



TRADE MARKS ACT 1955

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

Re: Proposal to withdraw acceptance of application 579100 in the name of
Die Hard Pty Ltd

On 28.7.94, trade mark application 579100 was advertised as accepted for registration. The trade mark is as appears below.



Under normal circumstances applications which have been accepted for registration are advertised for opposition. Their registration will either be opposed, by someone who wishes to go to the trouble of doing so, or it will not.

Registration of the present trade mark has not been opposed. The application has, however, been the subject of letter of complaint from a WJ Simpson. The complaint is a personal one: "I find this trade mark to be offensive and cannot believe that it could be accepted for registration bearing in mind s 28(c) of the Trade Marks Act 1955".

The letter continues and asks that acceptance be withdrawn. It is quite clearly written by someone who has some knowledge of these matters and an intensity of feeling about the acceptance. On the latter basis, I do not treat the letter as being a sure reflection of the views of the public in the main. The letter is, none the less, part of the history of the matter.

As happens when such matters are raised, the situation was considered by the section head (a Deputy Registrar of Trade Marks) in the examination section in which the application had been accepted. The applicant was subsequently informed, on 16.9.94, that Deputy Registrar Board proposed to use her delegated power, under s 44(3)a of the Trade Marks Act, to withdraw acceptance of the application. Section 44 reads, in full:

Acceptance of application

44. (1) If the Registrar is satisfied that there is no lawful ground of objection to an application, or that the grounds of objection to an application have been removed, the Registrar shall accept the application without conditions or limitations or subject to such conditions or limitations as he thinks fit; if he is not so satisfied, he may refuse to accept the application.

(2) In the case of an application for registration of a trade mark in Part A of the Register, the Registrar may, with the consent of the applicant, instead of refusing to accept the application, treat the application as an application for registration in Part B of the Register and deal with the application accordingly.

(3) Where, after the acceptance of an application for registration of a trade mark but before the registration of the trade mark, the Registrar is satisfied-

(a) that the application has been accepted in error; or

(b) that, in the special circumstances of the case, the trade mark should not be registered, or should be registered subject to conditions or limitations, or to additional or different conditions or limitations,

the Registrar may withdraw the acceptance and proceed as if the application had not been accepted.

It was said by the Deputy Registrar in question that the error was in the reliance, in deciding the matter, on a decision given in an appeal on a criminal prosecution for indecent language.

The applicant's solicitors, Minter Ellison, have elected that the question of the withdrawal of acceptance be decided on the written record. To bring this about they have waived the right, given the applicant by s 128, to be heard.

The essence of their submission is that the objection was correctly based and fully disclosed and that the accepting officer was perfectly entitled to form the view that he did. No new and relevant facts have been disclosed to impugn the decision and they argue that the accepting officer's judgement cannot simply be undone on a re-examination of the merits of the case. Others may disagree with that officer's view, argue the solicitors, but it does not follow from such a disagreement that the application was accepted in error.

Before going to the applicability or otherwise of s 44(3), it is necessary to look at the decision made in accepting the application. The reasons for the decision are recorded, and the accepting officer clearly relied heavily on the report of a prosecution under the (South Australian) *Summary Offences Act 1953*. The case, *Hortin v Rowbottom*, was an appeal from a conviction in a magistrate's court. The successful ground of appeal was that the words used by the appellant were not indecent in their context, context being one of the factors determining indecency.

The report clearly shows that the judge in the appeal, Mullighan J, drew a line between the commission of a particular offence - the use of indecent language - and the use of language which was "certainly coarse" and which "would be offensive to, and regarded as indecent by, some sections of the community". The appellant's conduct was, on that basis, not indecent in the context of an emotionally charged argument with people who were all familiar with language of the sort in question.

The report of *Hortin v Rowbottom* was submitted by the applicant. This in turn was done because an Examiner of Trade Marks had reported, at second report on the application, that "the mark comprises or contains scandalous matter, namely, the word FUCT, which is the phonetic equivalent of the word FUCKED."

The examiner went on to say that the use of the word FUCT would "offend the public or individual sense of propriety or morality (Definition of "scandalous" in Websters Third New International Dictionary)". The examiner relied on the provisions of s 28 of the Trade Marks Act, which reads:

Scandalous and improper marks

28. 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.

It is significant that the first report did not raise such an objection. This Office does not take belated objections lightly, therefore the objection taken at the second report was taken reluctantly and only after due consideration. It is not surprising, therefore, that there is a minute on file, from a senior officer in the relevant examination section, which considers the offensive nature of the word "fuck". Thereafter, the objection taken at the second report set out the proper grounding of such an objection, supported by the relevant dictionary definition.

The accepting officer's reasons for acceptance are on file. The record is detailed, and the relevant part of it begins with a reference to the appeal in *Hortin v Rowbottom*. The record reads as follows, the underlining being my own:

In essence, he found the words uncouth but that the context and circumstance are required to establish whether it is offensive. He observed that "In many cases, they are completely neutral or devoid of meaning.", and "there is a continuous process by which language, like money, loses its value; and in this usage the word has lost all meaning. It may be full of sound and fury, but it signifies nothing." Mullighan concluded that the words used are not necessarily indecent and that the magistrate erred in concluding "fuck" was indecent regardless of circumstance. Only use in its primary sexual meaning was offensive; use as an expletive was use in a secondary sense to give emphasis to the message conveyed. Consequently, I conclude that even if the word FUCT would be widely recognised as meaning "fucked", the context is important. The context is use as a trademark. Unless the client uses the mark in an explicitly sexual context it should not be considered offensive or indecent. In my view the mark would

not be scandalous unless used in a scandalous context, and the mode of usage is very much the applicant's responsibility, not ours.

Accordingly, the Accepting Officer was concerned with the offensive or scandalous nature of the word. It is true that he tested this by putting great weight on the only tangential issue of indecency, but he none the less was concerned with the matter under s 28.

It is not for me to decide if the answer arrived at by the accepting officer was right or wrong. My concern is with another matter entirely, with the possible presence of an error in the process of the decision itself. The word "error" has been tightly defined for such purposes. The distinction is not always easy to draw, but it is at the basis of the practice which is set out in an Office decision re *Remington Inc's Appln* (1990) AIPC 90-680 (the SMOOTH AND SILKY case).

That case in turn drew on an earlier decision of Assistant Registrar Farquhar. In that unpublished decision, Mrs Farquhar said that "the judgement not to raise an objection may or may not have been in error", but that "the exercise of judgement did not come within the scope of 'error' as contemplated by s 44(3)a". With that in mind, Hearing Officer Hardie, the deciding officer in SMOOTH AND SILKY, drew a careful analogy with the meaning of the word "error" under s 160(2) of the Patents Act. It has been held that the latter sub-section cannot be used "to change a course of action deliberately chosen by an attorney to a different course of action providing a different application which, with hindsight, the attorney now believes to be more appropriate."

Mrs Hardie said:

By analogy it can be reasoned that the error specified in s 44(3)a does not entitle the Registrar to apply the provisions of the section merely on the reconsideration of an acceptance and the conclusion that the judgement to accept ought to have been exercised in a different way.

Ms Hardie reinforced this by noting that "mistake" and "error" are synonyms. She noted the High Court's interpretation of "mistake": " a mistake exists when a person erroneously thinks one state of facts exists when, in reality, another state of facts exists". In summary she concluded that the interpretation of s 44(3)a:

must be restricted to situations where the acceptance officer is either mistaken as to the facts or in ignorance of the facts. It cannot be extended however to the reversal of a decision to accept where there is no more than a change of opinion as to the way the facts should be interpreted.

That was, she noted, consistent with D.R. Shanahan's *Australian Trade Mark Law and Practice*, as the first edition was called. The second edition affirms the same view.

A subsequent decision by Hearing Officer Forno, re *Rice's Trade Mark*, the CRICKET SKINS case, (1993) AIPC 90-966, has fleshed out the detail of the proposition. Mr Forno said, emphasis added:

In the present case, it is evident from the case file that the examiner and acceptance officer knew about the game of GOLF SKINS but did not make the connection between that and the way a CRICKET SKINS game would work. The mark was therefore accepted. When advised by another Senior Examiner from Examination Section that he thought the mark was not acceptable because the game was just a version of GOLF SKINS, an online data-base search - DIALOG INFORMATION SERVICES - was instituted to ascertain the situation. The search revealed a Reuter Newsagency report which explained the basis of a CRICKET SKINS game and how it had been adapted from the rules of the game of GOLF SKINS with prize money (skins) at intervals earned during a game of cricket.

On this basis, I think it is fair to say that the mark had been accepted "in error" as the acceptance officer had been ignorant of the facts which might have been used to determine the mark's registrability, one of the criteria mentioned in the *Smooth and Silky* decision, supra, and also in *Shanahan's* book. In my opinion, it is not a case of a change of mind by the acceptance officer or of another examiner's judgment taking precedence. It is the discovery of information, not previously available which created the situation of a possible objection to the mark's eligibility.

This was said of what began with a failure to see a connection. None the less it was an ignorance of the "facts which might have been used to determine the mark's registrability"

which, Mr Forno said, gave rise to the error. Mr Forno implicitly rejected the argument that failure to see a connection was in itself the sort of limited error with which s 44(3) was concerned.

There are limits to how far this line of reasoning should be taken. Mr Forno has implicitly said that s 44(3)a can never be used to retrieve an acceptance which hinged on a wrong application of judgement. Similarly, Mrs Farquhar has said that the rightness or wrongness of a judgement is not at issue in considering if a matter was in fact decided in error. The difficulty lies in the assumption that a decision proceeds straight from an input of facts to an output in the form of a judgement. It does not.

The point with which I am now concerned was not directly at issue in Mrs Farquhar's unreported decision. In that case, the proposal to withdraw acceptance, a proposal which Mrs Farquhar rejected, appears to have proceeded from the premise that a valid objection existed and that therefore an error, as distinct from a questionable judgement, must necessarily have occurred. As in *SMOOTH AND SILKY*, Mrs Farquhar rejected such a simplistic view of what an error may be. But unlike the later decision, the logical framework in which the application was accepted was at issue.

The question which faced Mrs Farquhar was one where it was suggested that errors, other than errors as to facts, might give rise to withdrawal of acceptance. Mrs Farquhar found that simple aberrations of judgement are not within the scope of the provision but her decision went no further than this. I do not see that either her decision, or the other two to which I have referred, can be the final word on what other sorts of errors there may be. While *SMOOTH AND SILKY* appears to be categorical ("must be restricted") it must also be limited to matters of the type with which Ms Hardie was then dealing.

The present case is very different in that, if any error exists, it is in the analytical approach to the decision. Such a situation was not even suggested in the case with which Ms Hardie dealt

and such cases are likely to be rare indeed, given the attention which is paid, during examination, to the formulation of the issues to be decided.

Where it is clear that the decision to accept an application has hinged on an incorrect formulation of the issues to be decided, I do not see that the acceptance must necessarily stand. Let me make it very clear, however, that it is appropriate to consider the withdrawal of acceptances only where it is clear that the wrong question has been asked, not to allow the review of a judgement which might be brought into question but which is clearly an attempt to answer the right questions. My concern is with that class of case where the wrong issue may be tested or the right question incorrectly formulated. In such cases the acceptance may be one which can be undone and re-tested in examination without any prejudice to the applicant. The subsequent determination will proceed on an analysis of different issues and thus there can be no inference of prejudice in that analysis.

Is this such a case? The accepting officer made a judgement based on the active drawing of a connection with matters at issue in a serious criminal matter. A connection was (perhaps) erroneously seen between indecent language, on the one hand, and scandalous trade marks on the other, where in fact no such connection necessarily exists.

On one reading of the reasons for the decision, there was not necessarily any error in that approach. It is almost possible to see the decision as saying that context determines either issue; that offensiveness and indecency are both governed by where and how the words are used. Had the deciding officer said no more than that, I do not think there could be any suggestion of an error. The deciding officer would have merely said that, in each of two issues, context is all, and that, on the issue which he was required to decide, his conclusion was that the mark was not offensive for the purposes of s 28. It would have been clear that the deciding officer had, at the necessary step in approaching his decision, drawn a line between the issue of scandalous trade marks and the use of indecent language.

However, that is not clear. While I must admit to some hesitation in coming to my conclusion, it seems to me that the deciding officer has approached the matter from a wrong angle.

I am not sure, in the first place, that the various views in the many criminal cases considered in *Hortin v Rowbottom* can be correctly synthesised as "only use in its primary sexual meaning was offensive". "Offensive" was not an issue with which Mullighan J was concerned, except from the point of view of noting that not everything which was offensive was necessarily always indecent.

Perhaps the accepting officer's formulation does not reflect an error in separating the issue before Mullighan J from the one before the accepting officer. There is simply no way of saying, either way, with one hundred per cent certainty, but at the end of the process I think I am entitled to put some weight on the fact that various authorities, those which drew a line between the questions of indecency and offensiveness in *Hortin v Rowbottom*, were not referred to in the quite extensive written record.

Nor were any of the relevant Office decisions mentioned at all. In *SMOOTH AND SILKY*, supra, at p 36,344, Ms Hardie left open the argument that the disregard of a relevant decision might be "an omission which amounts to an error in acceptance". While I do not say that it is possible to decide that there has been an error in acceptance simply because there is a discrepancy between a conclusion in one matter and a precedent case decided on other facts or in other circumstances, the present case is an unusual one. The issues traversed here are far from the ones ordinarily encountered in examination.

On balance then, and with the hesitation to which I have previously admitted, I am satisfied that there was an error in the process by which this application was accepted.

Under other circumstances, it would have been incumbent upon me to establish some positive reason for the grounding of the objection which, if I exercise the discretion given to me by s

44(3)a and withdraw acceptance, will be taken, or in fact re-taken, in this matter. However, in a case such as this, where the error in the making of the decision is difficult to separate from any speculation about the rightness or wrongness of the decision itself, I think that the less said the better. It is none the less appropriate and necessary for me to exercise my discretion and withdraw the acceptance of this application.

However, there is no point in withdrawing acceptance of this trade mark unless there is, as a threshold test, a basis for a subsequent examiner's objection under s 28. I do not comment on the final validity of such an objection - that will be for the applicant to argue before the examiner. Let me say only that, while section 28 is a conjunctive section, the Registrar's practice in this matter is set out in the *Journal* of 12.9.91. The Office will continue to object to the registration of scandalous marks.

T. Williams
Hearing Officer
18 May 1995