



## **TRADE MARKS ACT 1955**

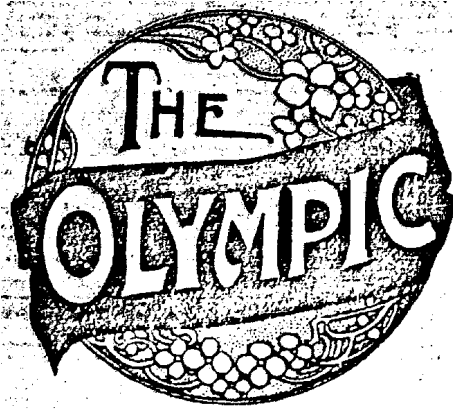
### **DECISION OF A DELEGATE OF THE REGISTRAR OF TRADE MARKS WITH REASONS**

**Opposition by THE AUSTRALIAN OLYMPIC COMMITTEE INCORPORATED to Trade Mark Application No 612411 in the Name of BAXTER & CO PTY LTD**

As provided in the transitional provisions of Part 22 of the *Trade Marks Act 1995* the provisions 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**

BAXTER & CO PTY LTD (Baxter), of Goulburn, New South Wales, lodged, on 24 September 1993, an application for the registration of a trade mark, THE OLYMPIC, in plain block capital letters, in respect of “Footwear, including boots and shoes” which are goods included in Class 25 of the International Classification of Goods and Services. The application was given the number 612411, was examined in accordance with the provisions of the Act and following some initial objections by the examiner was in due course advertised as accepted on 13 April 1995. As a condition of registration Baxter was required to associate the trade mark of this application with an earlier trade mark which it has had continuously registered in respect of “boots and shoes” since 9 October 1907 under no. 5093. That mark is shown below:



### **Grounds of opposition**

On 12 July 1995 a notice of opposition to the registration of the trade mark was lodged, pursuant to s49 of the Act, by THE AUSTRALIAN OLYMPIC COMMITTEE INCORPORATED (AOC), an association incorporated under the *Associations Incorporation Act 1981* of Victoria. The grounds of opposition were set out at some length but in the main recite that the registration of the mark would be contrary to ss28, 29 and 40 of the Act, in that Baxter was not the rightful owner of the trade mark and that the use by it of the mark would be contrary to law, would not be entitled to protection by a court and would lead to the deception and confusion of the public.

### **The evidence**

Service of the evidence in the opposition proceedings was completed on 9 April 1996 in accordance with the Regulations and consists of the following:

- Evidence in support: declaration by Arthur Simon Fulton Rofe, Public Officer of the AOC, dated 11 October 1995 together with Exhibits ASFR1-ASFR4 (the first Rofe declaration);
- Evidence in answer: declaration by Harold Marshall Baxter, a director of Baxter, dated 27 November 1995, with Exhibits HMB1-HMB4;
- Evidence in reply: declaration by Arthur Simon Fulton Rofe, dated 3 April 1996, with Exhibits ASFR1-ASFR4 (the second Rofe declaration).

On 15 August Baxter's patent and trade mark attorneys, Shelston Waters, of Sydney, requested that the matter be set down for hearing and it came on before me as the Registrar's delegate in Canberra on 25 September 1996. Mr David Wilson of Shelston Waters appeared on behalf of Baxter. Mr Colin Golvan of counsel, instructed by Deacons Graham & James, solicitors, appeared for the AOC.

### **Submissions**

Mr Golvan said that the essential basis of the opposition to the registration of the trade mark THE OLYMPIC was in the rights claimed by the AOC arising from its role as an organisation established under the Olympic Charter of the International Olympic Committee (IOC) with responsibility to promote the Olympic principles in Australia and to co-ordinate Australia's participation in the Olympic Games. Since 1895 the AOC had been associated with the conduct of Australia's participation in the Olympic Games. These responsibilities had been further brought to the fore by the holding of the next Olympic Games in Sydney in the year 2000. The ability of Australian athletes to prepare for and compete in the Games depended in part on the AOC's being able to raise funds from its granting of rights to use Olympic insignia, most particularly the Olympic rings and other designations and indicia such as the words "Olympic" and "Olympiad". It is a condition of the Olympic Charter that the AOC, as the National Olympic Committee for Australia, is required to take steps to protect such designations for the benefit of the IOC. He submitted that the word "Olympic" had become inextricably linked with the Olympic Games and the Olympic movement in general, that movement being represented in Australia by the AOC. The AOC throughout its history of promoting the Olympic movement in Australia had been successful in generating its own funding by offering sponsorship rights for Australian Olympic teams to various sponsors and licensees, those licences being specific to a particular Olympiad. The Commonwealth Government had given protection to the AOC with regard to Olympic insignia in the *Olympic Insignia Protection Act 1987* in order to assist the AOC to raise funds but despite that protection it had experienced difficulties with unlicensed traders attempting to "cash in" by false association with it, a phenomenon known as "ambush marketing". The AOC distinguished that sort of activity from genuine trading

activity which had occurred sometimes over a long period of time by companies which had adopted the use of the word “Olympic” without any implication of a connection with itself or the Olympic movement, such as the use in connection with OLYMPIC tyres and OLYMPIC AIRWAYS. However, the AOC strongly objected to the attempt to suggest some association with the Olympic movement where none existed.

Mr Golvan explained that the AOC was a party to the Host City Contract for the Sydney Olympic Games and had obligations under that contract to ensure the protection of the Olympic insignia and designations. He said that the AOC did not license the use of the word “Olympic” per se to any commercial entities but did permit the use of the word in the context of the representation of a company as an official sponsor of the Australian Olympic team.

Mr Golvan went on to submit that while Baxter claimed an association with a long-standing trade mark in graphic form in respect of boots and shoes it was attempting to broaden the existing registration. This attempt, he said, had been set in train by the lodgment of the present application on 24 September 1993, the very day after the announcement of the granting of the 2000 Games to Sydney. This indicated, he argued, that Baxter had the 2000 Games very much in mind and had intended to obtain some sponsorship, endorsement or benefit to which it was not entitled. It was in fact attempting to create a monopoly in the use of the word “Olympic” in connection with footwear. Such an association could convey an improper suggestion of sponsorship or endorsement by the AOC and deprive it of opportunities to engage in licensing with respect to footwear companies which were the largest advertisers of sports goods in the world as, for example, Nike, Reebok and Adidas. He explained that the AOC received shoes from suppliers for use by athletes and team officials, including Adidas, on an “in kind” basis, that is, in return for its agreement to permit such suppliers to refer to themselves as “official suppliers”. The AOC might wish to license the use of the word “Olympic” to footwear suppliers in connection with the 2000 Games.

With regard to Baxter’s evidence Mr Golvan submitted that while Mr Baxter in his declaration had stated that the form of the registered trade mark had been adopted by his great grandfather as early as 1907 it had not been explained why Baxter considered it necessary to add to its existing rights the

day after the announcement of the award of the Olympic Games to Sydney. Further, there was no supported evidence as to any actual use of the registered trade mark or as to any use or intention to use the mark in suit. Moreover, the evidence tended to suggest that any use was restricted to riding boots which would have a particular association with the Australian Equestrian Olympic Team which had enjoyed great success at recent Olympic Games.

Mr Golvan then referred to the recommendations contained in the March 1995 Report by the Senate Legal and Constitutional References Committee *Cashing in on the Sydney Olympics: Protecting the Sydney Olympic Games from Ambush Marketing* and the subsequent passage of the *Sydney 2000 Games (Indicia and Images) Protection Act 1996* (Cth), No 22, 1996 (SIIPA) which was enacted for the purpose of regulating the commercial use of certain indicia and images associated with the Sydney Olympic Games and the Sydney 2000 Paralympic Games. That Act commenced on 28 June 1996. He also referred to the protection given by the *Olympic Insignia Protection Act 1987* (OIPA) in order to assist the AOC in its efforts to raise funds.

The protection accorded to the words “Olympic” and “Olympiad” in other comparable jurisdictions was also adduced by Mr Golvan as relevant to the present proceedings. In particular he cited the decisions in the United States case of *San Francisco Arts and Athletics v United States Olympic Committee* (1987) 483 US 522 and the Canadian case of *Canadian Olympic Association v Konica Canada Inc.* (1992) 1 CF 757. In the former the United States Supreme Court considered the operation of the Amateur Sports Act 1978 which granted to the United States Olympic Committee the right to prohibit certain commercial and promotional uses of the word “Olympic” and various Olympic symbols. The case in point concerned an intention by the appellant to promote an event to be known as “The Gay Olympics”. The relevant provisions of s110 of the Act provided that the United States Olympic Committee was permitted to prohibit the use of the word “Olympic” for the purposes of trade where such use would tend to cause confusion, to cause mistake, to deceive or to falsely suggest a connection with the United States Olympic Committee or any Olympic activity. The Court upheld the constitutional validity of the legislation and rejected a suggestion that the provisions had the effect of removing from the language a word which was part of the ordinary English vocabulary, considering that the word “Olympic” had acquired a secondary

meaning through use. It held that the prohibition of the use of the word by the US Olympic Committee in the context was an appropriate application of the power conferred on it by the Act. In the Canadian case the Canadian Court of Appeal considered the question of the protection of the word "Olympic" which was an "official" mark under the Canadian Trade Marks Act to which the Canadian Olympic Association had the right of registration. The relevant section of the Act prohibited the use of marks likely to be mistaken for an official mark. The respondent proposed to offer for sale and sell a book to be entitled *KONICA Guinness Book of OLYMPIC RECORDS*. At issue was whether the use of the word in that context was trade mark or non-trade mark use. The Court found it to be trade mark use.

Mr Golvan submitted that Baxter could not claim to be the proprietor of the trade mark THE OLYMPIC: *Aston v Harlee Manufacturing Co* (1960) 103 CLR 391 at 399-400, and, moreover, that there was no proper evidence of use of the mark or of an intention to use it. He further submitted that the AOC had discharged the onus on it of showing the absence of intention to use the mark.

On the question of the lack of distinctiveness of the mark and its inherent incapacity to distinguish he referred to *Muller v Registrar of Trade Marks* (1980) 31 ALR 177 at 181. He argued that the mark lacked the inherent capacity to distinguish Baxter's goods and that no attempt had been made to establish distinctiveness of the mark in fact. Regard had to be had to whether the mark was capable of becoming distinctive of those goods at some future date: *Clark Equipment Co v Registrar of Trade Marks* (1964) 111 CLR 511 at 513. No such case had been made out by Baxter. Adaptability to distinguish was dependent on the nature of the mark itself and could not be acquired if it lacked inherent ability to do so: *Burger King Corporation v Registrar of Trade Marks* (1973) 128 CLR 417 at 424; *Oxford University Press v Registrar of Trade Marks* (1970) 17 IPR 509.

As to the position of marks falsely suggesting an endorsement or licence Mr Golvan referred to the case of *Trebor Sharps Limited's Application* (1970) RPC 212 regarding the use of the Olympic rings in respect of confectionery.

With respect to s28 of the Act Mr Golvan referred to the decision of the High Court in *New South Wales Dairy Corporation v Murray Goulburn Co-operative Company Limited* (1990) 18 IPR 385 in which it was decided that a mark was only liable to be expunged if the likelihood of deception or confusion was due to the “blameworthy conduct” of the registered proprietor. He acknowledged that the Registrar had accepted that it is necessary to show blameworthy conduct for the purposes of an opposition based on s28: *Bathox Bathsalts Pty Ltd v R&C Products* (1991) AIPC ¶90-816; *The Titan Manufacturing Co Pty Ltd v Coyne* (1991) AIPC ¶90-808 and *Studio SRL v Buying Systems (Aust) Pty Ltd (no 2)* (1992) AIPC ¶90-938. He submitted that the blameworthy conduct of Baxter in this case consisted of the adoption of the trade mark which was clearly done with the intention of taking advantage of the inference of a sponsorship arising from the award of the Olympic Games to Sydney in the year 2000. In this case the “misappropriating user” referred to in the cases was Baxter. He submitted further that an opponent relying on s28 had only a limited onus to show that it had such a reputation in the mark that the use by the applicant could cause deception or confusion: *Saturno’s Norwood Hotel Pty Ltd v Potter Family Hotels* (1989) AIPC ¶90-534; *Micropore International v Thermos Limited* (1989) AIPC ¶90-558, and that thereafter the onus passed to the applicant to show that registration and use of the mark would not lead to deception or confusion: *Southern Cross Refrigerating Co v Toowoomba Foundry Pty Ltd* (1953-54) 91 CLR 592 at 608. He argued that here Baxter had been silent on its intentions as regards the mark in issue so that the Registrar was not in a position, on the applicant’s evidence, to decide otherwise than that the use of the mark might well lead to deception or confusion. The onus was on the applicant, he said, given the case made by the opponent, the AOC, to negative any substantial likelihood of deception or confusion in consequence of the use of its proposed mark: *Reckitt & Colman (Aust) Ltd v Boden* (1945) 70 CLR 84 at 94-95; *Dunn’s Trade Mark* (1890) 7 RPC 311 at 315-6. If the matter was left in doubt the applicant must be refused.

With respect to para 28(b) Mr Golvan submitted that it was necessary to consider whether the use of the mark would breach legislation other than the Act itself, such as the *Trade Practices Act 1974* and the *SIIPA* of 1996. The paragraph would apply, he said, where the use of the mark was such

that it must necessarily be contrary to law, with illegality arising from the mark itself rather than the particular manner in which the applicant's business had been arranged : Shanahan at 145; *Karo Step Trade Mark* [1977] RPC 255; *Re Kelly* (1987) ¶¶90-374.

Mr Golvan further submitted that it would be an appropriate exercise of the Registrar's discretion not to permit the registration of a mark which would be very likely to offend against the provisions of the SIIPA of 1996 and to interfere with the legitimate interest of the AOC to pursue its vitally important fund-raising objectives in support of the 2000 Olympic Games. He argued that was open to the Registrar to decide that Baxter had not discharged the onus on it to justify registration. Furthermore, he said, the public interest in allowing registration was overwhelmingly outweighed by the public interest in refusing registration and the Registrar is predominantly concerned with the protection of the public interest as against any private interests: *Kimberley Clark Corporation v Vereinigte Papierwerke Schickedanz & Co* (1967) 118 CLR 79 at 82; *Arthur Fairest Ltd's Application* (1951) 68 RPC 197.

In reference to the grounds of opposition put forward by the AOC Mr Wilson submitted that in reliance on the common law trade mark OLYMPIC the AOC had adduced no evidence of the use of that word as a trade mark. He accepted that the applicant bore the onus of showing its entitlement to registration of the mark in accordance with *Eno v Dunn*, supra, but argued that the applicant had adequately discharged that onus. He tendered a computer printout of a search of the Register which showed a large number of registered trade marks, including Baxter's registered trade mark, consisting of or containing the word "Olympic". This showed that the word was not inherently lacking in distinctiveness as it had already been registered many times. He submitted that the US and Canadian cases were of no assistance to the AOC as they were decided in different jurisdictions on different facts. In this country the word "Olympic" per se had not been given protection either by the *Olympic Insignia Protection Act 1987* (OIPA) or by the recently enacted *Sydney 2000 Games (Indicia and Images) Protection Act 1996* (SIIPA). The former Act gave protection only to certain insignia such as the Olympic rings and the Olympic torch but not to the word "Olympic". While it was true that the SIIPA gave some protection to the word itself it was only a limited and qualified protection while the Act expressly preserved existing rights in the word.

He submitted that “ambush marketing” was an emotive term which had no application to Baxter. The SIIPA was an attempt to balance the demands of the AOC against the interests of prior users of which Baxter was one.

Mr Wilson submitted that the use of the registered trade mark was a use of the words “The Olympic” contained within it: *Pyrotan Leather Ltd’s Application* [1934] 4 AOJP 1019 This use had been shown by the evidence, eg the price list at Exhibit HMB3. The proprietorship of the trade mark in plain block letters had been established by the authorship of the mark, the lodgment of the application and the intention to use the mark in relation to the specified goods: *Shell Co (Aust) Ltd v Rohm & Haas Co* (1949) 78 CLR 601. He submitted that Baxter’s evidence, while concise, said all that was necessary and was, moreover, uncontradicted by evidence. Baxter’s evidence showed long use of the registered mark.

As to the emphasis placed on the timing of the application Mr Wilson submitted that no inference of a reprehensible intention should be drawn from it. He said that the intention of the applicant was not known as there was no evidence on the point. It might well have been a desire to protect the registered trade mark from other traders and was not necessarily to be regarded as sinister. Likewise, he said, with the alleged attempt to broaden the specification of goods. The registered mark was for “boots and shoes” and the present application was not much broader than the original application.

Mr Wilson drew attention to the limited terms of the SIIPA which in any case, he noted, was not in force at the date of the trade mark application and was not expressly made to apply retrospectively to an application under the *Trade Marks Act*. It was necessary, he said, to take into account the “state of facts when the application was lodged: *Shell v Rohm & Haas*, supra.. The SIIPA operated with respect to a suggested association with the Sydney 2000 Games and not to a general suggestion of an association with the AOC or the Olympic movement.

With respect to the ground of opposition which relied on s28(b) Mr Wilson contrasted the blanket prohibition of the word “medicare” by the *Health Legislation Amendment Act*, No 54 of 1983, in

the case of *Re Application by Slaney* (1985) 6 IPR 307 with the broad exemptions contained in the SIIPA, with a view to protecting existing interests in the prohibited term, and the saving provisions attached to the prohibition. He also referred to the same qualifications in the Minister's second-reading speech in Parliament.

With reference to the cases cited by Mr Golvan Mr Wilson submitted that the present case was not one of a manufacturer of confectionery applying to register a trade mark in respect of motor cars, as it was expressed in *Aston v Harlee*, supra, which might cast doubt on the applicant's intention to use the trade mark, but of a long-established manufacturer of footwear with a registered trade mark containing the trade mark applied for applying to register the mark for footwear. As to the *Burger King* and *Oxford* cases, supra, he drew attention once again to the large number of trade marks already registered in respect of the word "Olympic", many of them in Part A of the Register, which showed that the word was inherently distinctive. This fact coupled with the long and continuous use of the registered trade mark clearly demonstrated that the mark was registrable.

## **Decision**

I will deal with each of the main issues on which were submissions were made in turn:

### ***proprietorship***

The concept of proprietorship of a mark was explained by Fullagar J in *Aston v Harlee Manufacturing Co* (1960) 103 CLR 391 at 398-399:

"Section 32 of the Act [equivalent to s40 of the 1955 Act] provides that any person claiming to be the proprietor of a trade mark may apply to the Registrar for the registration of his trade mark. The right to registration depends, therefore, on proprietorship of a mark. The conception of proprietorship, other than proprietorship acquired by a user which has made the mark distinctive of the applicant's goods, is a difficult conception, but it has been explained by Dixon J. in *Shell Co. of Australia Ltd v Rohm and Haas Co* (1), where his Honour refers to the history of the English legislation. His Honour quotes Cotton L.J. as saying in *In re Hudson's Trade Marks* (2): "The difficulty is this: Is a man

to be considered as entitled to the use of any trade mark when he has never used it at all? That is a difficulty, but I think the meaning is this. If a man has designed and first printed or formed any of those particular and distinctive devices which are referred to in the first part of s 10, he is then looked upon as the proprietor of that which is under that Act a trade mark, which will give him the right so soon as he registers it." (3). Dixon J. then sums up the position by saying: "It is clear enough from the course of legislation and of decision that an application to register a trade mark so far unused must, equally with a trade mark the title to which depends on prior user, be founded on proprietorship. The basis of a claim to proprietorship in a trade mark so far unused has been found in the combined effect of authorship of the mark, the intention to use it upon or in connection with the goods and the applying for registration" (4). "Authorship", says his Honour a little later, "involves the origination or first adoption of the word or design as and for a trade mark." (5).

(1) (1949) 78 CLR 601, at pp.625 et seq.

(2) (1886) 32 Ch.D., at p.319,320.

(3) (1949) 78 CLR at p.626.

(4) (1949) 78 CLR at p.627

(5) (1949) 78 CLR at p. 628

His honour went on to explain that authorship of a mark does not mean that the applicant must have been the "true and first inventor" or have "thought of it first". The applicant may yet be the author although he has copied or adopted a mark registered in a foreign country in respect of the same description of goods. "Local authorship" will suffice. What is essential to a valid claim to proprietorship is that no other person has acquired a prior right to use the mark in Australia for the goods or services in question. Mr Golvan relied on *Aston v Harlee* in submitting that the applicant could not claim proprietorship of the trade mark. However, the AOC's claim to proprietorship appears to be based solely on its rights in the word "Olympic" by virtue of its role as "an organisation established under the Olympic Charter of the IOC with responsibility to promote the Olympic principles in Australia and co-ordinate Australia's participation in the Olympic Games", and to protect its sources of revenue through licensing arrangements. I cannot see that these asserted rights amount to proprietorship in a trade mark sense on the principles stated in *Aston v Harlee*. There is no evidence of use of the trade mark applied for by the AOC or by any other person in respect of the

goods specified in the application or of any licensed use by any person which might accrue to the benefit of the AOC or another person. The rights asserted may well be protectible under other legislation or indeed at common law but in terms of the trade marks legislation which alone the Registrar is empowered to administer I cannot find that there has been established a prior right of proprietorship by any person in the trade mark sought to be registered.

### *intention to use*

The onus of making out a case of lack of bona fide intention to use the mark applied for is on the opponent. As Fullagar J observed in *Aston v Harlee Manufacturing Co*, supra:

"There is another element mentioned by Dixon J in the Shell Co's Case, which is stated as essential to the proprietorship of an unused trade mark. That element is the intention of the applicant for registration to use it upon or in connexion with goods. As to this I need only say that I do not regard his Honour as meaning that an applicant is required, in order to obtain registration, to establish affirmatively that he intends to use it. There is nothing in the Act or the Regulations which requires him to state such an intention at the time of application, and the making of the application itself is, I think, to be regarded as prima facie evidence of intention to use. I cannot think that the Registrar is called upon to institute an inquiry as to the intention of any applicant, and I think that, on an opposition or on a motion to expunge, the burden must rest on the opponent, or the person aggrieved, of proving the absence of intention. Again, 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.

Under the 1955 Regulations an applicant for registration of a mark in respect of two or more goods was required to furnish a statement indicating that it used or proposed to use the mark. The words of Fullagar J therefore apply a fortiori. If the Registrar is not entitled to look behind the application for registration even less is he entitled to look behind an affirmative statement of the applicant as to his intention to use the mark. The onus is on an opponent to prove absence of intention. Furthermore, it is no objection to the use of a mark that it is used in conjunction with one or other marks. Baxter lodged a statement pursuant to reg 8 on 18 November 1993. I therefore find this ground not made out.

### *OLYMPIC as distinctive mark*

Mr Golvan submitted that the trade mark was not registrable in either Part A or Part B of the Register because it lacked any inherent capacity to distinguish the goods of the applicant.. However, I think it is sufficient to say that in view of the large number of marks already registered which contain or consist of the word “Olympic” that argument cannot be sustained.

***OLYMPIC as prohibited mark***

Mr Golvan made brief mention of the fact that the words “Olympic Champion” are prohibited from registration in accordance with s29 of the Act and Schedule 5 of the Regulations made under the Act. I think it is sufficient to say that the mark applied for here is not OLYMOIC CHAMPION but THE OLYMPIC and to refer once again to the large number of registered trade marks containing or consisting of the word “Olympic”.

***section 28(b) and the Sydney 2000 Games (Indicia and Images) Protection Act 1996***

Section 3 of the *Sydney 2000 Games (Indicia and Images) 1996 Protection Act* (SIIPA) sets out the objects of the Act. Subsection (1) states that those objects include:

- (a) to protect, and to further, the position of Australia as a participant in, and a supporter of, the world Olympic and Paralympic movements; and
- (b) to the extent that it is within the power of the Parliament, to assist in protecting the relations, and in ensuring the performance of the obligations, of the Sydney 2000 Games bodies with and to the world Olympic and Paralympic movements;

in relation to the holding of the Sydney 2000 Games.

Section 12(1) of the Act provides that:

A person, other than:

- (a) SOCOG; or
- (b) SPOC; or
- (c) a licensed user;

must not use Sydney 2000 Games indicia and images for commercial purposes.

Those terms are defined in s7:

*SOCOG* means the Sydney Organising Committee for the Olympic Games constituted by the Sydney Organising Committee for the Olympic Games Act 1993 of New South Wales.

*SPOC* means Sydney Paralympic Organising Committee Limited incorporated under the law of New South Wales.

*licensed user* means a person in relation to whom a licence under section 14 is in force.

By virtue of subsection 8(2) *Sydney 2000 Olympic Games indicia* means:

- (a) either of the following words
  - (i) “Olympiad”;
  - (ii) “Olympic”; ...

Section 11 goes on to provide that, for the purposes of the Act, a person uses Sydney 2000 Games indicia and images for commercial purposes if:

- (a) the person applies the indicia or images to goods or services of the person; and
- (b) the application is for advertising or promotional purposes, or is likely to enhance the demand for the goods or services; and
- (c) the application, to a reasonable person, would suggest that the first-mentioned person is or was a sponsor of, or is or was the provider of support for:
  - (i) the Sydney 2000 Olympic Games, the Sydney 2000 Paralympic Games, or both; or
  - (ii) any event arranged:
    - (A) by SOCOG, the Australian Olympic Committee Inc., or the International Olympic Committee in connection with the Sydney 2000 Olympic Games; or

(B) by SPOC, the Australian Paralympic Federation, or the International Paralympic Committee in connection with the Sydney 2000 Paralympic Games.

Section 24 provides that nothing in the Act is intended to affect the operation of the *Trade Marks Act 1995*, the *Designs Act 1906* or to affect any rights conferred or liabilities imposed by or under those Acts.

Division 3 of the Act provides for remedies by way of injunction, damages and other remedies.

Therefore, while the trade mark use of the word “Olympic” would clearly be caught by the Act, as “commercial use”, the protection afforded to the word is qualified in that the use must suggest to a reasonable person that the user was a sponsor or provider of other support for the Sydney Games. It is not enough to suggest some vague, undefined connection with Olympic Games or the Olympic movement in general but a precise association with the Sydney 2000 Games. Indeed, the Government rejected an attempt to obtain such wide-ranging protection. Recommendation 15 of the Senate Committee Report was that:

*The Committee recommends the amendment of the Olympic Insignia Protection Act to extend the protection of the proposed expanded list of protected words as requested by the AOC, but subject to appropriate exemptions for existing users.*

The Government did not accept that recommendation. While accepting the need to provide protection of certain words and symbols in order to protect the revenue of the Sydney 2000 Olympics the Government did not consider it appropriate that there should be any further extension of the protection available under the OIPA.

The “proposed expanded list of words” included “Olympic”, “Olympiad” and “Olympic Games”

Furthermore, the Government's stated intention of protecting the rights of existing users was made clear in the Minister's second-reading speech:

It is recognised that some individuals and corporations already use the indicia prescribed in the legislation in connection with their goods and services. There are for example goods and services which either have the trade marks "Olympic", such as "Olympic tyres" and "Olympic Airways". This legislation is not about stopping traders who have been using these indicia and images for years from continuing that use. **The established rights of owners of registered trade marks or designs containing those indicia and images remain unaffected so long as the trade marks or designs are not used in a way so as to imply a connection to the Games** (emphasis added).

Mr Golvan said that the AOC was concerned that Baxter could possibly use the trade mark applied for in such a way as to suggest just such a connection, in some such phrase or slogan as "THE OLYMPIC running shoe" or "THE OLYMPIC riding boot". But such a use, if indeed it suggested a connection with the Sydney 2000 Games specifically, rather than a general endorsement, would be caught by the Act and the AOC would have its remedy or remedies as there prescribed. I do not accept that the mark in itself offends against the provisions of the SIIPA so as to run foul of s28(b) of the *Trade Marks Act*.

Mr Golvan also submitted that I was required to consider whether the use of the mark would constitute a breach of other legislation such as the *Trade Practices Act 1974* so as to be contrary to law and thus offend against s28(b). I cannot agree that I am competent to decide that question in the absence of an express prohibition in an Act of the use of the mark applied for. Mr Golvan referred to *Re Kelly* (1987) AIPC ¶90-374, but in that case there was such an express prohibition of the use of the Advance Australia logo in the *Advance Australia Logo Protection Act 1984*.

### ***decisions in other jurisdictions***

Mr Golvan referred to two decisions of other jurisdictions already mentioned above: the decision of the US Supreme Court in the *San Francisco Arts* case and the decision of the Canadian Court of Appeal in the *Konica* case. In both of those cases there was special legislation prohibiting the use

of the word “Olympic”. Section 9 of the Canadian *Trade Marks Act* of 1985 provided, at the relevant time:

9. (1) No person shall adopt in connection with a business, as a trade-mark or otherwise, any mark consisting of, or so nearly resembling as to be likely to be mistaken for,

...

(n) any badge crest, emblem or mark

...

(iii) adopted and used by any public authority, in Canada, as an official mark for wares or services,

in respect of which the Registrar has, at the request of Her Majesty or of the university or public authority, as the case may be, given public notice of its adoption or use;

However, even in the case of an “official” mark adopted for use by a public authority the rights of existing users were protected. In *Canadian Olympic Assn. v Allied Corp.* [1990] 1 FC 769 (CA) at 775 the Court of Appeal had held that:

Whatever rights to the use of a mark may flow from its adoption are undisturbed by the subsequent adoption and use of a confusingly similar official mark; the right to register the mark is, however, prohibited from the time of the giving of the public notice.

The Canadian Olympic Association had caused public notice to be given by the Registrar in 1980 of the adoption and use by it of a number of official marks of which “Olympic”, Summer Olympics” and “Winter Olympics” were the most important. The Guinness Company had for many years published books with the title *Guinness Book of Olympic Records*. It was not contested that it had the right to continue its book of Olympic Records but the respondent, as licensee of Guinness, was found not to be entitled to publish its own *KONICA Guinness Book of OLYMPIC RECORDS*, which included advertising and promotional material and discount coupons for films and cameras sold by it, in connection with the Olympic Games of 1988. The Court issued a permanent injunction prohibiting Konica from selling or offering for sale its edition of the book.

There is no legislative provision in Australia equivalent to the Canadian provision in respect of “official” marks and I cannot therefore find that the *Konica* case is relevant to my decision in the present case.

In the US case section 110 of the Amateur Sports Act of 1978 granted to the United States Olympic Committee (USOC) the right to prohibit certain commercial and promotional uses of the word “Olympic” and various Olympic symbols. San Francisco Arts & Athletics, Inc. (SFAA) promoted the “Gay Olympics Games” to be held in 1982 by using those words on its letterheads and mailings, in local newspapers and on various merchandise sold to cover the costs of the planned Games. The USOC informed the SFAA of the existence of the Act and requested that it terminate use of the word “Olympic” in its description of the planned Games. When the SFAA failed to do so the USOC brought suit in Federal District Court for injunctive relief. The Court granted the USOC summary judgment and a permanent injunction. The Court of Appeals affirmed the decision, holding that the Act granted the USOC exclusive use of the word “Olympic” without requiring the USOC to prove that the unauthorised use was confusing and without regard to the defences available for infringement of trade mark under the Lanham Act. The Supreme Court on appeal rejected the argument that the USOC had no more than trade mark rights in the word “Olympic” and that the Act precluded its use by others only when it tended to cause confusion. It found that the language and legislative history of section 110 indicated that Congress intended to grant the USOC exclusive use of the word “Olympic” without regard to whether the use of the word tended to cause confusion and that it did not incorporate defences available under the Lanham Act. The Court held that Congress had a broad public interest in promoting, through the USOC’s activities, the participation of amateur athletes from the United States in the Olympic Games and that even though the section’s protection might exceed traditional rights of a trade mark owner in certain circumstances, the Act’s application to commercial speech was not broader than necessary to protect legitimate interests and therefore did not violate the First Amendment.

Once again there is no legislative provision in Australia which affords such far-reaching rights in the word “Olympic” although The *Olympic Insignia Protection Act* extends somewhat similar

protection to the various Olympic symbols. But I cannot find that in respect of the word “Olympic” the decision is of any assistance to me in reaching my decision in this case.

As discussed above the relevant Australian legislation does not extend as far as the legislation in those cases and it contains qualifications intended to protect the rights and interests of existing users. For these reasons I cannot find that the decisions in those cases are relevant to the decision in the present case.

### ***section 28(a) and blameworthy conduct***

The test to be applied under s28 may be stated as follows, paraphrasing the words of Evershed J. in *Smith Hayden & Co Ltd's Application* (1946) 63 RPC 97, in which he compared the tests under ss11 and 12 of the Trade Marks Act 1938 (UK), which correspond to ss28 and 33 of the *Trade Marks Act 1955* (Cth):

The questions for my decision ... have been formulated, and I think accurately formulated, as follows:

(a) (Under s.28) "Having regard to the reputation acquired by the word OLYMPIC is the Registrar satisfied that the mark applied for, if used in a normal or fair manner in connection with any goods covered by the registration proposed, will not be reasonably likely to cause deception and confusion amongst a substantial number of persons?";

...

There is no evidence that the AOC has acquired any reputation in the word “Olympic” through its use of the word as a trade mark in connection with the goods specified in the application which would lead to the deception or confusion of a substantial number of persons or that the licensed use by any other person which might accrue to the AOC has created such a reputation. Indeed, Mr Golvan stated that the AOC does not license the use of the word “Olympic” per se to any commercial entities but does permit the use of the word in the context of the representation of a company as an official sponsor of the Australian Olympic team. In this respect I think the present case can be distinguished from *Radio Corporation Pty Ltd v Disney* (1937) 57 CLR 448,

concerning an application to register MICKEY MOUSE in respect of radio receiving sets. Dixon J, as he then was, said, at 455:

Another very important application of the names and figures of Disney's conceptions concerns the retail sale of all kinds of goods. Presumably because of the attraction which the figures and their fictional activities have for so many people, traders of all sorts desire to affix representations of them to their goods or use the figures or their names in connection therewith. In the use of the conceptions as an aid to selling goods, their author and the trading bodies he has promoted have found a valuable source of revenue. An elaborate and extensive system of licensing has been set up. Under it manufacturers or traders pay for permission to use the names or the figures with their goods. In Australia alone licences have been granted for all sorts and descriptions of goods produced by numbers of unconnected manufacturers. The articles bearing representations of or called by the names of Disney's conceptions have no characteristic in common. They go from canned soups to cotton undershirts and from bridge scorers to boys' braces. Here no registration has been obtained in respect of the words or figures, either as trade marks, designs or under the *Copyright Act 1912*.

In the present case, however, as has been pointed out by Mr Wilson, there are a large number of registered trade marks in the names of manufacturers and traders quite unconnected in any way with the AOC, so that the likelihood of deception or confusion is correspondingly reduced. It seems in the circumstances of the case that a deception of the public must consist not in the trade mark itself but rather in a representation or suggestion that the supplier of goods or services had been accorded the status of an official sponsor by the AOC or another of the sponsoring bodies. In this regard Mr Golvan referred to *Trebor Sharps Limited's Application* [1970]RPC 212 as a case where a trade mark was refused registration because of a false suggestion of an endorsement or licence. In fact the mark, which consisted of the five interlocking Olympic rings and the words GOLD MEDAL was refused registration because of the words and not because of the device. The refusal by the UK Registry was appealed to the Board of Trade. Mr Whitford QC sitting as the Board of Trade said, at 215:

The mark really was rejected upon the basis that in the confectionery field there is a practice of awarding gold medals to people whose products meet the appropriate standard at some exhibition. There is further a practice of registering marks which include the words "gold medal" and possibly representations of gold medals providing the applicants can satisfy the

Registrar that the applicant in question has gained a gold medal at some recognised exhibition or the like.

It was because the applicant could not satisfy the Registrar or the Board of the latter requirement that the mark was refused.

My conclusion on this aspect of s28 is that I am not convinced that the use of its mark by Baxter on the specified goods would lead to the deception or confusion of a substantial number of persons. If I am wrong in that, however, there is, according to the advertised practice of the Registrar, an onus on the opponent who relies on s28 to make out a case of blameworthy conduct on the part of the applicant. The Registrar's practice was set out in a Practice Note published in the *Official Journal* of 12 September 1991. For convenience I will set out here the terms of that Note:

**PRACTICE NOTE  
PN:2:91-92**

**Section 28 of the Trade Marks Act 1955**

**Construction and Interpretation**

(This Note is further to that published in the Official Journal of 19 July 1990.)

Following the decision of the High Court in *New South Wales Dairy Corporation v Murray Goulburn Co-operative Ltd* 18 IPR 385 the Office practice with regard to objections pursuant to s 28 as announced in the previous Note has again been reviewed.

In dismissing the appeal the Court affirmed the decision of the Federal Court in *Murray Goulburn Co-operative Company Ltd v New South Wales Dairy Corporation and anor* 16 IPR 289 that the application of para 28 (a) is limited by a requirement of "blameworthy conduct" on the part of the proprietor of the mark in suit. Consequently, Office practice with regard to objections under s 28 will be as follows:

**1. The examination of applications**

The present practice will continue, that is, examiners will no longer raise objections based on conflicting marks except under the provisions of s 33. Objections may be raised under para (a) of s28 where they relate to matter inherent in the mark itself, such as a misrepresentation as to the nature or qualities of the goods, or under paras (b) and (c) where appropriate.

## 2. Opposition proceedings

In order to succeed an opponent will be required to show not only that the use of the applicant's mark would be likely to cause confusion or deception but that that likelihood has been brought about by conduct on the part of the applicant which is somehow wrongful. Although the Court left the question of what constitutes blameworthy conduct unclear it seems that by a bare majority the Court would have favoured the view that blameworthy conduct could be equated with conduct which would render a mark disentitled to protection in a court of justice.

Mr Golvan referred to the requirement of blameworthy conduct on the part of the applicant for registration and submitted that the actions of Baxter in lodging its application for registration on the day following the announcement of the award of the 2000 Olympic Games to Sydney. He said that that was clearly done with the intention of taking advantage of a suggestion of sponsorship by the AOC. He described this conduct as a “misappropriating user” of the trade mark.

The question of “blameworthy conduct” in opposition proceedings has been considered recently in *Canon Kabushiki Kaisha v Robert James Brook and Rachel Brook trading as The Cannon Watch Company* (unreported, Sydney, 28 August 1996, NG 670 of 1994) per Tamberlin J. His Honour, after considering the judgments in *New South Wales Dairy Corporation v Murray Goulburn Co-operative Company Limited* (1990) 171 CLR 363, concluded that in his view the reasons for judgment delivered by members of the High Court left the matter open as to whether there was a need to find blameworthy conduct in opposition proceedings based on s28(a) as opposed to expungement proceedings. He went on to find that:

Notwithstanding the diverse opinions expressed by members of the High Court in *New South Wales Dairy Corporation* case, I consider that I should follow the views expressed by the Full Federal Court in that case, with the result that in the case presently before me the opponent to the application for registration is required to demonstrate “blameworthy conduct”.

The Full Federal Court in the *New South Wales Dairy Corporation* case, concluded that, as a matter of interpretation, s28(a) was qualified by s28(d) and that “blameworthy conduct” was one, but not the only, circumstance which could render a mark “not entitled to

protection in a court of justice”. (see 86 ALR 549 per Gummow J), (24 FCR 370 Lockhart, Pincus and Von Doussa JJ).

In the instant case, Canon has not established any “blameworthy” conduct or any other matter on the part of the respondents in relation to the present application, which would disentitle the mark to protection in the courts and as a result the challenge under this provision must fail...

In the present matter, the delegate of the Registrar, when considering the s28(a) ground, relied on what was described as the “fully settled” practice of the Registrar developed from the *Murray Goulburn* case and dismissed the opposition on this ground because in her view there was “no hint of blameworthy action”. See also *Titan Manufacturing Company Pty Ltd v John Terence Coyne* (1991) 22 IPR 613; *Unidrive Pty Ltd v Dana Corporation* (1995) 32 IPR 155. Cf *Johnson & Johnson v Kalnin* (1993) 26 IPR 435 per Gummow J where the point was apparently not raised.

I am not prepared to draw the inference urged by Mr Golvan in the absence of any evidence of Baxter’s intentions at the time of lodging the application. I therefore cannot find that the AOC has established blameworthy conduct on the part of Baxter.

## **Conclusion**

I find that none of the grounds relied on by Mr Golvan on behalf of the AOC has been made out. Consequently I dismiss the opposition and direct that in the absence of any appeal against this decision the trade mark subject of application 612411 be registered. I award costs to the applicant.

Michael Homann  
Hearing Officer

30 October 1996