



## TRADE MARKS ACT 1955

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

Re: **Opposition by Chantelle to registration of trade mark application number 603571(25) in the name of Kabushiki Kaisha Chandeal**

The transitional provisions of Part 22 of the *Trade Marks Act 1995* provide that the terms of the *Trade Marks Act 1955* continue to govern this opposition. Accordingly, unless otherwise specified, any reference to the Act in this decision is a reference to the *Trade Marks Act 1955*.

#### **The application**

Trade mark application number 603571 is the word CHANDEAL represented in the following format.



This application is lodged in the name of Kabushiki Kaisha Chandeal, a corporation located at 4-25, Ohmiya-Cho 3-Chome, Nara, Japan. The application has been accepted for all goods in class 25. The statement of goods nominates:-

*All goods in this class, including trousers; skirts; blouses; sweaters; jackets; jumpers; suits; coats; overcoats; shirts; pants; furs; underclothing; lingerie; brassieres; belts; caps; ear muffs; gloves; lace boots; neckties; scarfs(sic); suspenders; girdles.*

### **The opposition**

A company by the name of Chantelle, of 41 Rue Greneta, Paris, France, opposes this application. It opposes on a number of grounds but the evidence and argument only go to the section 33 question of whether the application trade mark is substantially identical with, or deceptively similar to, the opponent's two registered trade marks 167043(25) and 623238(25). Both of these marks comprise the word CHANTELE. Each trade mark is registered in respect of

*Girdles, brassieres, articles of underclothing and swim-suits (being articles of clothing); all being knitted or made wholly or principally of knitted materials; and stockings.*

In accordance with the provisions of Part VII of the Trade Marks Regulations in force under the 1955 Trade Marks Act, the opponent served and lodged evidence to support its opposition and the applicant served and lodged evidence in answer. There is no evidence in reply. The matter then came to a hearing before me in Melbourne on 13 September 1996. The opponent was represented by Ms C.J.Harris of Watermark. The applicant was represented by Mr R.J.Strickland of Griffith Hack & Co. Watermark and Griffith Hack & Co are both patent and trade mark attorneys firms in Melbourne.

### **The evidence**

The opponent's evidence comprises ten statutory declarations.

First is a declaration by Douglas Steele of Camberwell Victoria. Mr Steele is the owner and managing director of Dickory Dock (Aust) Pty Ltd and his company is the Australian agent for the opponent.

Second is a declaration by Jacques Monmarson of Santeny, France. Mr Monmarson has been the opponent's export manager since 1989.

Third are eight trade declarations from persons involved in Australian lingerie retail businesses. The declarations are by Lara Passerini of North Balwyn, and Pamela Joy Shah of Lower Templestowe, both in Victoria; Lynette Rose Papagiannis of Flagstaff Hill, and Karen Rachel Halliwell of Hyde Park, both in South Australia; Joan Lomax of Paddington, New South Wales; Shirley Mackintosh of Rapid Creek, Northern Territory; Gabrielle O'Connor of Nedlands, Western Australia; and Judith Anne Richards of Prospect, Tasmania. All declarants are either proprietors or part owners of lingerie retail outlets.

The applicant's evidence is a single declaration. It is by Robert James Strickland, the applicant's patent and trade mark attorney.

### **The submissions**

Ms Harris' submissions essentially hang on a comparison of **CHANDEAL** and **CHANTELLE**, on the established character of the opponent's business, and on the effect of imperfect recollection on prospective purchasers.

She commenced by drawing my attention to the opponent's use of its trade mark. This use is set down in the Steele and Monmarson declarations. The opponent commenced business in France in 1939 and in 1982 began selling **CHANTELLE** lingerie in Australia. Sales have gradually increased and currently some 2000 garments are sold in this country each year. **CHANTELLE** lingerie is sold in all States, both through large retailers such as Myers, and through single outlet retailers. Mr Steele says that the opponent's lingerie is aimed at the middle to upper segment of the market with garments costing some two to five times as much as an equivalent item at the low cost end of the market. **CHANTELLE** goods, he claims, account for ten to twenty percent of the 'exclusive undergarment market' and are purchased by a clientele who demand high quality products and who are prepared to pay for that quality.

In relation to the declarations from the eight retailers, Ms Harris drew my attention to the fact that each of them expresses the view that, in light of the reputation achieved by the trade mark **CHANTELLE** for high priced underwear, use of the trade mark **CHANDEAL** would be likely to lead to confusion if it were to be used in relation to lingerie. Five of them go further and think that this would also be the case if **CHANDEAL** were to be used in relation to outergarments. Ms Papagiannis says

*3. I believe that if undergarments were available in the Australian market place bearing the trade mark **CHANDEAL**, consumers would be confused into thinking that they were sourced from **CHANTELLE***

*4. I also believe that if outergarments bearing the trade mark **CHANDEAL** were available in the Australian market place, consumers would be confused into believing that such products were sourced from **CHANTELLE***

Ms Mackintosh, O'Connor, Halliwell and Richards express the same opinions.

Against this background, Ms Harris argues there is good reason to refuse the trade mark **CHANDEAL** on grounds that it is both substantially identical and deceptively similar to the opponent's trade marks **CHANTELLE**. In terms of section 33 of the Act, she points out that the application goods overlap with the goods of the two **CHANTELLE** registrations. This point is not in dispute, and the section 33 ground hangs, she says, on whether or not the words **CHANDEAL** and **CHANTELLE** are substantially identical or deceptively similar.

Addressing the issue of similarity, Ms Harris points to the likeness between the words **CHANDEAL** and **CHANTELLE**. Both commence with the prefix *chan-*. The 'd' which follows in **CHANDEAL**, and the 't' which follows in **CHANTELLE**, are both hard sounds which when spoken are easily confused. Both second syllables contain an 'e' and an 'l'. Ms Harris refers me to the principle that the first syllable of a word is, as a rule, more important

for the purposes of distinguishing<sup>1</sup>, and comments that here they are identical. Then she reminds me that the doctrine of imperfect recollection warns against the danger of trying to differentiate trade marks merely on the basis of a meticulous comparison of words letter by letter<sup>2</sup>. Overall, Ms Harris submits, the corresponding features in **CHANDEAL** and **CHANTELLE** draw the two trade marks very closely together with regard both to their pronunciation, and their appearance. She says I should therefore hold that these trade marks are substantially identical and deceptively similar.

Ms Harris finally refers me back to the evidence, and particularly to the evidence from the eight retailers. Five of these declarants state their opinion that use of **CHANDEAL** in relation to outerclothing as well as underclothing would lead to confusion. Ms Harris adds to this point her submission that as the opponent uses its trade mark **CHANTELLE** solely on luxury goods, confusion with a mark used on budget goods would bring harm to the opponent's trade.

Mr Strickland's submissions are confined to arguing that the opponent's trade mark **CHANTELLE** is neither substantially identical nor deceptively similar to the subject trade mark **CHANDEAL**. He prefaces his argument by mentioning that there is no evidence of any confusion but acknowledges the applicant is not able to rely on this fact because it has not yet used the trade mark **CHANDEAL** in Australia. He says the applicant's case rests on three points. These are:

- i) that *chan-* is a prefix which is common to many trade marks in class 25;
- ii) that a significant difference between the words **CHANDEAL** and **CHANTELLE** is that **CHANDEAL** is an invented word and **CHANTELLE** is not; and
- iii) that **CHANTELLE** has a meaning in a foreign language, and **CHANDEAL** has not.

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<sup>1</sup> *London Lubricants Ltd's Application* (1925) 42 RPC 264

<sup>2</sup> *Rysta Ltd's Application* (1943) 60 RPC 87

In support of these points, Mr Strickland refers me to his declaration. In it he states that he commissioned a search of the records of the Trade Marks Office to find trade marks in class 25 which commenced with the prefix *chan-*. The search revealed 19 registered trade marks, and 6 pending applications. He holds these up as evidence that *chan-* is a prefix which is commonly used in the clothing trade. It is worth quoting this list in full. As per paragraph 3 of the Strickland declaration, it runs as follows:

	<b><u>REGISTRATIONS</u></b>	534391	MOET & CHANDON
		562598	CHOOSE CHANGE
122296	CHANEL	572261	CHANGES
129704	CHANSONETTE	574706	LOUIS CHANTEL
174921	CHANEL	585989	CHANTALLYCE CH
299168	CHANEL	601771	CHANGE THE GAME
357910	CHANEL BOUTIQUE		
363376	THE CHANNEL NINERS		<b><u>APPLICATIONS</u></b>
389674	COOL CHANGE		
406951	MAIDENFORM CHANTILLY	627623	CHUNGA CHANGA AUSTRALIA
424568	CHANGING SHAPE CS	659563	CHANTE
456398	CHANEL BOUTIQUE	667192	CHANTEL
463756	CHANEL BOUTIQUE CC	605689	CHANCE
493830	CHANGING TIMES	640372	THE RULES HAVE CHANGED
518043	EASI CHANGE	660101	TNC CHANNEL

I make the observation here that, in comparing words where the common feature is a suffix or a prefix, it is relevant to understand the significance of that element, and it may well be, as Mr Strickland would have me find, that such an element is commonly used within the trade. As Mr Strickland did remind me, the fact that *perma* is commonly employed in the description of blinds, resulted in a finding that **PERMA** and **PERMATRACE** were not

deceptively similar trade marks<sup>3</sup>. Similarly, neither **RHINEGOLDE** nor **RINEROSE** was found to be too close to **RHINESDALE** because, in respect of wine, *Rhine* is considered to be common to the trade<sup>4</sup>.

Against this background, Mr Strickland takes up the opponent's point of the demonstrated high cost of garments sold under its trade mark **CHANTELLE**, and he points to findings which show that where the purchase of goods involves a substantial outlay, greater care is likely to be exercised<sup>5</sup> and consequently, differences in trade marks which may otherwise have been overlooked will not escape notice. The opponent's focus on the luxury end of the market is thus likely, says Mr Strickland, to engender careful decision making, and this, combined with the fact that *chan-*, the common feature of the trade marks, has trade relevance, will avoid any confusion.

In relation to his second point, Mr Strickland refers me to exhibit RJS3 of his declaration.

This is from *A Dictionary of First Names*<sup>6</sup> and shows the following entry

*Chantal* (f.) *French, also sometimes found in the English-speaking world; bestowed in honour of St. Jane Frances .... Variants: English Chantale; Chantelle (influenced by the feminine diminutive suffix -elle)*

This entry, he says, bears out his claim that whereas **CHANDEAL** is an invented word, **CHANTELLE** is known to be a given name. On the basis that one word has a meaning and the other none, trade marks have been found not to be deceptively similar<sup>7</sup>.

Mr Strickland's third point is that, in contradistinction to **CHANDEAL**, **CHANTELLE** has a foreign meaning. This meaning he says, is as a given name.

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<sup>3</sup> *Hombres v Finn Blinds* (1987) AIPC 90-454

<sup>4</sup> *Penfolds Wines (N.Z.) v Leo Buring Pty Ltd* (1983) 3 IPR 233

<sup>5</sup> *'Lancia' Trade Mark* [1987] RPC 303

<sup>6</sup> Hanks and Hodges, Oxford University Press, Oxford, New York, 1990

<sup>7</sup> *Deeko Australia Pty Ltd v Decor Corp Pty Ltd* (1988) AIPC 90-479

Mr Strickland did not call into question any of the opponent's evidence. Nor did he challenge the competence of the eight retailers or the soundness of their opinions.

### **The Decision**

The matter I am called to decide is whether, by reason of the opponent's trade mark registrations 167043 and 623238, this trade mark application is in breach of section 33 of the *Trade Marks Act 1955*. Section 33, so far as it is relevant, reads:

*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, or 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.*

623238 has a registration date in February 1994 which is later than June 1993, the prospective date of registration for the application trade mark. It does not, therefore, constitute a ground for a section 33 objection. 167043, however, has a registration date in 1961 - over 30 years earlier than the subject application - and does fall to be considered as a section 33 objection.

As I have said, it is common ground that the application goods and those of 167043 overlap. In respect of the section 33 ground therefore, I agree with Ms Harris that I must simply decide whether the subject trade mark **CHANDEAL** and the word **CHANTELLE** are substantially identical or deceptively similar.

Substantial identity requires a side by side comparison of the marks<sup>8</sup>. Comparing **CHANDEAL** and **CHANTELLE** in this way, it is perfectly clear that they are not identical. On

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<sup>8</sup> *Shell Co (Aust) Ltd v Esso Standard Oil (Aust) Ltd* (1961) 109 CLR 407 at 414 - 415

little more than a cursory glance it is apparent that the two words look different, are spelt differently, will be said differently and do not mean the same thing. These differences are sufficient to easily distinguish one word from the other. Accordingly, I find that they are not substantially identical.

Deceptive similarity, as per section 6 of the Act, requires consideration of whether the marks so nearly resemble each other as to be likely to deceive or cause confusion. It is now well established that this involves a much wider enquiry than the tests for substantial identity. As per the directives of Dixon and McTiernan JJ.<sup>9</sup>

*An attempt should be made to estimate the effect or impression produced on the mind of potential customers by the mark or device for which the protection ... is sought. The impression or recollection which is carried away and retained is necessarily the basis of any mistaken belief that the challenged mark .. is the same. The effect of spoken description must be considered. If a mark is in fact or from its nature likely to be the source of some name or verbal description by which buyers will express their desire to have the goods, then similarities both of sound and of meaning may play an important part. The usual manner in which ordinary people behave must be the test of what confusion or deception may be expected. Potential buyers of goods are not to be credited with any high perception or habitual caution. On the other hand, exceptional carelessness or stupidity may be disregarded. The course of business and the way in which the particular class of goods are sold gives, it may be said, the setting and the habits and observation of men considered in the mass affords the standard.*

Against these criteria, I turn to Ms Harris' submissions. Her argument in essence is that the words **CHANDEAL** and **CHANTELLE** are sufficiently close to cause confusion, particularly in terms of imperfect recollection. This, I note, is what Justice Dixon and Justice McTiernan refer to as the *impression or recollection which is carried away and retained*. Adopting words from their judgement, imperfect recollection, is the basis for a mistaken belief that **CHANDEAL** is the trade mark **CHANTELLE**.

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<sup>9</sup> *Australian Woollen Mills Ltd v F.S. Walton & Co Ltd* (1937) 58 CLR 641 at 658

Ms Harris' submissions have highlighted the fact that **CHANTELLE** has had considerable use in Australia and that that use has all been in respect of expensive underwear. The trade mark has been publicised through advertising, particularly through in-store displays, window displays, newspaper advertisements and radio advertisements<sup>10</sup>. Against this background I am to consider the likely purchaser, and the possibility of that person confusing the two marks. The goods of the respective marks are goods which women *in the mass* will be involved in purchasing. Women in the mass must therefore afford the standard. Are members of this group, who have knowledge of the trade mark **CHANTELLE**, likely to be confused if they are presented with the trade mark **CHANDEAL**? This necessarily includes purchasers who may have seen or heard advertisements for **CHANTELLE**, or may have heard praise of the **CHANTELLE** garments.

Mr Strickland submits that there would be no deception or confusion between the marks. He says that purchasers will recognise the trade function of the prefix *chan-* and distinguish between **CHANDEAL** and **CHANTELLE** on the basis of the difference between their second syllables, on the difference in the meanings of the words and on the basis that **CHANTELLE** has a foreign meaning. I will take these points in order.

The findings in *Hombres v Finn Blinds*<sup>11</sup> and *Penfolds Wines (N.Z.) v Leo Buring Pty Ltd*<sup>12</sup> (supra) both involved a prefix with a meaning in the trade. *Perma* is a prefix indicating *permanent*. *Rhine* is a reference to the River Rhine. There is no evidence that *chan-* performs a descriptive function in relation to goods in general or to clothing in particular. The marks which Mr Strickland exhibits in his declaration certainly include the prefix *chan-* but this seems to me to be nothing more than an illustration that a number of trade marks in class 25 commence with the same four letters. Six of the marks contain the word **CHANEL**, two contain the word **CHANNEL**, and eight contain the word **CHANGE**. There is no evidence

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<sup>10</sup> Steele declaration, paragraphs 8 and 9

<sup>11</sup> (1987) AIPC 90-454

<sup>12</sup> (1983) 3 IPR 233

before me to show that the first syllable in these three words has any trade meaning - in fact there is no evidence at all as to what, in terms of trade description, it could possibly mean. **CHANNEL** and **CHANGE** are perfectly ordinary English words, and I can have regard to the fact that to my own knowledge, the prefix in these words has no significance so far as the clothing market is concerned. In short, Mr Strickland has not shown that this prefix has any trade significance, and I find that his first argument fails.

Mr Strickland's second point is that the purchasing public will distinguish between the **CHANDEAL** and **CHANTELLE** through the meaning that attaches to **CHANTELLE**. I agree that there is a meaning in **CHANTELLE** and that there is none in **CHANDEAL**. However, **CHANTELLE** is not a commonly used given name, and I do not accept that its meaning is either so well known or obvious that it will off-set the likelihood of a mistaken impression derived from imperfect recollection.

Mr Strickland's last point, that deception and confusion will be avoided through **CHANTELLE**'s foreign meaning is even less persuasive than his second. If few people are aware of the English usage of the word, it is likely that fewer people will be aware of its foreign use. Certainly, no evidence has been provided to the contrary. Furthermore, the claim for a foreign meaning is not supported by Mr Strickland's own evidence. The quotation he supplies from the Oxford *Dictionary of First Names* defines *Chantelle* as an English variant of the French name *Chantal*. I am thus left to wonder whether **CHANTELLE** has a foreign meaning, French or otherwise.

Mr Strickland's has referred me to the '*Lancia*' trade mark<sup>13</sup> on the point that careful forethought is exercised in the purchase of expensive goods and militates against deception and confusion. As he points out, on the opponent's evidence, its goods are expensive luxury items and I agree that they would be bought with some care. However, the application goods are not confined in any way to a specialist range or to expensive goods.

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<sup>13</sup> '*Lancia*' Trade Mark [1987] RPC 303

On the contrary, the statement of goods comprehends clothing of a general kind. I must consider the terms of section 33 in light of notional use of the applicants trade mark<sup>14</sup> in respect of the full scope of these goods. Many clothing items (including underwear) are not purchased with the special care unless they are specialist or luxury garments, and therefore I do not accept that the directives of the *Lancia case* apply. I find I can give no weight to Mr Strickland's argument that purchasers of goods bearing the **CHANDEAL** trade mark will avoid deception and confusion through exercising the care expected in purchasing expensive goods.

Turning back then to Ms Harris' submissions, I agree with her submissions that there is a significant similarity between the words **CHANDEAL** and **CHANTELLE**. On the basis of spelling, appearance and phonetics the words have much in common, and there is but little in their meanings to distinguish between them. Compared visually, and side by side, I think there is sufficient difference to hold that the marks may be distinguished from each other, but I do not think that this will be the case where one mark is considered with the other mark in mind. I consider that verbally, particularly in the wake of radio advertising or other vocal recommendation for **CHANTELLE**, the similarities between the two words are sufficient to produce confusion and deception. Further, as a consequence of the opponent's advertising, and mindful both of the circumstances of the trade and of the wide cross section which constitutes the purchasing public, it seems to me that the similarity of the words is likely to cause confusion through an imperfect recollection of general encounters with the **CHANTELLE** trade mark. In coming to this point of view I have taken some slight account of the opinions of the eight retailers whom I regard as have some standing as expert witnesses.

I agree with Ms Harris' submissions that use of the application mark on the nominated goods may well cause purchasers mistakenly to believe that in buying a **CHANDEAL** item, they are acquiring a **CHANTELLE** garment which is marketed and known for superior quality.

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<sup>14</sup> *In the matter of John Fitton & Company Limited's application* (1949) 66 RPC 110

In sum, I find that **CHANDEAL** is deceptively similar to the opponent's trade mark **CHANTELLE** registered under 167043, and that the opposition succeeds.

Consequently, I refuse trade mark application number 603571.

The opposition has succeeded, and accordingly I award costs to Chantelle.

Helen R. Hardie  
Deputy Registrar

3 December 1996