



TRADE MARKS ACT 1955

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

Re: Opposition by RIVERS (AUSTRALIA) PTY LTD to registration of trade mark application number 642831 in the name of HOME COURT INTERNATIONAL LIMITED

Background

As provided for 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*.

Application number 642831 was lodged on 10 October 1994, in the name of Home Court International Limited (the applicant). The application was for the registration of the trade mark ROCK RIVER for the statement of goods “Shoes and all other goods in this class”, in class 25. The trade mark was advertised as accepted in the *Australian Official Journal of Trade Marks* of 21 September 1995.

Notice of opposition to the trade mark's registration was lodged on 19 March 1996, by Rivers (Australia) Pty Ltd, (the opponent). The notice of opposition listed many grounds but the only matters which were later pursued at the hearing were under s.28, that the use of the trade mark would be likely to deceive or cause confusion, and that it would not be entitled to protection in a court of justice; and under s.33(1), that the present trade mark was substantially identical, or deceptively similar to prior registered trade marks owned by the opponent for the same goods, or goods of the same description. The opponent's attorney, Mr Keith Callinan of Freehill, Hollingdale and Page, did foreshadow at the hearing

that he would be addressing the grounds of the opposition under s.24, that the trade mark was not distinctive of the applicant, and under s.40, that the applicant was not the proprietor of the trade mark, but he did not pursue these in his submissions except as they stemmed from his words related to ss.28 and 33.

The service and lodgment of the evidence in support and answer from the respective parties were completed by 17 October 1996. There was no evidence in reply. The opponent requested a hearing in the matter and it came before me, as a delegate of the Registrar, in Sydney on 2 June 1997. Mr Keith Callinan appeared on behalf of the opponent. The applicant's attorney, Mr Gerard Skelly of Baker & McKenzie, advised that the applicant waived its right to be heard, and said that it relied on the evidence and material on file in the matter.

Evidence

Evidence in Support

Statutory declaration by Phillip Harry Goodman dated 13 June 1996 and Exhibits PHG-1 to PHG-8

Evidence in Answer

Statutory declaration by Gerard James Skelly dated 10 October 1996 and Annexures GJS-1 to GJS-3

Submissions

At the hearing, Mr Callinan, on behalf of the opponent, said that he would only be making reference in his submissions to his client's case under sections 24, 28, 33 and 40 of the Act. He referred to the opponent's evidence in outlining the history of that party's adoption and use of its own prior registered trade marks which included the word RIVERS. This word had been the opponent's primary trade mark since 1983. He said that the opponent had used its trade marks since that date on shoes and then, from 1985, also on clothing. He said that the evidence showed that this use was extensive, the goods being sold nationally in major department stores and also through its own outlets. The marks had been widely

advertised in advertising inserts in newspapers and also at the point of sale. The huge investment in advertising and promotion, together with substantial sales of the opponent's goods, meant that the opponent had a very solid reputation in respect of its trade marks which preceded the date of the present application. This reputation, he said, was so extensive that, if any other trader in like goods used similar or substantially identical trade marks, then consumers would be deceived or confused as to the origin of the goods.

Mr Callinan said that the date at which the relevant facts should be considered was that of the present application for registration. He was critical of the applicant's evidence in answer, saying that the search of the *Fashion Brand Index*, a copy of which was annexed to Mr Skelly's declaration, was conducted two years after the critical date and was therefore invalid. He said that all of the annexures to Mr Skelly's declaration were also not relevant in that they were the result of searches and investigations made well after the relevant date. He said that, in any case, the *Fashion Brand Index* was an extremely unreliable source because it included out of date and incorrect data. He questioned Mr Skelly's credentials with respect to his expertise in, and knowledge of, the clothing retail trade, saying that all of the material included with his declaration was supplied to him from instructing attorneys in the USA, was second hand at best and did not stem from his own experience.

Mr Callinan said that, in contrast, the state of the Trade Marks Register, as at the appropriate date, which revealed trade marks containing the word RIVER in class 25 was an accurate record. He said that only one registration in class 25, that for SNOW RIVER, pre-dated the earliest registration owned by the opponent and the remainder post-dated it. Some of those registrations included references to geographic regions which had been disclaimed under the 1955 Act. In others, it was obvious that the word RIVER was the distinctive integer, as the other material had been disclaimed.

Mr Callinan said that the present case was on all fours with the decision by King J. in the case of *Seven Up Co v Bubble Up Co Inc* (1987) 9 IPR 259, regarding situations where there is a lack of evidence of use of the mark in Australia, where the dominant feature of a trade mark is wholly contained within another mark and also that the burden of proof is on an applicant to show that its mark is eligible for registration. He said that the applicant had provided no response at all to the opponent's considerable evidence showing use of its own marks or the submissions he had made regarding the probability of deception and confusion occurring because of the reputation that the opponent had gained for its marks. He said that, in the *Bubble Up* decision, supra, King J. had referred to s.62(1) and the tests for infringement. He argued that those tests, applied to the present instance, showed that the present applicant would be guilty of such an offence if the subject trade mark was used. This was because the distinctive feature, the word RIVER was wholly contained in the opponent's marks.

He said that, because of the judgment in the case of *New South Wales Dairy Corp v Murray Goulbourn Co-op Co Ltd* 18 IPR 385 - the *Moo/Moove* case, he now needed to show some sort of blameworthy conduct on behalf of the applicant to be successful under the s.28 ground. He said that use of the present trade mark would constitute infringement. This use was therefore action contrary to law and s.28(b) said that a mark which was contrary to law was not registrable. Because it was in such a state the present mark not entitled to protection in a court of justice. He argued that, under the provisions of s.28(b), the Registrar could consider the contravention of another Act in determining whether blameworthy conduct had occurred. He said that, additionally, blameworthy conduct could be held to have occurred because the applicant had failed to conduct proper searches of the Register for deceptively similar marks. Alternatively, such action could be shown if the applicant had been aware of the opponent's trade marks and then applied to register its own mark in the face of them.

In relation to the opponent's case under s.33, Mr Callinan said that the Registrar needed to consider the notional use of both the present mark and all of the opponent's marks on all of the goods covered. He said that there had been no evidence of concurrent use of the competing marks submitted, honest or otherwise. Consequently, there was also no evidence of deception and confusion occurring because the present mark had apparently not yet been used in this country. He said that the present case should be judged in the light of such cases as *Dial an Angel v Sagitaur Services* 19 IPR 171, where it was concluded that marks, there ANGEL versus GUARDIAN ANGEL, may be deceptively similar if one mark seizes an essential feature or idea of another. This was the situation here. Similarly, in the case of *Fitton and Co. Ltd's Appl'n* (1949) 66 RPC 110, the words JEST and EASYJEST were found to be in conflict. Mr Callinan then concluded his submissions by seeking costs in the matter in favour of the opponent.

As I stated previously, the applicant did not appear at the hearing and relied solely upon the material already on file before the hearing.

Discussion

Section 28 - Deception and confusion

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.

The test to be applied under paragraph (a) of these provisions, on which the opponent partly relies, 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 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: *Kendall Co v Mulsyn Paint and Chemicals* (1963) 109 CLR 300. In assessing the reputation of the opponents' mark in Australia, the relevant date is the date of lodgment of the opposed application, 10 October 1994 - *Southern Cross*, supra.

The opponent's reputation at that date in this country, with respect to its own mark and goods, is undisputed. From the evidence, the opponent had established, at the appropriate date, a substantial reputation in this country for its trade marks. I think that it would be fair to say that most people who purchase male casual clothing and shoes would have some knowledge of those trade marks through the extensive advertising which the opponent has carried out. I agree with Mr Callinan that the primary focus of this reputation is on the word RIVERS. From the manner of its use, I think that most users would infer that it was being used in a surnominal and proprietorial sense - RIVERS boutiques, RIVERS shoes, RIVERS shirts and so on - despite the lack of an apostrophe to indicate possession. On the other hand, the applicant has not produced any examples of use of its mark ROCK RIVER. This means I cannot assess its reputation, if indeed it has one, for the goods claimed. I agree with Mr Callinan that the fact that the applicant agreed to disclaim the word ROCK means that more emphasis should be given to the word RIVER as the remaining distinctive feature. However, the mark needs to be considered as a whole and I think that is obvious that it is suggestive of a fanciful place name. As Mr Callinan pointed out, another trade mark which suggests a place name, SNOW RIVER, was on the Register when the opponent first lodged its own RIVERS trade mark. That the latter mark succeeded in gaining registration, in the face of whatever reputation the SNOW RIVER mark possessed. This suggests that the Registrar felt, at that time, that purchasers can make the distinction between trade marks which contain a common word for the same goods, and which respectively suggest a place and a person, without being caused to wonder whether the marks share a common

proprietor. I think that the present instance is analogous and that buyers would not be deceived and confused by the co-existence of the subject trade marks on the Register.

Notwithstanding the above, it is true that there are cases, such as *De Cordova v Vick Chemical Co.* supra, and *Saville Perfumery Ltd v June Perfect Ltd* (1941) 58 RPC 147, where it was found that, if the later mark incorporated the essential or distinguishing feature of the earlier mark, then confusion was likely to result. However, as I have previously said, I do not agree that the present case falls into this category. The common element in the applicant's and opponent's trade marks is the word RIVER. However, as I have said, I think that the inference to be drawn from them is different. Taking all of the preceding factors into consideration, I am satisfied that use of the applicants' trade mark will not lead to deception or confusion. I therefore find that the requirements of paragraph 28(a) have not been made out.

For the foregoing reasons, I find that the opposition fails in relation to the ground under s.28(a). There is therefore no need for me to continue with the discussion as it relates to s.28(d). However, as Mr Callinan made submissions on this ground, I will continue. As he said, following the High Court decision in the *Moo/Moove* case, supra, the Registrar now follows the practice as laid out in the decision of Hearing Officer Homann in *Titan Manufacturing Co v John Terrence Coyne* 22 IPR 613. That is, that all paras of s.28 should be read together. That interpretation has been accepted by Tamberlin J in the recent case of *Canon Kabushiki Kaisha v Brook & Ors*, 1996 AIPC 91-268. This means that, for the opposition to be successful on this ground, had I found that the mark was likely to deceive or cause confusion, then it would also have been necessary to find that it would not be entitled to protection in a court of law.

However, there is nothing before me to show that there has been any blameworthy conduct on the part of the applicant nor any other circumstance which would disentitle the mark to protection in a court of justice. Mr Callinan said that, if the opponent could take

infringement action against the applicant because of use of its mark on the same goods then I should be able to find that the applicant had indulged in blameworthy conduct. However, the question of infringement is for a court of law to decide and I am not convinced that such an action would succeed in the present case, in any event. Mr Callinan said that blameworthy conduct could also reside in the applicant going ahead with its application in the face of the opponent's registrations. However, I do not regard the selection of the present mark to have any sinister connotations. As I have said, I think that the respective marks are suggestive of different things and I do not think that the applicant, in its search for similar marks, would have thought that the co-existence of all of the marks on the Register would cause deception and confusion. Accordingly, I cannot agree that there was anything untoward in this process. I find, therefore, that the requirements of para 28(d) have also not been made out. The opponent's case in terms of s.28 must therefore fail.

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.

In considering the question of whether the mark in question is caught by the provisions of s.33, I must firstly determine whether it is substantially identical with, or deceptively similar to, the marks owned by the opponent.

To judge whether the subject trade mark is substantially identical to the opponent's trade marks, it is necessary to carry out a straight comparison of the marks. The pertinent tests are as outlined by Windeyer J. in the case of *Shell Co (Aust) Ltd v Esso Standard Oil (Aust) Ltd*, (1961) 109 CLR 407. These are:

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 similarity that emerges from the comparison ...

When the marks in question here are compared side by side, they have distinct differences which are readily observed. The applicant's trade mark comprises the words ROCK RIVER. On the other hand, of the opponent's trade marks, all except one feature the word RIVERS. That exception is the word mark RIVER BLUE, which is clearly not substantially identical. Despite the common word RIVER being included in all of the trade marks, the present mark comprises two words suggesting a place name and the opponent's marks are either for the single word RIVERS, or include additional material sufficient to differentiate them from that of the opponent. Having applied the test of Windeyer J., I therefore find that the marks are not substantially identical and move on to decide if the marks are deceptively similar.

Sub-section 6(3) defines a mark as deceptively similar if it is likely to deceive or cause confusion. Here, the marks should not be placed side by side but consideration should be given to any common net impression inferred from the two marks. I refer here to the judgment in *Australian Woollen Mills Ltd v F.S. Walton & Co Ltd* (1937) 58 CLR 641, where Dixon and McTiernan JJ. said:

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.

Here, the situation relies upon the so-called “imperfect recollection” of the marks in the market place. In the present case, there has been no evidence adduced of any instances of actual confusion occurring. I will therefore have to consider the matter from a theoretical viewpoint. I note here that Mr Callinan has said that this is because the present trade mark has not yet been used.

The opponent does have several registered trade marks which include the word RIVERS in class 25 - in addition to its own trade mark RIVER BLUE. However, these trade marks have co-existed on the Register with clothing marks belonging to other traders and which include the word RIVER. These include marks such as SNOW RIVER, RANDY RIVER, SNOWY RIVER, RIVER GUM, WILD RIVER, MARGARET RIVER, RIVER OF SILK and RED RIVER. I have nothing before me to suggest that there have been any instances of deception or confusion between any of the marks mentioned. I therefore cannot believe that the present case would be any different.

For the foregoing reasons, I find that the present trade mark is not deceptively similar to that of the opponent’s registered trade marks for goods of the same description. Therefore, the s.33 ground of opposition is not successful.

Section 24 - Distinctiveness

Section 24 (1) reads:

A trade mark is registrable in Part A of the Register if it contains or consists of-

- (a) the name of a person represented in a special or particular manner;
- (b) the signature of the applicant for registration or of some predecessor in his business;
- (c) an invented word;
- (d) a word not having direct reference to the character or quality of the goods or services in respect of which registration is sought and not being, according to its ordinary meaning, a geographical name or a surname; or
- (e) any other distinctive mark.

The basic requirement for the registration of any trade mark in Part A is that it is distinctive, i.e. adapted to distinguish the goods of its owner from the similar goods of other traders. The test as to whether or not a mark is adapted to distinguish is well established. If the mark is one which other traders would desire to use, without improper motive, upon or in connection with their own goods, then registration will generally be denied - *Clark Equipment Co v Registrar of Trade Marks*, 111 CLR 511.

Nothing was put forward by the opponent to support its assertion that the applicant's trade mark is not adapted to distinguish its products from those of other traders. The application was examined and accepted by the Registrar's delegate with no objections. As I cannot see a reason to overturn this action, I find that the opposition is unsuccessful on this ground.

Section 40 - Proprietorship

Section 40(1) reads:

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

On that subject, McGarvie J. said in the case of *Settef S.p.A. v Riv-Oland Marble Co (Vic) Pty Ltd* 10 IPR 402:

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.

In other words, the first user of the mark in Australia - for the relevant goods and prior to the date of application - becomes the proprietor at common law. That proprietorship, however, is limited to "the same kind of thing", as per Holroyd J. in *Hick's Trade Mark* (1897) 22 VLR 636. Any small amount of use will suffice, but the effect of the act relied on to constitute use must be the creation, in the minds of those concerned, of an impression that goods of a particular trader are being offered for sale in Australia. This has been affirmed in later cases such as in *Seven Up Co v O.T. Ltd* (1947) 75 CLR 203. There were no submissions made, or evidence in support lodged, to suggest that the applicant did not first use its mark in this country and is therefore not the proprietor of the mark in Australia. I therefore find that the opposition is not successful on this ground.

Conclusion

I have found that the opponent has failed on all of the grounds relied upon. It follows that the opposition as a whole has not been successful. Therefore, subject to any appeal from this decision, the trade mark should proceed to registration providing the appropriate fees have been paid.

Costs

I can see no reason why costs should not follow the event and I award costs in the matter of the opposition proceedings to the applicant.

Ian Forno
Hearing Officer

12 September 1997