site studies can all be accommodated. The modelling software also caters for related surveying and drafting applications. These goods cover a field that has a relatively limited market in Australia. The sophistication of the software, and the necessarily corresponding cost, limits the applicants' market to those users who will be able to exploit the product commercially. There may be a small number of educational institutions in a financial position to utilise the software, but generally the users will only be commercial operators, developers or planners interested in modelling the moving of significant tracts of the earth's terrain.

I am not bound to consider any of the specific factors that the courts have considered for occasions involving 'honest concurrent use', but, nevertheless some of them may provide a useful background for the present consideration. As Mr Fitzpatrick has indicated, no actual

cases of deception or confusion are in evidence for the mark applied for, despite many years post-filing use with steadily increasing turnover to a figure of around \$1m. annually. I accept that the mark has been honestly chosen and used and that, in practical terms that the real degree of confusion and deception could appear not to be high because of the highly specialised goods of the applicants, their cost and the specialised nature of prospective purchasers. I am also persuaded by the significant effort that the applicants have already expended to bring their mark to the present level of use and recognition. In real terms, this encompasses a time period in excess of 12 years. To have to choose another trade mark in these circumstances could have a major impact on the future success of their business. The opponent may suffer some reduction in the scope of its intellectual property claims, but I rate the inconvenience to be suffered by the applicants by denial of registration, somewhat higher.

Given these factors, I am of the opinion that the application may proceed, for a statement of goods limited to those clearly shown in the evidence, with an endorsement that the provisions of s.44(3)(b) applied.

The limited statement of goods that I believe is appropriate, from the evidence submitted, given the restriction that has already been applied prior to the acceptance of the application reads:

'Computer software, for use in the civil engineering industry, utilising plotting techniques for three-dimensional modelling, in relation to terrain modelling and design, with related drafting and surveying applications, but excluding computer software relating to mining.'

***(iii) Section 44(4) - Prior Continuous Use.***

Under this provision it is necessary to show that the mark applied for has been in use prior to the priority date of the 'blocking' trade marks. The nine marks of the opponent that I found in conflict with the present application all have a priority date of 5 February 1991. In the evidence, the applicants have shown use of a 'family' of '4D' trade marks before that date. The list of marks, use of which is claimed by the applicants, prior to filing this application are listed above under the heading of 'honest concurrent use'. The first six items in that list, for various '4D' marks, also claim use prior to 5 February 1991.

However, the applicants have made no claim that they have used the mark applied for before the date of application, being 18 May 1992. The legislation at s.44(4) states:

(4) If the Registrar in either case is satisfied that the applicant, or the applicant and the predecessor in title of the applicant, have continuously used the applicant's trade mark for a period:

(a) ....

Continuous use of 'the applicant's trade mark' implies use of an identical or virtually identical mark - one which the general public would immediately identify with the applied for mark. I do not accept that the 'family' of '4D' marks, outlined in the evidence, on which the applicants seek to rely, demonstrates continuous use of the mark of the present application.

Thus, I find that the provisions of s.44(4) cannot be applied in this matter.

Concerning the overall opposition in terms of s.44, both parties have been partly successful. The opposition has succeeded under s.44(3)(a) and s.44(4) - those applying to 'honest concurrent use' and 'prior continuous use', but the application may proceed under s.44(3)(b) - that which applies to 'other circumstances', albeit with a limitation to the goods specified.

***(c) Section 58 - Applicant not owner of trade mark***

The legislation allows:

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

Note: For *applicant* see section 6.

The legal position, in relation to ownership of trade marks, is now well settled. The term 'owner' under the *Trade Marks Act 1995* is to be read in the same sense as that of 'proprietor' under s.40 of the *Trade Marks Act 1955*. A person who claims ownership rights in a mark may apply to register the mark. These provisions are expressed in s.27:

**27.(1)** A person may apply for registration of a trade mark in respect of goods and/or services if:

(a) the person claims to be the owner of the trade mark; and

(b) one of the following applies:

(i) the person is using or intends to use the trade mark in relation to the goods and/or services;

(ii) the person has authorised or intends to authorise another person to use the trade mark in relation to the goods and/or services;

(iii) the person intends to assign the trade mark to a body corporate that is about to be constituted with a view to the use by the body corporate of the trade mark in relation to the goods and/or services.

In order to consider the issue concerning ownership in opposition proceedings, it must be shown that the mark on which the opponent relies for ownership rights, is identical or at least substantially identical with the mark the subject of the application for registration - *Carnival Cruise Lines Inc. v Sitmar Cruises Ltd* (31 IPR 375). Additionally, the goods or services involved must be the 'same kind of thing' - *Re Hicks' Trade Mark* (1897) 22 VLR 636 at 640 - and the use of the mark relied on by the opponent, or application to register the mark, must pre-date the applicant's claim to ownership. An applicant can claim its ownership rights based on the date of its application, or the first use of the mark, whichever is the earlier date.

As discussed above, in that part of these reasons dealing with s.44, I have found that the opponent is the owner of nine trade marks, to each of which the present trade mark is deceptively similar (but not substantially identical). However, deceptive similarity is not enough to trigger s.58. The mark applied for must be either identical or, at least, substantially identical to an alleged 'blocking' mark. None of the nine marks owned by the opponent is able to fulfil that requirement.

Thus, I find that this ground of opposition is not successful.

***(d) Section 60 - Trade mark similar to trade mark that has acquired a reputation in Australia***

This section allows:

**60.** The registration of a trade mark in respect of particular goods or services may be opposed on the ground that:

- (a) it is substantially identical with, or deceptively similar to, a trade mark that, before the priority date for the registration of the first-mentioned trade mark in respect of those goods or services, had acquired a reputation in Australia; and
- (b) because of the reputation of that other trade mark, the use of the first-mentioned trade mark would be likely to deceive or cause confusion.

Note 1: For *deceptively similar* see section 10.

Note 2: For *priority date* see section 12.

Although the opponent sought to rely on ten trade marks for this ground of opposition, I have found, in that part of the reasons dealing with s.44, that the present mark is deceptively

similar to nine of them. The priority date for the present application is the date on which the application was filed - 18 May 1992. Thus, in line with s.60, I must assess the reputation, in Australia, of any of those nine marks as at that date.

The Souveton declaration makes the claim that use of the opponent's '4D' marks began in Australia from 22 February 1988 and provides sales figures under the trade mark, in French francs, for the calendar years from 1988 to 1998 inclusive. No exchange rates for the years from 1988 to 1992 have been provided. Additionally, no exhibits showing any examples of the mark in use in those years have been submitted. The examples showing the use of any '4D' marks by the opponent are either undated, fall after 18 May 1992, list prices in overseas currency (such as British pounds) or are in relation to the '4<sup>th</sup> DIMENSION' mark. That particular trade mark is the one for which I found the applicants mark not to be deceptively similar. Only two of the more than one hundred examples of the opponent's exhibits could arguably show use, in Australia, of one of the nine 'blocking marks' pre-filing of the present application - these were simply marked 1992, without stating the month. All of the invoices showing use of the opponent's nine 'blocking' marks, submitted by the opponent, also displayed dates after 18 May 1992.

Thus, from all of the evidence provided by the opponent that goes toward establishing a reputation in its marks, at the date of filing of the present application, the only relevant item is the documented use in Australia, in French francs, for the years 1988 to 1992 inclusive. The use in monetary terms does not necessarily translate into reputation<sup>14</sup> and there is no other evidence to demonstrate the degree to which the opponent has established an Australian reputation in any of its marks. Given this, I am not persuaded that the opponent has any significant Australian reputation as of 18 May 1992 and I do not consider, therefore, that use of the application trade mark is likely to deceive or cause confusion as per the terms of s.60(b).

I find, therefore, that the ground of opposition taken under s.60 is not successful.

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<sup>14</sup> *Hugo Boss AG v Jackson International Trading Co Kurt D. Bruhl GmbH & Co KG*, 47 IPR 423 at 436.

*(e) Section 62(b) - Application etc. defective etc.*

This subsection provides:

**62.** The registration of a trade mark may be opposed on any of the following grounds:

(a) ....

(b) that the Registrar accepted the application for registration on the basis of evidence or representations that were false in material particulars.

Note: For *file* see section 6.

This ground of opposition does not necessarily allege any misleading conduct, bad faith or other form of deception. The challenge that evidence or representations were 'false in material particulars' may simply seek to alert the Registrar that the applicants themselves are confused, or have been given incorrect information which has been passed on to this Office. The false particular, if it exists, may be entirely unintentional. In the present matter, that is the form of the challenge that the opponent outlined. The opponent said that 'the examiner had been unintentionally misled into believing that the extent and nature of use of '4D' as a trade mark was greater than is actually the case'.

The legislation at s.62(b) is quite clear in its requirement that the 'evidence or representations' provided by the applicants would need to be 'false in material particulars' in order to trigger this ground of opposition. If the applicants provided correct information, but an examiner or acceptance officer within the Trade Marks Office misinterpreted this material, then s.62(b) is not a ground of opposition to redress such an error. In other words, the evidence or representations must be false - whether intentionally or unintentionally is of no consequence for this subsection - before s.62(b) can operate in favour of the opponent.

The applicants submitted two statutory declarations prior to the acceptance of this application. The first of these, from Dr Lee Gregory, and dated 13 September 1996 outlines the use of the mark applied for from early 1992. The second declaration, also from Dr Gregory, dated 22 April 1997, outlines use of the '4D' mark in plain block form from 1988 to 1992. Neither of these declarations contains material that is inconsistent with any of the evidence submitted in this opposition action. The opponent has not challenged the validity of the figures in the Gregory declaration of 15 November 1999, submitted in the evidence in answer, nor has it provided material to controvert them in any way. Thus, I find that the applicants have submitted no 'evidence or representations that were false in material particulars'.

Hence, I also find that this ground of opposition is not successful.

### **Conclusion**

From the foregoing, I have found that of the five grounds relied on by the opponent at the hearing, four of them, those relying on ss.41, 58, 60 and 62(b) have been unsuccessful. The remaining opposition ground, under s.44 has been partly successful, resulting in my assessment that the subject trade mark would be registrable if the applicants for registration of the mark agreed to a standard endorsement for s.44(3)(b) and to the limitation of the specification of goods to accord with the evidence of use.

The standard endorsement reads: *The provisions of paragraph 44(3)(b) applied.*

The specification of goods reads:

'Computer software, for use in the civil engineering industry, utilising plotting techniques for three-dimensional modelling, in relation to terrain modelling and design, with related drafting and surveying applications, but excluding computer software relating to mining.'

I will allow the applicants 14 days from the date of this decision to indicate agreement to this endorsement and amendment. If the applicants fail to take up this offer, then my decision is to refuse registration of this application.

### **Costs**

Both parties requested their costs in the matter. As both have been partly successful in this action, I think that it is appropriate that the parties bear their own and I therefore make no award.

Don Nancarrow  
Hearing Officer

17 January 2001.