



## TRADE MARKS ACT 1955

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

Re: Opposition by AGREVO UK LIMITED to registration of a trade mark application number 608599 in the name of INCITEC LTD.

This matter concerns application number 608599 which was lodged on 6th August 1993 in the name of Incitec Ltd (the applicant). The applicant sought to register the mark POLO in respect of “pesticides, herbicides, fungicides and insecticides” in class 5. Acceptance of the mark was advertised in the *Official Journal of Trade Marks* of 9th June 1994.

On 8th December 1994, AgrEvo UK Limited (the opponent) lodged a notice of opposition to registration of the applicant’s mark. The opposition was based on 15 separate grounds of opposition, but only the grounds concerning the intention to use the mark, and those based on sections 28 and 33 of the Act were pursued at the hearing, namely: that, by reason of the reputation of the opponent’s registered mark APOLLO under registration No 336580, use of the applicant’s mark would be likely to deceive or cause confusion and would not be entitled to protection in a Court of Justice; and that, the applicant’s trade mark was substantially identical with or deceptively similar to the opponent’s said registered mark.

#### **The evidence**

The evidence in support, which was lodged on 4th July 1995, consists of a statutory declaration, dated 27th June 1995, by Michael John Christopher Banks, with exhibits MB1-MB3. Mr Banks is a marketing manager of Hoechst Schering AgrEvo Pty Ltd which is related to the opponent. The opponent’s mark APOLLO has been used throughout Australia since October 1984 to identify “acaricidal formulations, including horticultural miticides”. The goods are sold as a 500g/litre formulation as a miticide for use in agricultural crop protection. Mr Banks provides information concerning sales figures and advertising

expenditure in relation to the product covering the period from 1985 to 1994. Under MB1, the declarant exhibits a sample of the product label, together with a pamphlet containing directions for use. He has annexed product information pamphlets as exhibit MB2 and a list of countries where the mark has been registered or applications for registration are pending.

A statutory declaration, with exhibits A and B, by Peter Chalmers form the evidence in answer. The declarant is a business manager, selective herbicides, of Crop Care Australasia Pty Ltd, a subsidiary of the applicant company. He states that the applicant does not market a product bearing the mark POLO for use as an acaricide, and believes the likelihood of confusing the marks would be minimal, because the applicant's mark was used in respect of herbicides. Under exhibit B, he has attached a sample of the label of the applicant's product, which, according to Mr Chalmers, shows the visual differences between the respective labels.

The hearing on the opposition was set down before me, as the Registrar's delegate, in Canberra on 4th April 1996. Both parties were heard on the telephone. The opponent was represented by Mr Ben Fitzpatrick, assisted by Ms Christine Lowe, solicitors of Davies Collison Cave, patent and trade mark attorneys, Melbourne. Mr Trevor Hauff, legal manager of the applicant company, represented the applicant.

### **Submissions**

In arguing that the applicant's mark, which covers the same goods or goods of the same description, was deceptively similar to the opponent's mark, Mr Fitzpatrick relied on *Shell Co (Aust) Ltd v Esso Standard Oil (Aust) Ltd* (1963) 109 CLR 407 and *William Charlick Ltd v Wilkinson & Co Pty Ltd* (1913) 16 CLR 370. He said that the doctrine of "imperfect recollection" must also be taken into account, as considered in *Rysta Ltd's Appn* (1943) 60 RPC 87 at 108 and affirmed by the House of Lords on appeal, (1945) 62 RPC 65.

Mr Fitzpatrick regarded the marks as phonetically identical, submitting that in pronunciation the emphasis of the marks would be placed on the last syllable. He noted that in *Rysta*

case, *supra*, the marks ARISTOC and RYSTA were found to be so close phonetically as to be likely to be confused, even though the aural differences between these marks were greater than between the marks in question. The tendency to slur words beginning with the letter “a”, considered in that case, was an important factor to be taken into account.

Continuing the submissions on deceptive similarity of the marks, Mr Fitzpatrick reminded me that regard must be had to the kind of customers likely to purchase the goods, as per Parker J in *Pianotist Co’s Appn* (1906) 23 RPC 774. In the present situation, a large proportion of the consumers of the goods would be farmers and agriculturalists, a significant number of whom were likely to order the goods by telephone, and in this regard Mr Fitzpatrick cited *Magdalena Securities Ltd’s Appn* (1931) 48 RPC 477, where the marks UCOLITE and COALITE were found to be deceptively similar on the basis of the goods of those marks being ordered on the telephone.

Mr Fitzpatrick stressed the toxic nature of the goods which must be used in accordance with instructions and with great care. He referred to the annexures of Mr Banks’ declaration, where clear and explicit warnings and safety directions were indicated in relation to the opponent’s goods. As the applicant’s evidence showed use of its mark in relation to herbicides, the potentially very serious consequences of confusion between the agricultural products should be given due weight.

Concerning the para (a) of s 28 aspect, Mr Fitzpatrick submitted that from the retail value of sales of the opponent’s products and advertising from 1985 to 1994, as evidenced in Mr Banks’ declaration, at the time of lodgment of the present application the opponent had established significant reputation of the mark in the relevant market. In light of this reputation and similarity between the marks, use of the applicant’s mark would be likely to cause deception and confusion amongst consumers of the type of products under consideration. As a result of this deception and confusion, the applicant’s mark would not be entitled to protection in a Court of Justice, therefore para 28(d) would also be satisfied, in accordance with *Riv-Oland Marble Co (Vic) Pty Ltd v Settef SpA* 12 IPR 321 and *NSW Dairy Corporation v Murray Goulburn Co-operative Company Limited* 18 IPR 385.

It was evident from the statements by Mr Chalmers in his declaration, Mr Fitzpatrick noted, that the applicant had no intention of using its mark in relation to goods other than herbicide. In this regard, he referred to the comments of Lord Hansworth M R in *Ducker's Trade Mark* (1928) 45 RPC 397 at p 402. In his opinion, the applicant should therefore restrict the goods to those in respect of which the mark was actually being used.

The opponent sought costs in the matter.

In opening the submissions on behalf of the applicant, Mr Hauff first commented on each of the grounds in the notice of opposition, particularly rebutting the opponent's allegations in relation to sections 33 and 28 and the intention to use the mark.

He did not accept the opponent's assertion that the goods in question were the same, given the narrow range of goods in respect of which the marks were being used. Moreover, the mark POLO was quite distinct from the mark APOLLO, both in representation and phonetically, as well as in the minds of the prospective purchasers.

Referring to the opponent's submissions, Mr Hauff could not see the analogy between the marks the subject of *Rysta* case, supra, and the marks being considered in the present proceedings. Whereas the letter "a" in ARISTOC could quite easily be silent or slurred, the emphasis being on the last syllable, in the word APOLLO clearly the emphasis was on the first syllable. He also directed my attention to the colour scheme of the labels of the respective marks, which, he stressed, were dissimilar. Mr Fitzpatrick pointed out, however, that, as the mark being considered was the one the subject of this application, Mr Hauff's reference to the colours and labelling of the product under the mark POLO was irrelevant. Moreover, Mr Hauff continued his submissions, currently the respective goods were sold in quite different and separate markets. Even though the applicant did not accept that the goods were the same and the marks deceptively similar, the applicant could consider excluding acaricides from its application.

In relation to s 28, he relied on *Titan Manufacturing Co v John Coyne* (1991) 22 IPR 613, submitting that the operation of para 28(a) was limited in operation by the requirement of blameworthy conduct on the part of the proprietor of the mark, under para 28(d). The onus was on the opponent to establish such conduct which it had not done. The opponent had legal right to pursue an action in relation to passing off, or under the provisions of s 52 of the Trade Practices Act, which had not occurred.

In responding to the opponent's submissions on s 28, Mr Hauff did not believe the marks to be deceptively similar. Visually the marks were dissimilar. Aurally the emphasis of the marks was placed on the letter "a" in APOLLO and "p" in POLO, which clearly distinguished them. In addition, the meanings of the marks were different, he said.

Mr Hauff emphatically denied the assertion that Mr Chalmers implied the mark will not be used on all the goods covered by the application. By referring to *Titan v Coyne*, supra, Mr Hauff said that the applicant's failure to establish affirmatively its capacity or intention to use the mark was, in no sense, evidence of a lack of such capacity or intention, and that the burden rested on the opponent to establish any absence of intention. He further argued that the opponent itself had not established reputation and use of its mark in respect of all the goods of registration No 336580.

Concerning Mr Hauff's reference to *Titan v Coyne*, supra, in relation to the opponent's onus to prove applicant's lack of intention to use the mark in respect of all the goods, Mr Fitzpatrick directed my attention to the evidence of Mr Chalmers, submitting that that evidence clearly satisfied any requirement on the part of the opponent to establish a prima facie case, and therefore the onus was on the applicant to prove the contrary. In his declaration, Mr Chalmers had indicated that the applicant was using its mark in respect of "herbicide", and at the time of lodging the application had no intention of using it on any other goods. Further inference in this regard could be drawn from Mr Chalmers' expressed opinion in the declaration that, in view of the opponent's use of its mark on "acaricide and miticide" and the applicant's use of its mark on "herbicide" only, he believed the respective marks were visually and phonetically distinguishable.

Mr Hauff disputed these submissions, arguing that nowhere in Mr Chalmers' declaration had he stated that the applicant would be using its mark only on a herbicide.

## **Discussion**

### *Section 33 - substantially identical or deceptively similar*

Sub-section 33(1) 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, of goods of the same description as those goods or of services that are closely related to those goods, unless the date of registration of the first-mentioned trade mark is, or will be, earlier than the date of registration of the second-mentioned trade mark.

Mr Hauff argued in relation to the disparate nature of the opponent's and applicant's goods. While, according to the evidence, the opponent's mark has been used on acaricidal formulations and the applicant has used its mark only in respect of herbicides, in assessing the likelihood of deception or confusion in terms of s 33, it must be assumed that the marks in question will be used for all the goods specified in the respective registration and application in a normal and fair manner. In *Smith Hayden & Co Ltd's Appn* (1946) 63 RPC 97 which was decided under the *Trade Marks Act 1938* (U.K), Evershed J outlined the test to be applied in this regard when comparing marks under s 12 of the British Act, which corresponds to s 33 of the Australian *Trade Marks Act 1955*. Adopting and paraphrasing this test, his Honour stated at p 101:

[under s 33] "Assuming user by the opponent of its mark APOLLO in a normal and fair manner for any of the goods covered by the registration of that mark ... is the Registrar satisfied that there will be no reasonable likelihood of deception and confusion amongst a substantial number of persons if the applicant also uses its mark POLO normally and fairly in respect of any goods covered by its proposed registration?"

As the mark APOLLO has been registered for "preparations for killing weeds and destroying vermin; pesticides, insecticides, herbicides, fungicides", in terms of s 33 the opponent's and the applicant's goods are the same.

In light of the tests enunciated by Windeyer J in *Shell v Esso*, supra, whereby the marks are to be viewed side by side, noting their similarities and differences and assessing the total impression of resemblance or dissimilarity from the comparison of the marks, in view of their visual differences, I do not believe the marks POLO and APOLLO can be regarded as substantially identical marks, nor was this matter contested at the hearing.

Pursuant to sub-section 6(3), a mark is deceptively similar to another mark if it so nearly resembles that other mark as to be likely to deceive or cause confusion.

The criteria for determining whether marks are deceptively similar have been set out by Dixon and McTiernan JJ in *Australian Woollen Mills Ltd v F S Walton & Co Ltd* (1937) 58 CL4 641 at p 658:

“In deciding this question, the marks ought not, of course, to be compared side by side. 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 of an injunction is sought. The impression or recollection which is carried away and retained is necessarily the basis of any mistaken belief that the challenged mark or device is the same.”

The three syllables and two letters “LL” in the word APOLLO as opposed to two syllables and one letter “L” in the word POLO create some structural differences between the marks. Both marks consist of English words with a well defined meaning, as was argued by Mr Hauff: APOLLO describes “an unusually handsome young man, from Apollo, a Greek and Roman god renowned for his beauty” (*The Macquarie Dictionary*). This word is also associated with the American space programme for landing men on the moon. POLO, on the other hand, according to the *Macquarie*, denotes “a game resembling hockey, played on horseback with long-handled mallets and wooden ball”.

Having regard to the foregoing, it is conceded that there exist differences in the structural composition and obvious connotative distinctions between the opponent’s and applicant’s marks. In this regard, I confirm that, as the mark of this application is simply the word POLO, I cannot take into account any differences in colour or other features appearing on the labels of the respective marks which might distinguish them. Considering the aural

differences, as I must, (see *Pianotist* case, supra), I note that in the word APOLLO the normal pronunciation and the emphasis would be on the first occurrence of the vowel “o” pronounced like “o” in the word “got”, whereas the terminating “o” in this word and the vowel “o” in both instances in the word POLO would assume the round “o” resembling the sound “o” in the word “boat”, the emphasis being on the first “o” in POLO. Given the common tendency by persons to slur the “a” sound at the beginning of a word, as established in *Rysta* case, supra, phonetically therefore there remain very little differences between “-pollo” and “polo”. As was argued by Mr Fitzpatrick, and I agree with him, on many occasions the products in question would be ordered by telephone by farmers living on remote and isolated properties. In the absence of an accent at the beginning of the word APOLLO and the elimination or slurring of the initial sound of the letter “a”, as well as the close phonetic resemblance between the remaining part of the word APOLLO, i.e. “-pollo”, and the word “polo”, the persons taking an order on telephone could quite conceivably mistakenly understand the caller to be in need of the applicant’s product represented by the mark POLO. The probability of deception or confusion of words in telephone conversations was discussed by Maugham J in *Magdalena Securities*, supra, where he said at p 487:

“And, on the telephone, the case is even stronger, because anybody who knows how difficult it sometimes is either to hear or to make oneself heard on the telephone, in certain conditions which constantly arise, will know that you cannot pronounce words quite in the way in which they are pronounced in ordinary speech to a person who is standing beside you.”

The consequences of obtaining and using unsuitable products as a result of confusion of these marks are not difficult to imagine, for example, where a person requiring an insecticide or pesticide received a herbicide or preparation for killing weeds and used it to spray fruit trees. I note that exhibit B of Mr Chalmers’ declaration shows a label of the mark POLO as a herbicide “for the selective control of weeds in cereal crops, grass pastures and grass seed crops”. The mark APOLLO, as per exhibit MB1 of Mr Banks’ declaration describes its use as a miticide “for the Residual Control of European Red Mite in Apples and Stone fruit, Twospotted Mite in Apples, Bananas, Pears, Stone fruit, Hops and Ornamentals and Strawberry Spider Mite in Bananas”. Although both product labels bear a warning to read the safety directions before opening the container and to follow directions for use of the

products, it is not entirely inconceivable that a person, on receiving by mistake the applicant's product, could use it in the belief that it was the familiar opponent's product he or she had used in the past and therefore did not need to peruse the directions for use. In the circumstances, the strong possibility of deception or confusion would not be removed if acaricides were to be excluded from the present application, as intimated by Mr Hauff.

In view of these factors, the opponent has established a case based on the grounds of s 33 of the Act.

### *Section 28*

Para 28(a) is concerned with the public interest and consideration whether the earlier mark is so well known in the market place that use of the applicant's mark is likely to cause deception or confusion.

In assessing the reputation of the opponent's mark in Australia at the date of lodgment of the present application - *Southern Cross Refrigeration Co v Toowoomba Foundry Pty Ltd* (1954) 91 CLR 592 - and whether a substantial number of prospective purchasers of the goods would suspect that the goods had emanated from the same source, or at least wonder whether that might be so (see *Kendall Co v Mulsyn Paint & Chemicals* [1963] 109 CLR 300), I find that, according to the sales figures and advertising expenditure spanning the years from 1985 to 1993 use of the mark APOLLO in respect of acaricidal formulations has been formidable. The opponent has not, however, demonstrated any instances of deception or confusion caused by use of the applicant's mark, nor has it provided any evidence to the effect that, having regard to the reputation of the opponent's mark APOLLO, persons would infer a connection in the course of trade between the opponent and the applicant's mark POLO. In these circumstances, the opponent has not made out a case in its opposition in relation to para 28(a).

Resulting from the High Court case *New South Wales Dairy Corp v Murray Goulburn Co-op Co Ltd* 18 IPR 385 and the *Titan* decision, supra, the Registrar has followed the practice of reading all the paras of s 28 together. From the available evidence, I do not see

any reason for considering the question of blameworthy conduct by the applicant, nor any circumstances which would disentitle the applicant's mark to protection in a Court of Justice. I believe therefore that the opponent has not substantiated the allegations in terms of para 28(d). It follows that the opponent has not succeeded in relation to its grounds of opposition based on s 28.

*Intention to use the mark*

At the time of its lodgment, the present application was accompanied by a statement that the mark was being used, or was intended to be used by the applicant on the goods claimed in the specification. Such form of a statement has been accepted by the Office for many years and was considered to accord with regulation 8(1) which provides that:

8.(1) An applicant for the registration of a trade mark in respect of two or more different goods, or all the goods included in one of the prescribed classes of goods, shall furnish in support of his application a written statement indicating goods specified in the application.

While the Registrar does not seek proof of the applicant's intention to use its mark, or that the mark is already being used, and it is considered that the making of an application itself is prima facie evidence of intention to use a mark - *Aston v Harlee Manufacturing Co* (1960) 103 CLR 391 - it is evident that the applicant must have a definite intention to use the mark in the immediate future in respect of other or all other goods specified in the application (*Ducker's case*, supra).

In his declaration Mr Chalmers did not categorically state, nor did he imply that the mark POLO will never be used on any other goods in the specification of this application than herbicides, although he did state that the applicant was not using its mark on acaricides and from Mr Hauff's submissions it appears it does not intend to use the mark on such goods. In *Aston v Harlee*, supra, Fullager J declared at p 401 "I do not think that "intention" in this connexion ought to be regarded as meaning an intention to use immediately or within any limited time". At the same page, his Honour said that the burden of proving the absence of the opponent's intention rests on the opponent. In the present proceedings, the opponent

has not produced any evidence to show conclusively the applicant's lack of intention to use the mark on the other goods encompassed in the specification: pesticides, fungicides and insecticides, and it is not for me to conduct an enquiry into the matter.

For the above reasons, I find that the opponent has failed in shifting the onus onto the applicant of establishing its bona fide intention to use the mark.

### **Conclusion**

In summary, I have decided that, although the opponent has failed in its opposition in relation to s 28 and reg 8(1), it has been successful in showing that use of the applicant's mark is likely to cause deception or confusion in terms of s 33 of the Act. Accordingly, I am obliged to refuse this application. The opponent having been successful is entitled to costs and I so award them.

Vija Zars  
Hearing Officer

7 May 1996