



TRADE MARKS ACT 1955

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

Re: Opposition by MONDI TEXTIL GMBH to registration of trade mark application number 630361 in the name of PAM CORPORATION

Background

Application number 630361 was lodged, on 23 May 1994, in the name of PAM CORPORATION (Hereafter: "the trade mark applicant" or "Pam"). The application was for registration of the trade mark **MUNDI**. It was advertised accepted in the *Official Journal of Trade Marks* on 9 March 1995, in respect of "All goods in class 18; leather goods in this class including personal leather goods including luggage, handbags, wallets, key cases and purses". Notice of opposition was lodged on 8 September 1995, by MONDI TEXTIL GMBH ("the opponent" or "Mondi"). The grounds set out in the notice of opposition, and pursued at the hearing, were based upon sections 6, 40, 33 and 28 of the *Trade Marks Act 1955*.

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 indicated, any reference to the Act in this decision is a reference to the *Trade Marks Act 1955*.

The evidence

Service and lodgement of the opponent's evidence in support was completed by 10 April 1996. This evidence comprised:

- ❖ Statutory Declaration by Colin James Orr, Director of Mondi Australia Pty Limited ("Mondi Australia"), dated 1 April 1996, together with exhibits A, B and C (1st Orr declaration). Mondi Australia is the opponent's Australian subsidiary.

The trade mark applicant completed its evidence in answer by 29 January 1997. That evidence comprised:

- ❖ Statutory Declaration by Leonard Frederick Milner, Director of Mayfair International Pty Ltd ("Mayfair"), dated 23 December 1996. Mayfair has been a distributor of the trade mark applicant's goods in Australia.
- ❖ Statutory Declaration by Richard Irwin Florin, Vice President of Pam Corporation, dated 7 January 1997, together with exhibits RF-1, RF-2 and RF-3.

The opponent's evidence in reply was finalised by 29 October 1997. This was:

- ❖ Statutory Declaration by Colin James Orr (2nd Orr declaration), dated 21 October 1997, together with exhibits A and B.
- ❖ Statutory Declaration by Norman Andrew Richardson, licensed private investigator of Lyonswood Investigations, dated 22 October 1997.

The circumstances surrounding this opposition, as described in the uncontested evidence from both parties, are as follows:

The opponent, Mondi, is a German company. It is the registered proprietor of the trade mark at right, which predates the subject application. The registration is in class 25, in respect of "clothing, footwear and headgear". According to the 1st Orr declaration, Mondi has used its trade mark in Australia in relation to "fashion goods including shoes, bags, belts, scarves and jewellery", since 1987.



The trade mark applicant, Pam, is a US corporation. According to the Florin declaration, Pam has used its trade mark, MUNDI in Australia from "at least as far back as 1987". The use has been in relation to "leather goods including handbags, shoulder bags, card cases, wallets, purses, key cases, money clips, luggage and travel bags, and small leathersgoods".

The hearing

On 27 February 1998, the opponent requested, under the provisions of regulation 49, that the matter be set down for a hearing. The hearing duly took place before me, as a delegate of the Registrar, in Sydney. Mr Gerard Skelly from Spruson & Ferguson, Sydney, attended the hearing, representing the opponent. Mr Michael Squires from Phillips Ormonde & Fitzpatrick, Melbourne, provided written submissions in support of the trade mark applicant.

It should also be recorded that, since the hearing of this opposition, a decision of the Full Federal Court on appeal in the case of *Nettlefold Advertising Pty Ltd v Nettlefold Signs Pty Ltd* (1999) AIPC 91-455 was handed down. That decision overturned the interpretation of the previous case law (originating from the High Court decision in *New South Wales Dairy Corp v Murray Goulbourn Co-operative Co Ltd* 18 IPR 385 (the *Moo/Moove* case)) requiring a conjunctive reading of section 28. In light of the implications of this decision upon Office practice, the parties were invited to make any further submissions they might feel were relevant to the issue in terms of the present opposition. Both parties made brief additional submissions, which I will refer to later.

Issues for decision

As indicated above, the grounds of opposition raised in the notice of opposition, and pursued at the hearing, were based upon sections 6, 40, 33 and 28 of the Act. I will deal with the submissions and my conclusions on each ground, in that order.

Section 6 - intention to use***The legislation***

In subsection 6(1), a "trade mark" is defined as a mark used or proposed to be used in relation to goods for the purpose of indicating, or so as to indicate a connection in the course of trade between the goods and a person who has the right, either as proprietor or as registered user, to use the mark. The use of the words "trade mark" in subsection 40(1) implies that an application made under that section may only be made by a person who either uses or proposes presently to use the mark applied for in respect of the goods specified in the application.

Under the provisions of subsection 53(2), a trade mark, once registered, is registered from the date of application. Regulation 8 requires that an applicant for the registration of a trade mark in respect of "two or more different goods" shall provide a written statement in support of the application, indicating that it either uses or intends to use its trade mark on all the goods specified.

Submissions

Mr Skelly submitted at the hearing that, as at the relevant date of 23 May 1994, Pam did not have any intention to use its trade mark on all the goods in its specification. This was despite its having lodged with the Office the requisite statement under regulation 8 (known as a "statement of use"). He pointed out that the statement of goods included all goods in class 18, thereby encompassing such diverse articles as walking sticks, parasols, whips and other items of saddlery. Mr Skelly said that it "stretched credibility" to suggest that the applicant could possibly intend to use its mark on such a disparate collection of goods. Further, he said, Pam's own evidence showed that it had only ever been involved in the small leathersgoods, fashion accessory industry.

Mr Skelly said that, under the circumstances, it was legitimate to "go behind" Pam's formalised statement of use and question its actual intention to use its trade mark. He said that, despite the onus being upon it to do so under the Act, Pam had not rebutted Mond's questioning of its intention to use its trade mark. Mr Skelly submitted that the application should be refused on that basis.

In his written submissions, Mr Squires also addressed this issue. He said that Pam's evidence clearly established use of the trade mark prior to the filing date, and that this use must displace the opponent's objection that his client had no intention to use the trade mark. Mr Squires noted the information tendered in the opponent's evidence that it had been unable to find any use of the MUNDI trade mark by his client in 1996 and 1997. He said, however, that this was irrelevant for the purposes of the present opposition, as the pertinent date at which use or intention to use should be determined was 23 May 1994. Mr Squires said that, as the applicant did not have to prove use of its mark after that date for the

purposes of the opposition, I should draw no adverse inference from the fact that no evidence of use after that date had been adduced. It would be "manifestly unfair" to speculate that the reason no more recent evidence of use had been tendered was because the mark was no longer being used.

Discussion

The ground of opposition based upon a trade mark applicant's lack of intention to use its trade mark is not easily addressed. Lord Hanworth said, in *Ducker's Trade Mark* (1928) 45 RPC 397 at 402:

I agree that the goods need not be in being at the moment, and that there is futurity indicated in the definition; but the mark is to be a mark which is to be definitely used or in respect of which there is a resolve to use it in the immediate future upon or in connection with the goods. I think that the words 'proposed to be used' mean a real intention to use, not a mere problematical intention, not an uncertain or indeterminate possibility, but a resolve or settled purpose which has been reached at the time when the mark is to be registered.

As Mr Skelly has conceded, it is not the Registrar's usual practice to question an applicant's intention, at the time of lodging its application, to use its trade mark. The very act of lodging that application has been regarded, prima facie, as evidence of intention to use (*Aston v Harlee Manufacturing Co* (1959) 103 CLR 391 at 401). Against this presumption, to be successful in the relevant ground of opposition under section 6, the opponent must attempt the difficult task of proving a negative intention. The Registrar has, in certain unusual circumstances, found against a trade mark applicant whose intention to use has been successfully called into doubt by an opponent. Examples of cases where this has occurred are: *Michael Sharwood & Partners Pty Ltd and Others v Fuddruckers Inc* (1989) 15 IPR 188, *Rolewa Rentals Pty Ltd v Champagne Moët et Chandon* (1985) 5 IPR 171 and *Triple Three Leisure Ltd v Turkovic* (1993) 27 IPR 430. However, all three of these cases involved the Registrar being satisfied that the applicant had not actually used the trade mark *at all*, and that circumstances were such that no use was likely in the future.

The situation here is much different, in that Pam has provided evidence of use of its trade mark (albeit only on small personal items such as wallets, key cases, handbags and shoulder

bags) prior to the date of lodgement of its application. Despite some aspersions which Mr Skelly has attempted to cast upon this evidence, I am satisfied as to its veracity. The statutory declaration by Mr Richard Florin attests to the continuous use of the trade mark in Australia since 1987. This is supported by copies of three invoices (in respect of not inconsiderable amounts of money) from the period 1988 to 1990, and a catalogue dated 1988-1989. While I agree with Mr Skelly that the evidence is not fulsome, nevertheless I believe it fundamentally distinguishes the applicant's case from those I have cited above. Clearly, at the time of lodging its trade mark application, Pam was already using its trade mark on some of the goods in the specification. Added to this is the fact that Mondi has not adduced any evidence to convince me that Pam has no intention (or ability) to use its trade mark on the rest of the goods included in its specification. In all, I do not find that the opponent has discharged the very considerable burden of proof upon it in order to be successful on this ground of opposition. I therefore find that the opposition has failed on the ground that the applicant does not intend to use its trade mark.

Section 40 - proprietorship

The legislation

Subsection 40(1) states:

A person who claims to be the proprietor of a trade mark may make application to the Registrar for the registration of that trade mark in Part A or Part B of the Register

Submissions

Mr Skelly began his submissions on the question of proprietorship by referring to the principle that prior use displaces an applicant's claim to statutory proprietorship, as laid out in *Settef S.p.A. v Riv-Oland Marble Co (Vic) Pty Ltd* 10 IPR 402 at page 413:

The basic common law principle is that the first person who uses a trade mark of an appropriate type within a country becomes the proprietor of the mark there: *Re Registered Trade Mark "Yanx"*; *Ex parte Amalgamated Tobacco Corp Ltd* (1951) 82 CLR 199 at 203; *Thunderbird Products Corp v Thunderbird Marine Products Pty Ltd* (1974) 131 CLR 592 at 603; *Moorgate Tobacco Co Ltd v Philip Morris Ltd (No 2)* 59 ALJR 77 at 83.

...

In considering who, within s.40(1) of the Act, was at the time of Settef's application for registration the proprietor of the trade mark, one considers who at common law was the proprietor in Australia: *The Shell Co of Australia Ltd v Rohm & Haas* (1949) 78 CLR 601 at 625 and 627.

Mr Skelly then touched on the concept of "the same kind of thing", as referred to in *Hicks's Trade Mark*, 22 VLR 636, at page 640:

In order to substantiate his application to be placed on the Register for this word, he must have claimed to be the proprietor, and the word "proprietor" must be taken to mean the person entitled to the exclusive use of that name. If there is anyone else who would be interfered with by the registration ... in the exercise of a right which such person has already acquired to use the same word in application to the same kind of thing, then Hicks ought not to have been put on the Register for that trade mark.

Finally, Mr Skelly drew my attention to the Windeyer J's words in *Shell Co. of Australia Ltd v Esso Standard Oil (Australia) Ltd* (1963) 109 CLR 407 at 415:

In considering whether marks are substantially identical they should, I think, be compared side by side, their similarities and differences noted and the importance of these assessed having regard to the essential features of the registered mark and the total impression of resemblance or dissimilarity that emerges from the comparison.

Mr Skelly then argued that, when placed side by side, the trade marks MUNDI and MONDI could clearly be seen to be substantially identical. He submitted that, not only did the two marks look the same, being different only by a single letter, but they would also likely be pronounced in the same manner by a majority of people. This was because MUNDI was the phonetic equivalent of MONDAY, and the "o" vowel in MONDI could easily be pronounced in the same way as in MONEY. Mr Skelly then drew my attention to (inter alia) *Kendall Co v Mulsyn Paint and Chemicals* (1963) 109 CLR 300 and *Warner-Lambert Co v Harel*, (1995) 32 IPR 189 where, respectively, POLYKIN and POLYKEN, and DERMAFILM and DERMOFILM were found to be substantially identical trade marks.

Further, said Mr Skelly, the opponent's evidence demonstrated it had been used from 1987 in relation to handbags and clutch bags, being the "same kind of thing", in terms of *Hick's*

case, *supra*, as some of the applicant's goods. In contrast, Pam's evidence was "generalised and non-specific" and did not conclusively demonstrate any equivalent use during the same, or earlier, period. Mr Skelly conceded that there were many other goods in the specification which were not the same kind of thing as the goods upon which his client claimed proprietorship of the trade mark through prior use. However, he said that it would be "ludicrous" to simply direct that handbags be deleted from the applicant's statement of goods, and allow it to go forward in respect of the remaining goods in the specification. Instead, he said that the onus had clearly been upon the applicant to rebut the opponent's claim to prior use, and any doubt as to whether it had done so must be resolved in favour of the opponent.

Mr Squires' written submissions disputed Mondi's claim to proprietorship, on the grounds that the trade marks in question were *not* substantially identical, and also that the opponent had *not* proved, on the balance of probabilities, that it had used the trade mark MONDI in relation to handbags prior to the applicant's first use of the MUNDI trade mark.

Discussion

The issue of whether the trade marks MUNDI and MONDI are substantially identical is a difficult one. It is made more difficult by the fact that neither words have a recognisable meaning in the English language. In *Sporoptic Pouilloy SA v Arnet Optical Illusions, Inc* (1995) 32 IPR 430, Deputy Registrar Hardie said, at page 436:

If visually similar marks engender different meanings which in turn provoke independent ideas, it may be that they can exist side by side without confusion. That, however, is not the present case. VUARNET has only minor surname significance and ARNET has no meaning at all. There is therefore no generation of independent ideas to check the likelihood of confusion.

It is a lack of "generation of independent ideas" which also concerns me in connection with the trade marks at issue here. Although Mondi's registered trade mark pictured above is somewhat stylised and within a border, the evidence of use shows that it has also used the word MONDI in plain typescript. I am satisfied that, for the purposes of the proprietorship issue, the trade marks to be compared side by side are MONDI and MUNDI, *simpliciter*.

Mr Squires argued that, far from what was found in *Kendall*, supra to be an “immaterial variation” between POLYKIN and POLYKEN, the change of the letter “u” in MUNDI to “o” in MONDI clearly differentiates the words in respect of both appearance and pronunciation. Notwithstanding Mr Skelly’s submissions upon how people might possibly pronounce the two words in the same way, I am inclined to agree with Mr Squires. It seems to me that, the fewer letters, that are contained within a trade mark, the more critical a change in those letters becomes, both in appearance and pronunciation. Other important factors are whether the change in letters occurs at the beginning or end of the word, and how many syllables the word has. In all, although the change is only a single letter in both cases, I believe most people would find it far easier to “spot the difference” between MUNDI and MONDI side by side, and pronounce that difference orally, than to similarly differentiate between trade marks such as POLYKIN and POLYKEN. This is despite the “lack of generation of independent ideas” to which I referred above.

In *K-Mart Corporation v Artline Furnishers Supermarkets Pty Ltd*, 23 IPR 149, Assistant Registrar Farquhar dealt with a similar comparison of the trade marks KMART and A MART. She commented, at page 154:

Two of the opponent’s marks differ from the subject mark in respect of only one letter: K instead of A. While in the comparison of some trade marks this sort of difference will not affect their substantial identity with one another, I am satisfied that in this instance it does. The difference is at the beginning of the trade marks; it is the first thing to strike the eye and appeal to the ear. The difference here is, as Mr Anese put it, a fundamental that is taught to young children at school. The overall impression that I gain from the marks is that through their obvious similarity in construction they have an apparent commonality but that this does not amount to a substantial identity.

In spite of my deliberations above, it is not necessary for me to finally decide whether MUNDI and MONDI are, or are not, substantially identical. This is because, irrespective of my finding on that issue, it does not represent the end of the matter as far as determination of proprietorship of the applicant’s trade mark is concerned. There is also the question of which party has shown first use in Australia. In this regard, I am not inclined to find that Mondy has satisfied the initial onus upon it to displace Pam’s claim to proprietorship. Both parties have declared in evidence that they have used their trade marks since 1987. Each

has criticised the other's evidence of advertising from around that period, for lack of any feature identifying that advertising as being intended for the Australian market. I note and accept the criticism of both sets of evidence. By contrast, the earliest invoices of actual sales in Australia tendered in evidence show Pam's sales of "passcases, keycases, money clips, etc" on 3 July 1988. Mondi's earliest sales invoice, mostly relating to clothing, but including "bags", is dated 30 March 1990. Accordingly, I have a situation where first use by both parties is declared to have occurred at approximately the same time, and the earliest documented sales in evidence are attributable to the trade mark applicant.

In all the circumstances, I find that Mondi has not demonstrated to me that it has prior rights in the MUNDI trade mark, for any of the goods specified in the subject application. I therefore find that the opposition has failed on the ground of proprietorship.

Section 33 - deceptive similarity

The legislation

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.

Submissions

Mr Skelly argued that, under the tests for deceptive similarity set out in *Shell Co. of Australia Ltd v Esso Standard Oil (Australia) Ltd*, supra, at 415 and *Australian Woollen Mills Ltd v F.S. Walton & Co Ltd* (1937) 58 CLR 641, the applicant's trade mark MUNDI must be recognised to be deceptively similar to his client's trade mark registration, pictured previously. Mr Skelly also argued that the applicant's broad range of goods in class 18 were goods of the same description as Mondi's "clothing, footwear and headgear in class 25. In support of this argument, he cited *Dinning v New Balance Athletic Shoe Inc* (1992) AIPC 90-931 (the *New Balance* case) and *Re Lavelur* (1989)

AIPC 90-579 (the *Carlo Rossi* case.) He said that these cases showed a move by the Office away from its generally strict application of the familiar tests set down by Romer J in *Jellinek's Appn* (1946) 63 RPC 59 (the *Panda* case). Those tests have been determined as:

- whether the respective goods are of the same nature
- whether they are used by the same people for the same purposes, and
- whether the trade channels are the same.

Mr Skelly submitted that it was desirable for the Office to move to a more realistic recognition that many fashion goods, although they may be of different natures, still have a close commercial nexus. Therefore, goods such as women's clothing, shoes, belts, and handbags were sold through the same trade channels and were goods of the same description.

Mr Squires' submissions strongly opposed this point of view. He said that, in applying the familiar tests, it was "abundantly clear" that Pam's bags, keycases, wallets etc were not goods of the same description as women's clothing, or even footwear.

Discussion

The tests for deceptive similarity are different from those for substantial identity. To determine the deceptive similarity of trade marks, they should not be placed side by side but instead consideration must be given to any overlap between the total impression given by each trade mark. The words of Dixon and McTiernan JJ in *Australian Woollen Mills Ltd v F.S. Walton & Co Ltd*, supra, at page 658 give valuable guidance:

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 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, their

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. Evidence of actual cases of deception, if forthcoming, is of great weight.

I think, given my deliberations above on the finely balanced relative merits of whether the trade marks MUNDI and MONDI are substantially identical, I should concede Mr Skelly's point that the trade marks are at least close enough in appearance to be deceptively similar.

However, the second part of the test under section 33 relates to whether the goods in question are closely related. The two cases cited by Mr Skelly both deal with clothing and shoes, being goods included in the same class, class 25. In the earlier *Carlo Rossi* case, it was found (at page 39,074) that clothing, and boots and shoes were *not* goods of the same description. This was in line with Office practice at the time. However, Hearing Officer Hooton found that use of the same trade mark by different proprietors on both class of goods would be likely to cause deception and confusion in terms of section 28. In the *New Balance* case, Hearing Officer Homann departed from the previous Office practice, by finding that athletic shoes and other articles of sportswear *were* goods of the same description, because the nature and purpose of the goods, as well as the trade origins and trade channels through which they moved, was the same in both cases.

The situation with the trade marks in question here is much different from the *New Balance* case, *supra*. Here, the goods concerned are in quite different classes, which classes are not even cross-searched by the Office for conflicting marks to be cited under section 33. *The Draft Trade Mark Examiner's Manual of Practice and Procedure* examines the tests set out in the *Panda* case, *supra*, in Part 26, Section 3. At the conclusion of 3.4, entitled "Comparison of goods in Classes 25, 28 and 18", it unequivocally states:

Citations should not be raised where clothing (including sports clothing) in Class 25 is specified as the goods of one application or registration and sporting equipment in Class 28 or saddlery, harnesses and whips in Class 18 are covered by another.

The reasons given for this finding are simple, and can easily be applied to the present circumstances. That is, for all that some companies, like Mondri, manufacture both clothing *and* handbags and other fashion accessories, it cannot be said that this is usually the case. (The declarations on Pam's behalf by Mr Florin and Mr Milner attest to this reality.) Further, although it can be said that women's clothing and handbags and purses are sometimes sold from the same outlet, they are not *only* sold in this way. The purpose and nature of the goods must also be considered. In this regard, it is clear that clothing and the goods covered by class 18 are neither made from the same materials, nor used for the same purpose. Shoes and handbags (or whips, harnesses and saddlery as mentioned in the *Examiner's Manual*, supra) may be made from the same materials, but are still far from being used for the same purpose.

For all the above reasons, despite my finding that the respective marks are deceptively similar, I decline to find that a ground of opposition exists under section 33 against the trade mark MUNDI in respect of class 18 goods, in the face of Mondri's trade mark for class 25 goods.

Section 28 - likely to deceive or cause confusion

The legislation

The provisions of this section of the Act read as follows:

A mark -

- (a) the use of which would be likely to deceive or cause confusion;
 - (b) the use of which would be contrary to law;
 - (c) which comprises or contains scandalous matter; or
 - (d) which would otherwise be not entitled to protection in a court of justice,
- shall not be registered as a trade mark.

Submissions

As I briefly explained in the background to this decision, the case law has changed since this opposition was heard, with regard to how the relationship between the paragraphs of section 28 should be interpreted. At the hearing, Mr Skelly made submissions regarding his client's reputation in its trade mark, in terms of paragraph 28(a). He also made submissions

concerning the possibility of blameworthy conduct by the trade mark applicant, as this was previously required to be demonstrated by an opponent in order to be successful under a conjunctive reading of paragraphs 28(a) and (d). However, Mr Skelly conceded that the case for blameworthy conduct by Pam was not strong. He said that his client faced an "extreme problem" as a result of having to argue its case on these two grounds together. In his further submissions subsequent to the findings of *Nettlefold Advertising Pty Ltd v Nettlefold Signs Pty Ltd*, supra, Mr Skelly concentrated his attention upon paragraph 28(a). He submitted that his client's reputation in its trade mark was such that deception and confusion was likely to occur as a result of Pam's use of its trade mark, and that, despite the onus upon it, Pam had done nothing to refute this.

In response, Mr Squires argued that, whether the subsections of section 28 were read conjunctively or disjunctively was immaterial to the present opposition, as Mondi's case failed at the very first hurdle of section 28. That is, it had not demonstrated a sufficient reputation in its trade mark to justify the argument that deception and confusion was likely to occur as a result of Pam's use of its own trade mark.

Discussion

The test to be applied under paragraph (a) of section 28, has been well established by cases such as *Southern Cross Refrigerating Co v Toowoomba Foundry Pty Ltd* (1954) 91 CLR 592, where it was said, at page 608:

Registration should be refused if it appears that there is a real risk that the result of the user of the mark will be that a number of persons will be caused to wonder whether it might not be the case the two products come from the same source.

However, that risk must extend to a substantial number of people likely to be concerned in the purchasing of the goods, per *Kendall Co v Mulsyn Paint and Chemicals*, supra. The relevant date upon which the reputation of the opponent's mark in Australia is to be assessed is the date of lodgment of Pam's application, 23 May 1994. (*Southern Cross*, supra.)

Mr Skelly has submitted that his client has passed the threshold test for demonstrating its reputation in its trade mark in Australia, as at the relevant date. However, after close consideration of the evidence provided, I am not inclined to agree. The sales and advertising figures provided stop at 1992 and, therefore, do not give a complete picture of the situation in 1994, the year of lodgement of Pam's application. Further, the figures relate to a broad range of goods: "fashion goods including shoes, bags, belts, scarves and jewellery", and no breakdown has been given for the bags which have the closest relationship with the applicant's goods. I do have one itemised invoice, from 1994, tendered in evidence. However, the contents of that invoice supports my overall impression that Mondi's main area of interest and sales is women's fashion clothing, and this is where its reputation lies.

Although it is true, in Mondi's case, that it does manufacture both handbags and clothing, and sells both in the same outlet, this is still not the norm. Handbags and clothing are usually sold from separate outlets, or from separate departments in department stores. Further, it is my belief, and this is supported by Mondi's evidence, that if an outlet does sell both fashion clothing and fashion accessories, it sells the accessories especially designed by the clothing manufacturer to complement its own fashion clothing. Thus, a MONDI outlet will sell MONDI fashion accessories in conjunction with its range of MONDI fashion clothing. As Pam does not manufacture fashion clothing, it would be very unlikely to find any of its MUNDI goods sold in close proximity with *any* fashion clothing, much less specifically MONDI clothing which, as I have said, is sold with its own accessories.

Taking the above into account, and following *Kendall Co v Mulsyn Paint and Chemicals*, supra, I do not believe that a substantial number of people would be likely to be deceived or confused by Pam's use of its trade mark MUNDI in the face of Mondi's use of its own trade mark. As I quoted above from *Australian Woollen Mills Ltd v F.S. Walton & Co Ltd*, supra: "Evidence of actual cases of deception, if forthcoming, is of great weight." It is worth observing here that, despite the co-existence in the marketplace of the two marks for over ten years, neither party to this opposition has cited any actual occurrences of deception or confusion of the public.

Accordingly, I find the opposition has not succeeded on its last remaining ground, based upon section 28 of the Act.

Decision

I have found that the opposition has failed on all the grounds relied on at the hearing. I therefore dismiss the opposition and, subject to any appeal from my decision, direct that the trade mark application may now proceed to registration.

Both sides have claimed costs in this opposition. I award costs, according to the official scale, to the successful trade mark applicant, Pam.

Claudia Murray
Acting Hearing Officer
28 May 1999