

TRADE MARKS ACT 1995

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

Re: Opposition by Pedigree Dolls & Toys Limited to Application under Section 92 of the Act by Rachel Ray for Removal of trade mark registration No. 665017 - **SINDY** – in Class 25 held in the name of Pedigree Dolls & Toys Limited.

DELEGATE:	John Spence
REPRESENTATION:	Opponent: Mr. Gerard Skelly, Trade Mark Agent, of Spruson & Ferguson, Patent and Trade Mark Attorneys Applicant: Self-represented. Written submissions only (no appearance).
DECISION:	2008 ATMO 18 Section 92 opposition – existing registration in category of a “famous” mark and international reputation relied upon - opponent has not established use of the relevant trade mark in Australia within the requisite period – threshold test of “person aggrieved” in question – removal application established but not for all goods - exercise of Registrar’s discretion – registration allowed to remain on the Register but with restricted specification of goods

Background

1. The “SINDY” doll which is the product central to this matter can properly claim to be widely known and recognised as a familiar toy in the United Kingdom and in many other countries throughout the world. The “SINDY” trade mark has been extensively used since it was first adopted in England in 1963 and it enjoys an established reputation in respect of dolls. Indeed the contention is put that in the United Kingdom the “girl next door” look of the “SINDY” doll made her more popular at least for a time than the iconic “BARBIE” doll: in that country in 1968 and 1970 the “SINDY” doll was the best-selling toy.¹ As well, among collectors the “SINDY” doll enjoys popularity as a collectable item. In addition the “SINDY” doll claims to have a well-established international reputation.

¹ It features, for example, in Robert Opie’s book *Remember When: A Nostalgic Trip Through the Consumer Era*, Octopus Publishing Group Limited, London, 1999 (at pages 166-167, 177 and 202) where the “SINDY” doll is described as “The free, swinging, grown-up girl who dresses the way *she* likes”.

However in Australia the extent of awareness and reputation which can be made out in respect of the “SINDY” doll is a moot point and is less certain or established.

2. The company Pedigree Dolls and Toys Limited (“the Removal Opponent”) of Devon, United Kingdom is recorded as the registered owner in Australia of a number of marks in respect of the expression “SINDY” and comprising:

Trade Mark: SINDY (word mark)
Number: 187364
Class: 28
Priority Date: 27.4.64
Goods: Dolls, clothing for dolls and toys

Trade Mark: SINDY (stylised)
Number: 657022
Class: 28
Priority Date: 29.3.95
Goods: Toys, games and playthings; excluding in-line skates and their parts and fittings

Trade Mark: SINDY (word mark)
Number: 665017
Class: 25
Priority Date: 27.6.95
Goods: Clothing, footwear and headgear

At an earlier point in time, those registrations were held in the name of Hasbro International, Incorporated, but in Australia the assignment of same to Pedigree Dolls and Toys Limited (and by virtue of a deed of Assignment dated 5th June 1998) was recorded on 12th January 2006. The said registrations continue to remain current and in force and they are recorded as being held in the name of the Removal Opponent.

3. On 3rd October 2003 an application for registration of the trade mark “SINDI” (as a word mark) was filed under No. 972870 in Class 25 in respect of “Clothing, including swimwear and bikinis” in the name of Rachel Kathleen Ray (“the Removal Applicant”). The present status of this application is that it remains pending and that the prosecution of same has been deferred, with the existing registration No. 665017 having been cited against it.

4. On 20th January 2005 Rachel Ray filed an application pursuant to the provisions of Section 92 of the *Trade Marks Act, 1995* (“the Act”) seeking the removal from the Register of the “SINDY” registration No. 665017 in Class 25 and in respect of all the goods in relation to which that mark is registered. The said removal application was advertised in the Official Journal of Trade Marks dated 17th February 2005. The Removal Applicant expressed her claim for removal in terms of paragraph 92(4) (b) of the Act alleging that the registered trade mark had not been used during the relevant three-year period.

Grounds of opposition

5. On 17th May 2005 the Removal Opponent filed a Notice of Opposition to the removal application. While the Notice of Opposition raised five grounds only three of the grounds were maintained, namely that the Removal Applicant is not a “person aggrieved” within the meaning of the Act, that the Removal Opponent has at all times used the trade mark in respect of the goods for which it is registered or goods which are closely related or of the same description, and that in the alternative the Registrar should refuse to remove the trade mark in the exercise of her discretion. At the Hearing it was agreed by the Removal Opponent’s representative that ground (b) (relating to an intention in good faith to use the mark) was not relevant and that ground (c) *bis* (relating to any failure to use being due to circumstances that were an obstacle to use) was not pressed.

Evidence

6. Subsequently, and in accordance with the *Trade Marks Regulations, 1995*, evidence was filed and served by both parties. The said evidence comprises the following, namely:

A. Evidence in Support

- Statutory Declaration of Jerimy George Reynolds made on 18th December 2006 together with the accompanying Exhibits 1 to 10. Mr Reynolds is the Chief Executive of the Removal Opponent.

B. Evidence in Answer

- Statutory Declaration of Marilyn Awad made on 10th April 2007. At that time Ms. Awad was the lawyer representing the Removal Applicant.

C. Evidence in Reply

- Statutory Declaration of Jerimy George Reynolds made on 6th September 2007 together with the accompanying Exhibits A and B.
7. On 15th October 2007 the Trade Marks Office received a further Statutory Declaration made by Rachel Ray on 11th October 2007. That Declaration was not accompanied by any request for the serving of additional evidence. In the course of subsequent correspondence it was clarified that, while in the form of a Statutory Declaration, this document was intended by way of submissions only and not as further evidence, and this document has been treated accordingly.
8. The evidence of the Removal Opponent purports to establish the following, namely that:
- the Removal Opponent is the beneficial and legal owner of the “SINDY” trade mark;
 - the “SINDY” trade mark has been used in the United Kingdom since 1963;
 - the “SINDY” trade mark is well-known in many countries and that it is subject to numerous registrations throughout the world including Australia;
 - it is usual for the Removal Opponent to establish its market in respect of the core product (that is, dolls) before extending the brand to cover the lifestyle range (that is, clothing);
 - sales of dolls under the “SINDY” trade mark in Australia commenced in 1972 and were made until 1997 when the relationship with the then-existing local licensee ended;
 - since 2003 the Removal Opponent has been conducting negotiations with Gaffney International Licensing Pty. Limited with a view to that party becoming the Australian licensee for the “SINDY” products, but that to date no formal appointment has been made;
 - as part of a product relaunch 3,600 “SINDY” dolls were sold in Australia through Coles supermarkets in 2006;

- there is an intention for items of clothing, stationery and cosmetics to be launched under the “SINDY” trade mark in Australia, but that the introduction of same has been delayed until such time as the sales of “SINDY” dolls have redeveloped the market and consumer allegiance to the “SINDY” brand (first Declaration of Jerimy Reynolds at paragraph 14);
- the “SINDY” trade mark is featured on web sites and the Internet (notably www.sindydolly.com and www.sindyshops.com);
- “SINDY” dolls are promoted and sold to international travellers on British Airways flights (including in and out of Australia);
- confusion could arise where customers in Australia encounter the “SINDI” branded goods of the Removal Applicant and erroneously believe that there is a connection between those goods and goods sold under the “SINDY” trade mark of the removal Opponent; and
- the Removal Opponent claims to have the genuine intention to engage in future use of the “SINDY” trade mark on a broader scale in Australia and that planning strategies to that end are already in place.

9. The evidence in answer of the Removal Applicant is limited to a statement by her legal representative (that is, there is nothing directly in evidence from Rachel Ray herself). There is not necessarily anything “untoward” in the Removal Applicant’s attorney making such a declaration in lieu of the Removal Applicant, and an attorney must be able to stand in her client’s shoes on such matters (see Hearing Officer Forno in *Structureco, Inc. v. Starite Distributors Pty. Limited* [1999] ATMO 34). However, it does seem odd to me that, where there is an onus upon the Removal Applicant, there should be no direct evidence from the person who is most involved. In any event, that evidence essentially takes the form of a denial or rebuttal of the material which is expressed by the Removal Opponent in its evidence in support. Much of the evidence in answer is open to objection and challenge (in that it proceeds by way of submission and argument) and it is of limited assistance or value at an evidentiary or factual level. In particular that material informs me very little in relation to the extent (if any) of use of the “SINDI” trade mark by the Removal Applicant. The following salient points do, however, emerge from the evidence in answer, namely that:

- the Removal Applicant chose the name “SINDI” independently and as a combination of the names of her two daughters, Sienna and Indi;

- the Removal Applicant “intends to use” the “SINDI” trade mark in relation to adults’ and children’s swimwear;
- the proposed goods of the Removal Applicant (that is, adults’ and children’s swimwear) are “not in any way associated with dolls”;
- plans by the Removal Opponent to launch clothing products under the “SINDY” trade mark in Australia in the future are considered by her to be irrelevant;
- if customers in Australia have encountered clothing marked with the “SINDI” trade mark of the Removal Applicant such customers would not believe that there is an association with the “SINDY” trade mark of the Removal Opponent; and
- the evidence in support does not establish that any of the registered goods (that is, clothing, footwear and headgear) are sold in Australia.

10. In relation to the issue of the evidence generally, I am struck by the limited nature and scope of the materials which are before me. For the Removal Applicant’s part, there is no evidence of any actual use of her “SINDI” trade mark either in respect of swimwear or otherwise, or that would support the view that such use had taken place. No known or actual instances of confusion or deception occurring are identified or referred to. For the Removal Opponent’s part, there is no evidence which is put forward of actual use of the “SINDY” trade mark in respect of the relevant goods (being clothing, footwear and headgear) in the relevant jurisdiction (that is, Australia) and during the prescribed three-year period (that is, from 20th December 2001 to 20th December 2004).

Hearing

11. By correspondence dated 12th October 2007 the Removal Opponent duly requested that the matter be set down for hearing. In turn, the Removal Applicant (by letter dated 25th February 2008) indicated her intention to be heard. This matter came before me as the Registrar’s delegate for Hearing in Canberra on 26th August 2008. At the Hearing the Removal Opponent was represented by Gerard Skelly of Spruson & Ferguson, Patent and Trade Mark Attorneys. The Removal Applicant has been represented successively by Holding Redlich, Lawyers and by Marshalls and Dent, Lawyers. However by the time of the Hearing the Removal Applicant appears to have been representing herself. In any

event, Rachel Ray did not appear at the Hearing and she was not represented on that occasion, although she did provide written submissions in support of her position. For the Removal Opponent, Mr. Skelly made oral submissions at the hearing and he also provided written submissions setting out the arguments which were put on behalf of his client.

The Law

Preliminary Matters

12. There are several issues of an underlying and fundamental nature which can be dealt with on a preliminary footing, namely:

- (a) *Onus*

In her written submissions (at paragraph 7) the Removal Applicant makes the point that the onus is on the Removal Opponent to rebut any allegation made under paragraph 92(4) (b) of the Act that the “SINDY” trade mark No. 665017 has not been used in the relevant period by the registered owner and in relation to the relevant goods and as is expressly provided by Section 100(1) (c) of the Act. The Removal Opponent has not sought to deny the existence of that onus. For my part, I recognise the burden which the Act imposes on the Removal Opponent and which the Removal opponent must satisfy if it is to succeed. Further, I proceed on the assumption that the relevant standard is that of the balance of probabilities.

- (b) *Relevant Legislation*

For present purposes, it is common ground and accepted both by the parties and by myself that as a matter of interpretation the Act applies to these proceedings in the form in which it stood prior to the *Trade Marks Amendment Act, 2006* and that the wording of Section 92 (and related provisions) is to be applied and understood as it

existed before 23rd October 2006.² The practical result and the consequence of this approach is that in relation to the present proceedings the Removal Applicant is faced with the need to establish that she is a “person aggrieved” within the meaning of that Section. In conducting this Hearing and in reaching my determination of this matter, I have proceeded accordingly.

(c) *Non-Use Period*

The application for removal for non-use was filed on 20th January 2005. Applying the provisions of Section 92 (4) (b), it follows that the relevant non-use period must run from 20th December 2001 to 20th December 2004. I note that both parties in their written submissions concur with that view.

(d) *Period of Registration*

Pursuant to Section 93(2) of the Act, a removal application which relies upon Section 92(4) (b) may not be made until five years after the date on which the trade mark was filed. The subject registration was filed on 27th June 1995. The removal application was filed more than nine years later, and so the requirements of Section 93(2) are properly met.

The Act

13. As at the date on which the removal application was filed, Section 92 relevantly provided as follows:

(1) A person aggrieved by the fact that a trade mark is or may be registered may, subject to subsection (3), apply to the Registrar for the trade mark to be removed from the Register.

...

(4) An application under subsection (1) or (3) (***non-use application***) may be made on either or both of the following grounds, and on no other grounds:

² See consistently the decided cases of *Continental Liqueurs Pty. Limited v. G.F. Heublein & Bro. Inc.* (1960) 103 CLR 422, *Health World Limited v. Shin-Sun Australia Pty. Limited* [2008] FCA 100 and *Apple Computer Inc. v. Todaytech Group Limited* [2007] ATMO 40.

...

(b) that the trade mark has remained registered for a continuous period of 3 years ending one month before the day on which the non-use application is filed, and , at no time during that period, the person who was then the registered owner:

- (i) used the trade mark in Australia; or
- (ii) used the trade mark in good faith in Australia;

in relation to the goods and/or services to which the application relates.

The text in relevant form of Sections 100(1) (c) and 100(3) (a), relating to the burden on the Removal Opponent, and of Section 101, relating to the exercise of the Registrar's discretion, is set out in the Annexure which accompanies this decision.

Non-Use

14. The Removal Opponent bears the onus of establishing that it has use of the "SINDY" trade mark in the relevant sense during the prescribed three-year period and in respect of those goods (that is, clothing) in relation to which that mark is registered. In this regard I accept that while use must be "in the course of trade" it does not necessarily require a sale of the goods: see *Shanahan's Australian Law of Trade Marks and Passing Off*, 2003, Law Book Company, 3rd edition, at paragraph [2.185]. At the same time, if the Removal Opponent intends to rely on only slight evidence of use of the registered trade mark, the evidence should be of high provenance and it will carry more weight if it provides objective, preferably third party, corroboration of the claims (see *Keith Mackrell v. L'Oreal* [2008] ATMO 3 at paragraph 13). Mere assertions of use without sufficient corroboration or documentary support can be given little weight, and any use demonstrated must be substantial enough to be properly characterised as commercial use in accordance with the test in *Imperial Group Limited v. Philip Morris & Co.* [1982] FSR 72 (see *Bisset Automation Pty. Limited v. Seagate Technology LLC* [2008]ATMO 70 at paragraphs 14 and 27).
15. On the materials which are before me, I make the finding that the evidence of the Removal Opponent fails to establish any instances of use by means of actual sales of the "SINDY" trade mark in respect of goods in Class 25 and in Australia during the relevant

period. Indeed in the course of the Hearing I put this issue directly to Mr. Skelly and I asked him to take me to any instance of actual use in the relevant sense having occurred. He was unable to do so. The Removal Opponent seeks to answer and overcome this difficulty and to establish the requisite element of use inferentially and by reliance on the existence of activities other than sales and of other surrounding circumstances which, when considered in their totality, go to establish that the requirements and the onus which exists under Section 92 are satisfied in this instance.

16. Mr. Skelly has pointed out that the “SINDY” trade mark has been used on dolls which have been sold in Australia during the non-use period. However, as the Removal Applicant rightly points out, this use is not relevant for present purposes. I do not doubt that there exists a reputation in favour of the Removal Opponent and in respect of the trade mark “SINDY”. Nonetheless that reputation has been made out only in relation to dolls and accessories for dolls (being goods located in Class 28). I do not find the existence of such a reputation in Australia in respect of any of the goods located in Class 25. I do not accept that accessories for dolls are goods of the same description as clothing.
17. Mr. Skelly pointed to the negotiations which have taken place with Gaffney International Licensing Pty. Limited as constituting something more than mere preliminary discussions and as evidencing an intention to use on the part of the Removal Opponent. However I find that the evidence supports the converse view. The negotiations with Gaffney have taken place over a considerable time span (more than five years), and yet in that prolonged period those negotiations have failed to consummate a commercial arrangement and they remain incomplete. No Licensing Agreement has been concluded or entered into with Gaffney, or indeed with any other party in relation to clothing. While Exhibit 3 to the first Statutory Declaration of Jeremy Reynolds attaches a number of representative Licensing Agreements (pertaining to Turkey) and an Agency Agreement relating to the grant of merchandising licences in the U.K., there is no indication provided of the existence of a Licensing Agreement for Australia and either with Gaffney or with any other party. To the contrary, the negotiations with Gaffney indicate a failure to proceed, they can be interpreted as indicating a lack of interest or commitment on the part

of the Removal Opponent, and they demonstrate that, far from substantiating an intention on the part of the Removal Opponent to enter the Australian market for clothing, the Removal Opponent remains indecisive in relation to this country. In reaching my finding in this regard, I draw support from the decision of Justice Flick in *E. & J. Gallo Winery v. Lion Nathan Australia Pty. Limited* [2008] FCA 934 who found in the context of that case that the negotiations which had there taken place “had not proceeded beyond just that, negotiations.”³

18. Mr. Skelly made reference to the Agency Proposal which was prepared by Gaffney (Exhibit 6), but similar remarks apply in relation to same. While it does refer to items of apparel and fashion accessories, that document is a proposal only. There is nothing in evidence to show that the said proposal was ever implemented, and indeed I draw the reverse inference that it was not. The Agency Proposal document is undated, but it was presumably prepared in 2005 (that is, over three years ago) since it is expressed to address the period 2005-2008.
19. Reliance is placed on the subsequent sales of products bearing the “SINDY” trade mark through Coles stores in 2006 (see Exhibit 7). However the evidence which is provided in this regard relates only to sales of dolls and there is no evidence of sales of clothing or goods located in Class 25 under the trade mark “SINDY” in Australia. In addition, those sales fall outside the relevant non-use period, and indeed they occur well after the removal application was filed.
20. Mr. Skelly made the further point that the range of “SINDY” products including clothing items is offered for sale and made available outside Australia. Supposing for the sake of argument that I were prepared to accept that such sales have occurred in other countries, and even that overseas the Removal Opponent may well have a reputation in respect of the trade mark “SINDY” in relation to clothing, even allowing for such a circumstance that fact would have no bearing on the matter before me and the position is unchanged. In relation to the “SINDY” trade mark in Australia and pertaining to goods in Class 25, the

³ Further, attention is drawn to the discussion by Justice Drummond of the distinction to be drawn between actual use of a trade mark and activities preliminary to use in *Woolly Bull Enterprises Pty. Limited v. Reynolds* (2001) 57 IPR 149 at paragraphs 23-28.

Removal Opponent has provided no evidence of use within the requisite three-year period. That situation, in my view, is not altered or affected by such sales as may be said to have occurred of the British Airways “SINDY” doll as referred to in the supporting evidence.

21. In the course of its submissions, the Removal Opponent made reference to the Internet and to the web sites which are operated by it and which are accessible to Australians. Again, it is well-established that such use is not helpful. In this regard, I refer to the decision of *Ward Group Pty. Limited v. Brodie & Stone Plc & Ors* (2005) 64 IPR 1 at 12 where Justice Merkel observed (at paragraph 43):

“In summary, the use of a trade mark on the internet, uploaded on a website outside Australia, without more, is not use by the website proprietor of the mark in each jurisdiction where the mark is downloaded. However, as explained above, if there is evidence that the use was specifically intended to be made in, or directed or targeted at, a particular jurisdiction then there is likely to be a use in that jurisdiction when the mark is downloaded.”

In addition I refer to the decision of Hearing Officer Nancarrow in *Nordstrom Inc. v. Starite Distributors Inc.* [2008] ATMO 11. I see no reason to depart from the approach which has been adopted in those decisions. In the present instance, there is no evidence to substantiate the fact that Internet use of the “SINDY” trade mark is expressly intended to be directed at Australian customers. Accordingly, I reject the argument that Internet use by the Removal Opponent constitutes evidence of use in the requisite sense.

22. In short, I find that the evidence before me does not serve to establish use of the “SINDY” trade mark in Australia in respect of goods located in Class 25 and during the relevant period. While there may well exist in this country people who are familiar with the “SINDY” trade mark, there is no evidence of actual use of that mark in Australia in the requisite sense during the relevant period and in respect of clothing, footwear and headgear (as distinct from dolls and accessories for dolls). Accordingly, I find that there is insufficient evidence to satisfy me that the burden carried by the Removal Opponent under Section 100 of the Act has been met. I do not agree with Mr. Skelly that the Removal Opponent has demonstrated “a fixed and existing intention” to use the trade mark “SINDY” in respect of clothing in Australia.

Residual Reputation

23. Having failed to satisfy the requirement of use, and as an alternative approach, the Removal Opponent then takes the position of relying on the argument that the “SINDY” trade mark is somehow in an unusual situation or deserves special treatment because it is in the category of a “famous” mark. The reasoning of this argument is that, because of its residual reputation and because of the likely operation and effect of so-called “brand extension”, the level of existing use and reputation of the “SINDY” trade mark in relation to dolls can be said to be sufficiently substantial as to enable the Removal Opponent to claim that that reputation extends to apply in relation to clothing and even though no use is established in respect of same. That being so, it is argued, in the present instance it would be proper and appropriate and in the public interest for the existing entry No. 665017 to be allowed to remain on the Register and in its present form. The basis for the taking of this course is said to be the exercise of the Registrar’s discretion pursuant to the provisions of Section 101 of the Act. Alluring as this argument might appear to be, I am not persuaded by it and for the reasons which I will set out below.
24. At the hearing, Mr. Skelly drew my attention to the article entitled “Gone But Not Forgotten – Fame and Abandonment under Section 92(4) (b) of the Trade Marks Act”, *IPSANZ Journal*, June, 2008, at pages 14-26, and particularly that part of the article which considers the application of the Registrar’s discretion under Section 101. Indeed it is apparent that in his submissions Mr. Skelly places considerable reliance on this article since many of those decided cases to which he refers (notably the *Paragon*, *Hermes*, *Q H Tours* and *Mark Foys v. TVSN* decisions) appear to have been drawn from it. However my reading of the article is that it is directed substantially at trade marks which would seem to have been abandoned but in respect of which there continues to remain an element of residual reputation. As such, the article is of limited direct bearing to the matter at hand. I do not regard the situation of No. 665017 as being one of abandonment. I accept that the reputation of the Removal Opponent in respect of the trade mark “SINDY” remains intact in Australia in respect of dolls, so that the issue of a revival of that mark does not strictly arise. At the same time, I find that there is no use and no reputation which is established by the Removal Opponent in respect of the “SINDY”

trade mark in relation to the relevant goods in Australia (that is, clothing) in the requisite period. Moreover, by way of counter-balance, I refer to the article “Famous Trade Marks: Does Canada Have Lessons for Europe?” by J. Tumbridge [2008] *EIPR* 357, which raises for consideration some of the difficulties encountered in approaching “famous” or “well-known” trade marks.

25. In this instance, I find that the extent and magnitude of the Removal Opponent’s reputation both internationally and in Australia, at least in respect of clothing, is not sufficient to justify the adoption of that approach which is proposed by Mr. Skelly. Indeed, I consider that this factor (that is, the potential status of the expression “SINDY” as a “famous” mark) works to diminish the strength of the Removal Opponent’s argument. I would expect that a successful, sizeable, multinational business with a significant, established reputation in foreign markets would find entry into yet another foreign market (in this instance, Australia) a relatively easy thing to achieve, assuming that there existed the will to do so.⁴ However the evidence of such intent, specific to the Australian market, is unconvincing and it is based on the negotiations with Gaffney that have taken place. Moreover, while the Removal Opponent has other registrations of the trade mark “SINDY” both on the Register in Australia and overseas, it must be remembered that the Removal Applicant too has an interest and that she also has her pending “SINDI” trade mark application together with her interest in removing the present registration. It is necessary for both of those conflicting interests to be taken into account. I am of the opinion that the arguable existence of a reputation at large in respect of the “SINDY” trade mark and on the part of the Removal Opponent and the risk of potential conflict between that mark and the “SINDI” trade mark of the Removal Applicant adds little to the position of the Removal Opponent in relation to the non-use issue. The situation might well be otherwise if Opposition proceedings under Section 52 of the Act were involved.
26. I have earlier found that there has been no use established of the “SINDY” trade mark in Australia in respect of Class 25 goods during the relevant three-year period. I further find

⁴ By way of example, see a similar circumstance in *Nordstrom Inc. v. Starite Distributors Inc.* [2008] ATMO 11 at paragraph 46.

that there are no circumstances before me which establish that the “SINDY” trade mark is a “famous” mark in a sense which requires special treatment or abnormal attention to be afforded to it as is proposed by Mr. Skelly. I decline to exercise the discretion under Section 101 for that purpose, and I do not allow the third ground raised under the Notice of Opposition.

Person Aggrieved

27. Having considered the position of the Removal Opponent and the inability of that party to establish evidence of use in the requisite sense and during the prescribed period, and having determined that the Removal Opponent has failed to discharge its onus under Section 100 of the Act, it is necessary for me to have regard to the position of the Removal Applicant and to the requirements which she must satisfy in making out her case. In particular, in order to meet the requirements imposed on her pursuant to Section 92, the Removal Applicant must establish that she is a “person aggrieved” and that she satisfies the requisite test in this regard. In a real sense, the expression “person aggrieved” is an anachronism. The Act has been amended, and the expression “person aggrieved” has been expunged from the Act in its current form. It is only in relation to matters which commenced pursuant to Section 92 and prior to the amendment date of 23rd October 2006 (as is applicable in the present instance) that this expression continues to have application.
28. The requirement of “person aggrieved” invokes a test that is difficult to satisfy, and a clear understanding of that expression is a problematic matter. There is a considerable body of case law pertaining to the meaning and interpretation of the words “person aggrieved” in the context of Section 92 of the Act. The general statement in this regard is the oft-quoted passage from the decision of Justice McLelland in *Ritz Hotel Limited v. Charles of the Ritz* (1987) 12 IPR 417 at 454, namely:

“It is sufficient for present purposes to hold that the expression would embrace any person having a real interest in having the register rectified, or the trade mark removed in respect of any goods, as the case may be, in the manner claimed, and thus would include any person who would be, or in respect of whom there is a reasonable possibility of his being, appreciably disadvantaged in a legal or practical sense by the register remaining

unrectified, or by the trade mark remaining unremoved in respect of any goods, as the case may be, in the manner claimed. In my opinion, the concept does not admit of further refinement.”

However it must be kept in mind that that decision was made under the former Act of 1955. The 1995 Act has seen clarification of the broad position as more specific instances have received judicial consideration over time. In *Woolly Bull Enterprises Pty. Limited. v. Reynolds* (2001) 51 IPR 149 at 151 Justice Drummond stated:

“An object of the 1995 Act is to create, by registration of trade marks, a species of tradeable property-see ss 21 and 22- but only where such marks are connected with actual or contemplated trade in goods or services. It would be contrary to this object of the 1995 Act to accord standing to a person to attack a registered mark on the ground that that person had made his own application for registration of a conflicting mark where there was no proof that the person either had a trade in goods marked with the mark the subject of his registration application or had a bona fide intention to trade in such goods. Such a person cannot be said to be ‘appreciably disadvantaged in a legal or practical sense’ by a mark he wishes to attack remaining on the register, though he might wish to traffick in marks as distinct from to trade in marked goods.”

29. From the multiplicity of cases which have considered the meaning and interpretation of the expression “person aggrieved” there can be distilled the following general principles, namely:

1. The issue as to whether an applicant for removal of a registered trade mark on the ground of non-use is an aggrieved person is a “threshold question” (see *NSW Dairy Corp v. Murray Goulburn Co-Operative Co. (No. 2)* (1984) 14 IPR 75 at 77).
2. The mere filing of an application for registration without more, even when the registered mark is cited as an obstacle to that application, is not sufficient to make the applicant an “aggrieved person” (see *Kraft Foods Inc. v. Gaines Pet Food Corporation* (1996) 34 IPR 198 at 212).
3. The fact that a party has filed a non-use application is insufficient to establish that party as being “disadvantaged in a legal or practical sense” by the continued registration of a deceptively similar or substantially identical mark (see *Kraft, op. cit.*, at 210; *Woolly Bull, op. cit.*, at paragraphs [6-7]).
4. There must be something more on the part of the Removal Applicant than merely the existence of a pending application for registration or a non-use

application on foot: if not actual use, then there must at least be established a *bona fide* intention to use by the Removal Applicant.

5. When its status as an aggrieved person is properly challenged (as is the present situation), the onus is on the Removal Applicant to prove aggrievement (see *Schutz-Werk GmbH & Co. v. Forecast and Trading Pty. Limited* (1999) 44 IPR 209).
6. The time at which the Removal Applicant must be a “person aggrieved” is at the date of the removal application (see *Kowa Company Limited v. NV Organon* (2005) 66 IPR 131 at 139).

So, the test of “person aggrieved” is a complex and onerous one which a Removal Applicant may well experience difficulty in meeting. Where there is evidence of use on the part of the Removal Applicant the test may be readily satisfied. In the absence of actual use, it is necessary for the Removal Applicant to establish the existence of an intention to use or something more than the mere lodging of a conflicting application by it.

30. In relation to the present instance, the Removal Applicant has lodged an application for registration of the trade mark “SINDI” under No. 972870 and in respect of “Clothing, including swimwear and bikinis” in Class 25. That application has encountered difficulty because of conflict with the prior existing “SINDY” registration No. 665017. In order to overcome that objection, the Removal Applicant has commenced non-use proceedings. However the evidence as filed by the Removal Applicant in relation to those proceedings has failed to establish or provide any actual use of the “SINDI” trade mark by her. It then remains available for the Removal Applicant to satisfy the test of “person aggrieved” by establishing the existence of an intention to use on her part. In this regard, the Statutory Declaration of Marilyn Awad made on 10th April 2007 (and comprising the Evidence in Answer) makes only one reference to an intention to use the “SINDI” trade mark, namely at paragraph 20 where she says:

“The Applicant chose the name ‘SINDI’ after her two daughters’ names, being ‘Sienna’ and ‘Indi’ forming the word ‘Sindi’, and the Applicant intends to use this mark in relation to adult’s (*sic*) and children’s swimwear, which are products that are not in any way associated with dolls.”

Apart from the filing of the pending application No. 972870, that statement is all that is said by way of evidence in relation to the issue of an intention to use. However subsequently, in her written Submissions dated 24th August 2008 (that is, not by way of evidence) and at paragraphs 6 and 7, the Removal Applicant says:

“6. I prepared samples of products bearing the mark SINDI and had agents and stores lined up to sell such products. However, the use of my brand SINDI has been objected to by PDTL and accordingly I am holding onto such stock pending resolution of this matter. I believe that this makes me a “person aggrieved” as required by the current law. There is more than the fact of the disputed application affecting me and PDTL is preventing me from using the word SINDI and selling the stock I have already produced bearing this mark (*The Ritz Hotel Ltd, v. Charles of the Ritz Ltd.* (1998) 12 IPR 417, *Continental Liqueurs Pty. Limited v. G. F. Heublein and Bro Inc.* (1960) 103 CLR 422.

7. In any event, PDTL has not initiated any question as to my standing as a person aggrieved.”

In relation to paragraph 7 above, that statement is clearly untrue since the issue of “person aggrieved” is one of the grounds specifically nominated by the Removal Opponent in the Notice of Opposition.

31. In relation to the issue of the establishing of an intention to use on the part of the Removal Applicant, the situation is not clear-cut or certain and there are serious limitations in the available evidence. In this regard the written Submissions of the Removal Opponent, who relies on the decisions of *Kowa Company Limited v. NV Organon (op. cit.)* and on *Health World limited v. Shin-Sun Australia Pty. Limited* [2008] FCA 100 (being cases where the requirement of “person aggrieved” was not satisfied), make the following points, namely:

- there is no statement in the evidence (as distinct from the Submissions) by Rachel Ray as to her intentions regarding use of the “SINDI” mark;
- there is such a statement in the evidence of the Removal Applicant’s attorney but that party is not in a position to declare as to the state of mind of her client;
- if that statement is accepted as reflecting the intention of the Removal Applicant, it must necessarily follow that the intention is limited to “adults’ and children’s swimwear”; and

- it must further follow that the Removal Applicant does not have the intention to use the “SINDI” trade mark for clothing generally.

32. I agree with Mr. Skelly’s contention that the evidence of the Removal Applicant in relation to the existence of an intention to use is open to challenge. In the Statutory Declaration of Marilyn Awad, the statement which is made that the Removal Applicant intends to use the mark is no more than a *pro forma* assertion which in its function is on a level with the User Declaration Form that is referred to in *Kraft Foods Inc. v. Gaines Pet Foods Corporation* (1996) 34 IPR 198 at 209-10 and that was not taken into account in that case. There is no substantiation or corroboration of that statement by way of evidence. Later, in her written Submissions, further statements are made by Rachel Ray. Those statements are not matters which are in evidence, but they are representations which are put forward by her. Again, those statements are unsubstantiated and uncorroborated. Rachel Ray indicates, in the course of her submissions, that she “prepared samples of products bearing the mark SINDI”, but no such sample as produced by the Removal Applicant has been provided by way of evidence so that the existence of same is a mere assertion and conjectural rather than established fact. Similarly, Rachel Ray submits that she “had agents and stores lined up”, but no details particularising such agents and stores are before me in evidence. The Removal Applicant states that she is holding on to stock pending resolution of this matter, but she makes no attempt to identify, quantify or describe the nature, level or location of that stock or any other information which might substantiate her assertion in this regard. So, there are difficulties in relation to the argument on the part of the Removal Applicant that she has an intention to use the “SINDI” trade mark.
33. Notwithstanding the obvious shortcomings and limitations of the evidence and the arguments of the Removal Applicant on this point, I am unable to exclude entirely or to dismiss the representations which are made by Rachel Ray that she has an intention to use. In particular, I accept that Rachel Ray has designed a range of swimwear and that she has taken steps to secure the name “SINDI” in respect of that range. In my view, the Removal Applicant has established something more than the mere filing of a trade mark application and something less than actual use. The fact remains that there is made out a sufficient basis to justify and substantiate the existence of an intention to use the “SINDI”

trade mark on the part of the Removal Applicant. It may be that the Removal Applicant has failed to express that intention in a proper, formally correct manner, but I accept that nonetheless the requisite intention does exist. That intention, when combined with the existence of the pending trade mark application No. 972870 and the threat to the attaining of acceptance of that application which is presented by the prior conflicting entry No. 665017 “SINDY” of the Removal Opponent, serves to constitute the Removal Applicant as a “person aggrieved”. Adopting the words of the *Ritz Hotel* case (see paragraph 30 above), I accept that the Removal Applicant is a person having a real interest in having the Register rectified and that there is a reasonable possibility of her being appreciably disadvantaged in a legal or practical sense by the Register remaining unrectified. In this instance, there is a sufficient basis to entitle the Removal Applicant to be a “person aggrieved”. At the very least, I am satisfied that the Removal Applicant has established a reasonable probability that she will use the “SINDI” trade mark at such time as she may be able to do so.

34. At the same time, it clearly emerges from the Submissions of the Removal Opponent and from the facts of this matter that the Removal Applicant has not established use or an intention to use in respect of Class 25 goods generally or in relation to all the goods falling within the scope of the existing registration No. 665017. Rather, such intention to use as is made out by Rachel Ray is limited in nature and relates to the specific item “adults’ and children’s swimwear”. There is no evidence or indication on the part of the Removal Applicant of any intention to use the trade mark “SINDI” on any goods located in Class 25 other than swimwear. The Removal Applicant has not established, at least to my satisfaction, that she has an intention to use in respect of all the goods which are included in the existing registration No.665017. That being so, the threshold test of “person aggrieved” is not satisfied by the Removal Applicant in respect of most of the goods in relation to which the registration of the Removal Opponent extends. For that reason, in my view, it would be wrong to remove the existing registration No. 665017 in its entirety. However, as I have indicated in paragraph 33 above, I am satisfied that Rachel Ray meets the requirement of being a “person aggrieved” in respect of the specific item “adults’ and children’s swimwear” as well as in relation to a more general “category” of goods (in the sense as adopted and explained by Justice McLelland in the

Charles of the Ritz decision *op. cit.* at page 455), notably beach wear and casual wear, which can properly be said to fall within the scope of the specification of goods of the existing trade mark registration No. 665017 and which would otherwise serve to prevent the pending application No. 972870 of Rachel Ray from attaining registration. The Removal Applicant can properly claim to be adversely affected by those goods, and therefore she is arguably a “person aggrieved” in respect of same.

35. Three possible avenues occur to me, namely:

(a) that the Removal Applicant completely satisfies the requirement of being a “person aggrieved” in which event the removal proceedings are successful and the “SINDY” registration No. 665017 is entirely removed on the ground of non-use;

(b) that the Removal Applicant completely fails to satisfy the requirement of “person aggrieved” as a threshold test, so that despite the inability on the part of the Removal Opponent to establish use in the requisite sense and in the relevant period the removal application fails in its entirety; or

(c) that the Removal Applicant establishes that she is a “person aggrieved” but only in respect of the restricted and limited goods “adults’ and children’s swimwear” together with goods of a corresponding or related nature (that is, beachwear and casual wear) being the only items in respect of which she can make out an intention to use, and with the result that the existing “SINDY” registration is removed but only partially.

In my view, it is the third approach which is properly applicable in the present instance.

36. However, as earlier indicated above, the third approach gives rise to a further problem or complicating factor and one which has practical implications having regard to the pending “SINDI” application No. 972870 of the Removal Applicant. That application is necessarily a directly related issue, since the removal proceedings presumably have as their objective the intention of enabling the “SINDI” mark to attain acceptance. In this regard, it is apparent to me that the simple and obvious course of imposing a limitation or restriction of the goods of the Removal Opponent merely to the form “Clothing excluding swimwear; footwear; headgear” would be inadequate and that such an amendment would be likely to occasion more difficulty by way of possible confusion and conflict than it would overcome. In particular, having regard to the potential scope of Class 25 and the

extent of meaning of the expression “clothing”, there arises the difficulty of distinguishing the item “swimwear” (being one particular form of clothing) from other items which would properly continue to fall within the scope of Class 25. The two obvious examples which come to mind (and which have earlier been referred to in paragraph 34 above) are the items “beachwear” and “casual wear”, both of which could reasonably be said to include swimwear but each of which is broader in scope and meaning than the goods for which the Removal Applicant has shown an intention to use her trade mark. The distinction which is able to be drawn between swimwear on the one hand and on the other hand beachwear and casual wear would seem to me to be arbitrary in nature. Arguably those items (at least in some part) would constitute goods of the same description. So, it is not possible to draw a neat line or to make a clear distinction between “swimwear” *per se* and certain other items of clothing located in Class 25.

37. In the course of its written submissions (at page 3), the Removal Opponent indicated as a fall-back position that:

“If the Delegate finds that the Opponent has not rebutted the allegation of non-use and is not prepared to exercise discretion in favour of the Opponent, then the SINDY registration ought only be restricted to the extent of an exclusion of swimwear.”

I have considered this proposal. However, for the reason as indicated above, the proposal is not adequate and it is unacceptable. If the goods of the “SINDY” registration are restricted merely by excluding the specific item “swimwear”, that step alone will not satisfy the issue of the pending “SINDI” application of the Removal Applicant because of the continued scope and effect of related goods such as “beachwear” or “casual wear” which would continue to be included in the scope of the existing registration No. 665017 and which would *prima facie* constitute goods of the same or corresponding description as “swimwear”, and in respect of which the Removal Applicant can claim to be a “person aggrieved”. So, it is not sufficient simply to amend the specification of goods of No. 665017 by excluding swimwear. Rather, the related and ancillary items beachwear and casual wear (of which swimwear can be regarded as a sub-set) must also be taken into account and provided for since the said items do have the potential to overlap and conflict

with those goods in respect of which the Removal Applicant has established an intention to use and in relation to which she seeks registration of her own trade mark.

Findings

38. Accordingly, in the present instance, and in seeking to arrive at an outcome which is both fair and practical by means of effecting a suitable amendment to the wording of the specification of goods of the Removal Opponent's existing "SINDY" registration, I find that the Removal Opponent's registration No. 665017 should be removed from the Register but only in part, notably in relation to the items swimwear, beachwear and casual wear. On the basis of the materials and the evidence before me, I reach the finding that Rachel Ray is a "person aggrieved" in the relevant sense both in relation to the specific item "adults' and children's swimwear" and in respect of the related items "beachwear and casual wear", while at the same time she has failed to establish that requirement in respect either of clothing generally or of all the goods which are included within the scope of the "SINDY" registration. Specifically, I make the following findings, namely:

1. That the Removal Opponent has failed to establish use of its "SINDY" registration No. 665017 in the requisite sense.
2. That the Removal Applicant has established that she has an intention to use her "SINDI" trade mark in respect of adults' and children's swimwear, beachwear and casual wear (but not otherwise), and that she satisfies the threshold test of "person aggrieved" but in relation to those items only.
3. That the Removal Applicant has failed to establish that she is a "person aggrieved" in the requisite sense in relation either to clothing generally or to the specification of goods in respect of which the "SINDY" trade mark No. 665017 is registered and other than adults' and children's swimwear and the related goods beachwear and casual wear.

Discretion

39. Because the requirement of “person aggrieved” is a threshold test, it follows that that test must be satisfied as a primary requirement. Having met the threshold test, the Removal Applicant is entitled to have the existing “SINDY” registration No. 665017 removed at least to the extent to which she has been successful. At the same time, the Removal Opponent is entitled to retain its registration in respect of those goods for which the removal proceedings have not been made out. That being so, the fair and proper outcome is to allow the existing registration No. 665017 to remain on the Register but to limit its scope by deleting and excluding from the operation and effect of the specification of goods of that registration the particular items “adults’ and children’s swimwear, beachwear and casual wear”. On that basis the relevant specification of goods of No. 665017 would be amended to read “Clothing excluding adults’ and children’s swimwear, beachwear and casual wear; footwear; headgear”.
40. In arriving at that outcome and in order to effect that result, there arises the need to exercise the discretion of the Registrar as provided in Section 101(1) of the Act and to make the decision to remove the existing trade mark No. 665017 from the Register in respect of “any” but not “all” of the goods to which the present removal application relates. There then needs to be addressed the issue as to whether an existing registration can be removed in part as the result of removal proceedings. This factor received some consideration in *Kowa Company Limited v. NV Organon, op. cit.*, but ultimately it did not need to be determined in that case because the matter was decided on the basis that, the appeal against the Registrar’s decision in the opposition proceedings which were also before the court being allowed, the removal applicant in that instance was no longer a “person aggrieved” and the non-use application failed. However the prospect was at least raised and discussed, and Justice Lander did not find against such an outcome. Indeed his Honour seemed to indicate support for the approach of allowing a partial or limited removal of a registration. In this regard, reference is made to paragraphs 30, 71 and 85-100 of that decision. In particular (at paragraph 71) his Honour noted the submission of the applicant that a partial or limited removal of a registration to certain goods within the class is “unexceptional” and the decisions of *George Weston Foods Limited v. Manildra Flour Mills Pty. Limited* (1999) 47 IPR 145, *Gordon and Rena Merchant Pty. Limited v. Ocky Docket (Australia) Pty. Limited* (1992) 24 IPR 357 and *Le Cravatte di Pancaldi Srl*

v. Camiceria Pancaldi and B Srl (1999) 45 IPR 533 which were relied on in support of that argument. Consistent with the approach taken in those decisions, and as provided for in the terms of Section 100(1) of the Act, in the present instance I see no reason why the existing “SINDY” registration should not be partially removed for those goods where no use has been shown and where the Removal Applicant is a “person aggrieved” while that registration in respect of the remaining goods is otherwise allowed to continue in force.

Decision

41. I am satisfied that there has been no use of the “SINDY” trade mark on the relevant goods and within the non-use period, so that the removal application has been made out. Further the Removal Applicant has failed to establish that she is a “person aggrieved” in respect of clothing generally or in relation to the goods specified in the existing “SINDY” registration other than the items “adults’ and children’s swimwear, beachwear and casual wear”. Having regard to the relevant circumstances and balancing the respective merits, and upon exercising that discretion which is conferred upon the Registrar pursuant to Section 101(1) of the Act, I direct that the specification of goods of the existing registration No. 665017 “SINDY” be amended from the present wording “Clothing, footwear and headgear” to read:

“Clothing excluding adults’ and children’s swimwear, beachwear and casual wear; footwear; headgear”.

Subject to the effecting of that amendment, the existing registration No. 665017 of the Removal Opponent will remain on the Register in its amended form. In addition, I direct that the relevant amendment to the specification of goods should be deferred and should not be effected until the passing of twenty-eight days from the date of this decision (or such time as is properly prescribed) in order to ascertain whether the Registrar has been served with a notice of appeal before that time has expired. In the event that an appeal should be initiated, I direct that the amendment to the specification of goods of the existing Registration No. 665017 shall not occur until such time as the said appeal has been discontinued or determined by the Courts and, in the event that a decision should be

issued from the Courts, that the said registration be subject to such orders as may be made.

Costs

42. Each of the parties has requested costs. As neither party has been entirely successful or has fully made out its case in relation to this matter, I decline to make an order as to costs in favour of any party and I determine that the appropriate course on this occasion is that each party should be responsible for meeting its own costs.

John Spence
Hearing Officer
Trade Marks Hearings
25th February 2009

ANNEXURE

THE ACT

100 Burden on opponent to establish use of trade mark etc.

(1) In any proceedings relating to an opposed application, it is for the opponent to rebut:

(a) any allegation made under paragraph 92(4)(a) that, on the day on which the application for the registration of the trade mark was filed, the applicant for registration had no intention in good faith:

(i) to use the trade mark in Australia; or

(ii) to authorise the use of the trade mark in Australia; or

(iii) to assign the trade mark to a body corporate for use by the body corporate in Australia;

in relation to the goods and/or services to which the opposed application relates (*relevant goods and/or services*); or

(b) any allegation made under paragraph 92(4)(a) that the trade mark has not, at any time before the period of one month ending on the day on which the opposed application was filed, been used, or been used in good faith, by its registered owner in relation to the relevant goods and/or services; or

(c) any allegation made under paragraph 92(4)(b) that the trade mark has not, at any time during the period of 3 years ending one month before the day on which the opposed application was filed, been used, or been used in good faith, by its registered owner in relation to the relevant goods and/or services.

Note 1: If the registered owner of the trade mark has authorised another person to use it, any authorised use of the trade mark by that person is taken to be a use of the trade mark by the registered owner (see subsection 7(3)).

Note 2: For *file*, *month* and *registered owner* see section 6.

Section 100(3) (a) provides:

(3) For the purposes of paragraph 1(c) [*which refers to grounds of removal under paragraph 92(4)(b)*], the opponent is taken to have rebutted the allegation that the trade mark has not, at any time during the period referred to in that paragraph, been used, or been used in good faith, by its registered owner in relation to the relevant goods and/or services if:

(a) the opponent has established that the trade mark, or the trade mark with additions or alterations not substantially affecting its identity, was used in good faith by its registered owner in relation to those goods or services during that period;

Section 101 reads as follows:

101.(1) Subject to subsection (3) and to section 102, if:

(a) the proceedings relating to an opposed application have not been discontinued or dismissed; and

(b) the Registrar is satisfied that the grounds on which the application was made have been established;

the Registrar may decide to remove the trade mark from the Register in respect of any or all of the goods and/or services to which the application relates.

(2) Subject to subsection (3) and to section 102, if, at the end of the proceedings relating to an opposed application, the court is satisfied that the grounds on which the application was made have been established, the court may order the Registrar to remove the trade mark from the Register in respect of any or all of the goods and/or services to which the application relates.

(3) If satisfied that it is reasonable to do so, the Registrar or the court may decide that the trade mark should not be removed from the Register even if the grounds on which the application was made have been established.

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