



TRADE MARKS ACT 1995

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

Re: Opposition by Bose Corporation to registration of trade mark application 702317(9) - BOSS AUDIO- filed in the name of Westjade Pty Ltd.

Background

This issue arises out of the filing of application 702317 in the name of Westjade Pty Ltd ('Westjade') to register the words BOSS AUDIO, in respect of the below goods in Class 9 of the *International (Nice) Classification of Goods and Services*:

Apparatus for recording, transmission and reproduction of sound; namely, motor car audio equipment being radio/cassette players, compact disc players, speakers, woofers, sub-woofers, amplifiers, equalizers and cross-over systems.

Following examination, the application was accepted for registration and advertised in the *Australian Official Journal of Trade Marks* as such on 18 March 1999.

On 20 September 1999, after seeking and receiving an extension of time under the *Trade Marks Act 1995* ('the Act') and regulations thereto, Bose Corporation ('Bose' or 'the 'opponent') filed Notice of Opposition ('the Notice') to the registration of the application.

The grounds stated in the Notice are broad ranging but are predicated on the registrations and reputation of Bose's trade marks.

Hearing

The matter came before me, as a delegate of the Registrar of Trade Marks, in Canberra on 30 October 2001. Margaret Ryan of Phillips Ormonde & Fitzpatrick represented Bose. Gerard Skelly, of Spruson & Ferguson, represented Westjade.

The evidence filed in relation to the matter comprises:

Declarant	Known As	Date Made	Exhibits
Evidence in Support			
Matthew Offord (Managing Director - Bose Pty Limited)	Offord	21 Jan 2000	MO-1 to MO-11
Angela Natalie Reed (Audio Department - Myer Melbourne)	Reed	15 Jun 2000	
John Peressini (Group Sales Manager - Denman Audio)	Peressini	16 Jun 2000	
Matthew Offord 'as above'	Offord 2	19 Jun 2000	MO-12 to MO-14
Evidence in Answer			
Albert Diab (Director - Westjade Pty Ltd)	Diab	15 Feb 2000	AD-1 to AD-7
Gerard James Skelly (Solicitor - Spruson & Ferguson)	Skelly	16 Feb 2000	GJS-1 to GJS-2
Evidence in Reply			
Michael Peter Squires (Solicitor - Phillips, Ormonde & Fitzpatrick)	Squires	7 Aug 2001	MPS-1 to MPS-5
Applicant's Further Evidence			
Gerard James Skelly 'as above'	Skelly 2	6 Jul 2001	GJS-3

The evidence shows that Bose, (which is pronounced in the same way as the word 'Rose') uses its trade mark BOSE on quality audio systems. The applicant, Westjade, of Baulkham Hills, New South Wales, seeks registration in respect of car audio systems.

The first Offord declaration details the history of Bose. The company was started in 1964 in Massachusetts in the United States of America. The founder of Bose, Dr Amar G Bose, is a Professor of Engineering at the Massachusetts Institute of Technology. Dr Bose's research

into audio perception led to a number of technical innovations to loudspeakers which he patented. He subsequently founded Bose to exploit those patents.

Bose has, since then, developed a significant world-wide reputation in small-sized, quality audio products with a significant emphasis on loud-speaker systems, although Bose does produce other audio products such as radios and home theatre systems. BOSE trade marked products have been imported into Australia since 1970 and the first Offord declaration provides financial figures for the years 1993 - 2000. Attachments to the first Offord declaration show the range of products on which the trade mark Bose is used.

Bose trade marks registered in Australia are:

Reg Number: 287239
 Priority date: 14 May 1975
 Goods: Loudspeaker systems and amplifiers
 Trade mark: BOSE

Reg Number: 681413
 Priority date: 20 December 1995
 Goods: Acoustical transducer systems for reproducing sound; loudspeaker systems; electric power processors - namely power amplifiers, inverters, and battery chargers

Trade mark:

BOSE

Reg Number: 727431
 Priority date: 3 February 1997
 Goods: Music systems; acoustical transducer systems for reproducing sound including headsets; loudspeaker systems; electric power processors - namely power amplifiers, inverters and battery chargers

Trade mark:

BOSE

Audio products bearing the trade mark BOSE are promoted by the opponent in magazines, trade shows and exhibitions, signage, point of sale material, direct mail, brochures, pamphlets, dealer networks, stationery, newspapers and television. Samples of advertising and promotional material are exhibited to the first Offord declaration as are the amounts expended by the opponent on advertising and promotional activities.

Natalie Reed, in her declaration, attests that customers who enquire about Bose audio systems often mispronounce the word BOSE as BOSS. Ms Reed also states that she often refers to the opponent's products with the phrase 'Bose audio' or similar.

Mr Peressini attests that his employer sells a range of audio equipment including that of Bose. He has worked in the hi-fi industry for about 20 years and has sold goods bearing the trade mark BOSE for about 10 years. Mr Peressini states that Bose manufactures audio equipment for installation in cars. I understand from the Peressini declaration that this was sold in Australia from around 1987 to 1992, and was available from retail outlets. More recently, Bose audio systems are factory or dealer fitted in some cars sold in Australia - these being, says Mr Peressini, Mercedes, Audi and Mazda.

Mr Peressini also avers that some customers mispronounce the word Bose when inquiring about the opponent's goods sold under the BOSE trade mark and that one of these mispronunciations is the use of the word BOSS.

Offord 2 provides further detail about the Bose car audio system which was sold from retail outlets. The system sold comprised an amplifier, loudspeakers and equaliser. The other system made for installation by car manufacturers into new cars comprises amplifier, loudspeakers, equaliser and radio. In some cars this package is standard - in others, it is an optional extra.

Mr Offord also attests to the fact that some customers mispronounce the word BOSE as BOSS.

It is worth noting at this stage that there was no evidence placed before me which indicated whether any cars with Bose audio systems have actually been sold in Australia. Nor is there any evidence before me which indicates how many Bose car audio systems were made available for Australian retail sales. In the end, however, these are not factors which have affected the outcome of this decision.

For the applicant, Mr Diab avers that the applicant is a wholesaler of car audio products. The audio systems are manufactured overseas to Westjade's specifications and sold to retailers such as Strathfield Car Radio stores in New South Wales, the ACT, Victoria, South Australia, Western Australia and the Northern Territory. Westjade's goods are also sold through Brisbane Car Sound stores in Queensland.

The goods bear various trade marks, including AUDIO BOSS and BOSS AUDIO.

Westjade is the owner of an Australian trade mark registration, details of which are:

Reg Number: 626572
Priority date: 7 April 1994
Goods: Motor car audio equipment, being radio cassette players, compact disc players and associated equipment in this class, being speakers, woofers, amplifiers and equalizers
Trade mark: AUDIO BOSS

During examination of 626572, a registration which is *prima facie* conflicting came to light. Roland Corporation ('Roland') owns trade mark registration 475748 for various non-car audio equipment. The full details of the registration are set out below. Roland consented to the use and registration of Westjade's AUDIO BOSS trade mark by way of letter dated 9 April 1998. A copy of the consent is exhibited to the declaration. Details of the Roland registration are:

Reg Number: 475748
Priority date: 2 November 1987
Goods: Headphone amplifiers; monitor speakers; headphones; electrical apparatus for mixing sound; graphic equalizers; analog or digital effects devices for musical sound; electronic metronomes; accessories, parts and fittings included in class 9 for all the aforesaid goods; none of the aforesaid goods being for use in motor vehicles
Trade mark:



Mr Diab provides separate sales figures for goods sold under the AUDIO BOSS and BOSS AUDIO trade marks. I would characterise these figures as being moderate.

Westjade contributes to the advertising and promotion of its goods sold through Strathfield Car Radio by means of a rebate scheme - examples of the Strathfield advertising are appended to the Diab declaration as are the amounts expended on such advertising.

The declaration of Gerard Skelly brings into evidence details of a number of Australian trade mark registrations which incorporate the word BOSS. These were located via the ATMOSS searching tool on the Trade Mark Office's data-base.

Michael Squires, of Phillips, Ormonde and Fitzpatrick, attests in his declaration to the results of a Freedom of Information request, made by Westjade in relation to the Trade Mark Office file for 626572 (AUDIO BOSS). Briefly stated, that file included information relating to an opposition by a United States corporation, Ava Enterprises Inc ('Ava'). During the course of

those proceedings, evidence came to light which alleged that Westjade had pirated overseas trade marks. Mr Squires also attests that he caused a search of the United States Trade Marks Register and appends a copy of the US certificate of registration which indicates:

Registration number: 1730794
Owner: Ava Enterprises



Trade mark:

Finally, Mr Squires appends material obtained from the Strathfield Car Stereo Website showing that Westjade uses the word BOSS in the same graphical form as Ava.

In his second declaration, Mr Skelly, appends material which shows that the Ava and Bose registrations co-exist on the United States Trade marks Register.

Submissions

Bose, the opponent, pursued grounds of opposition based on sections 58, 44 and 60 of the Act. Some of its argument appears to be predicated upon the United States registration in the name of Ava. However, Ava is not a party to these proceedings. I do not consider that the evidence shows that the Ava registration is material to these proceedings: if copyright is alleged to exist in the Ava trade mark, there is no evidence before me as to who owns that copyright - I have no way of knowing whether the author of the work was Ava or Westjade. Nor is there any evidence which shows that Ava has used its trade mark in Australia prior to use by Westjade and is therefore the prior owner in accordance with the decision in *Riv-Oland*¹. Accordingly, none of the grounds are made out insofar as they relate to Ava.

Argument was also mounted in relation to Australian trade mark registration 475748 in the name of Roland. As I have already mentioned, Roland provided a letter of consent to the use and registration of the opposed trade mark by Westjade. I note that Roland goods are predominantly those that are used for the mixing and amplification of sound at public events such as concerts and that car audio products are specifically excluded from the Roland specification. I also note that it is unlikely that Roland would issue such a letter of consent

¹ . *Riv-Oland Marble Co. (Vic.) Pty Ltd v Settef Sp A* (1988) 19 FCR 569

without qualified legal advice. In terms of the judgment of French J in *Registrar of Trade Marks v Woolworths* [1999] FCA 1020, I am to consider the likelihood of deception and confusion and not the possibility of some speculated deception. French J also observed, at paragraph 47:

The policy of the 1995 Act can be said to some extent to have shifted the balance of the objectives of trade mark law more towards the identification and protection of commercial products and services than the protection of consumers, although the latter remains an objective.

I consider it appropriate, as Roland has issued a letter of consent, and any nexus between the goods in question is hypothetical rather than immediate, that I disregard submission based on the Roland registration.

Reasons

Section 58

Section 58 of the Act provides:

58 Applicant not owner of trade mark

The registration of a trade mark may be opposed on the ground that the applicant is not the owner of the trade mark.

Note: For *applicant* see section 6.

The minimum degree of similarity between trade marks for an opposition to succeed in the comparison under section 58 is that of a 'substantial identity'. In *Carnival Cruise Lines Inc. v. Sitmar Cruises Limited* No. NG788 of 1992 FED No. 68/94 Trade Marks (1994) AIPC 91-049 (1994) 120 ALR 495, Gummow J said (of the decision in *Shell Co. of Australia Ltd v Rohm and Haas Co.* (1949) 78 CLR 601 at 629):

When the decision is understood in this way, it does not supply any general authority for the proposition that in the case of disputed claims to proprietorship under the present statute anything less than substantial identity between the two marks will suffice. The phrase "substantially identical" as it appears in s. 62 (which is concerned with infringement) was discussed by Windeyer J in *The Shell Company of Australia Limited v Esso Standard Oil (Australia) Limited* (1963) 109 CLR 407 at 414. It requires a total impression of similarity to emerge from a comparison between the two marks. In a real sense a claim to proprietorship of the one extends to the other. But to go beyond this is, in my view, not possible. There is, as Mr Shanahan points out in his work, p. 158, real difficulty in assessing the broader notion of deceptive similarity in the absence of some notional user in Australia of the prior mark (something postulated by s. 33) or prior public recognition built up by user (para. 28 (a)).

The trade marks BOSE and BOSS AUDIO, when compared side by side, are quite different. The word AUDIO can, of course, be largely disregarded in the comparison; however, the word BOSS and BOSE are non-identical. The word BOSS has several very well known meanings - the word BOSE has no meaning, but is an unusual surname; the words are pronounced quite differently; they are also different visually. The trade marks are not, therefore, substantially identical.

Bose has therefore not established its opposition to the registration of the trade mark BOSS AUDIO under section 58 of the Act.

Sections 44 and 60

In so far as it is relevant to these proceedings, section 44 provides:

44 Identical etc. trade marks

(1) Subject to subsections (3) and (4), an application for the registration of a trade mark (*applicant's trade mark*) in respect of goods (*applicant's goods*) must be rejected if:

- (a) the applicant's trade mark is substantially identical with, or deceptively similar to:
 - (i) a trade mark registered by another person in respect of similar goods or closely related services; or
 - (ii) a trade mark whose registration in respect of similar goods or closely related services is being sought by another person; and
- (b) the priority date for the registration of the applicant's trade mark in respect of the applicant's goods is not earlier than the priority date for the registration of the other trade mark in respect of the similar goods or closely related services.

Note 1: For *deceptively similar* see section 10.

Note 2: For *similar goods* see subsection 14(1).

Note 3: For *priority date* see section 12.

Section 60 of the Act provides:

60 Trade mark similar to trade mark that has acquired a reputation in Australia

The registration of a trade mark in respect of particular goods or services may be opposed on the ground that:

- (a) it is substantially identical with, or deceptively similar to, a trade mark that, before the priority date for the registration of the first-

mentioned trade mark in respect of those goods or services, had acquired a reputation in Australia; and

- (b) because of the reputation of that other trade mark, the use of the first-mentioned trade mark would be likely to deceive or cause confusion.

Note 1: For *deceptively similar* see section 10.

Note 2: For *priority date* see section 12.

Section 44 and 60 have in common the tests of substantial identity or deceptive similarity. I have already decided that the trade marks are not substantially identical. Although Mr Skelly argued in terms of section 44 that the goods are not similar, there is no doubt that there is a substantial overlap between the goods. The broadest of the Bose registrations is in respect of the goods:

Music systems; acoustical transducer systems for reproducing sound including headsets; loudspeaker systems; electric power processors - namely power amplifiers, inverters and battery chargers

The goods of this opposed application are:

Apparatus for recording, transmission and reproduction of sound; namely, motor car audio equipment being radio/cassette players, compact disc players, speakers, woofers, sub-woofers, amplifiers, equalizers and cross-over systems.

The latter goods all fall within the general expression 'music systems'. (In terms of section 60 of the Act, of course, it is not required that the goods be similar). As the use and priority date of the Bose trade marks predates the priority date or first use of the Westjade trade mark, the issue is resolved to whether the trade marks are deceptively similar.

In any event, and for the reasons set out below, I believe that the trade marks in question are so dissimilar that, there is little to be served by an elaborate consideration of the other elements of sections 44 and 60, such as reputation. In *Woolworths*, above at paragraph 40, French J observed:

In the end there is one practical judgment to be made. Whether any resemblance between different trade marks for goods and services renders them deceptively similar will depend upon the nature and degree of that resemblance and the closeness of the relationship between the services and the goods in question. It will not always be necessary to dissect that judgment into discrete and independent conclusions about the resemblance of marks and the relationship of goods and services. Consistently with that proposition, the Registrar or a judge on appeal from the Registrar could determine in a particular case that, given the limited degree of resemblance between the relevant marks he or she could not be

satisfied, no matter how closely related the goods and services concerned, that the use of the applicant's marks would be likely to deceive or to cause confusion.

Such is the case here. The test for deceptive similarity is the familiar one in *Australian Woollen Mills Ltd v F S Walton and Co Ltd* (1937) 58 CLR 641 at 658 expressed by Dixon and McTiernan JJ at 658 in the following terms:

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, then 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 do not think that the evidence of the mispronunciation of the word BOSE as the word BOSS is of great relevance. The three declarants who have stated that this occurs have not said how often this occurs. I gain the impression from the declarations that this particular mispronunciation is one of a range of mistakes, and I believe that there are other more probable mistakes - for instance 'BOWZE-AY' which is formed by inferring that there is an acute accent over the letter 'E'. The confusion in the minds of the people who use this mispronunciation appears to occur without any reference to the opposed trade mark; and, there are no reports of actual deception or confusion resulting from these occurrences before me. Additionally, it is difficult to see how, if a person saw the opposed trade mark, that person could believe that it was in any way related to their own mispronunciation of a different trade mark. The occurrences appear to me to be atypical and I bear in mind the caution in the above quotation from *Woollen Mills v Walton* about disregarding carelessness or stupidity.

The context of the comparison is important - here the goods may range in price from \$50 or so, through to many thousands of dollars. Never the less, I believe that, whatever the price, audio and stereo appliances are not bought lightly and some attention and caution is involved

in the purchase. The goods are not low cost supermarket items and thus the principles such as those in *Douwe Egberts Koninklijke Tabaksfabriek-Koffiebranderijen-Theehandel N.V. And: Blenders Pty. Limited* (1981) 53 FLR 307 No. G117 of 1981 [the 'Apothecary Jars' case] do not come into play.

I am satisfied that the trade marks at issue are not deceptively similar.

Decision

Section 55 of the Act provides:

55 Decision

Unless the proceedings are discontinued or dismissed, the Registrar must, at the end, decide:

- (a) to refuse to register the trade mark; or
 - (b) to register the trade mark (with or without conditions or limitations) in respect of the goods and/or services then specified in the application;
- having regard to the extent (if any) to which any ground on which the application was opposed has been established.

Note: For *limitations* see section 6.

Bose has not established its grounds and the opposition must therefore fail.

Costs

Section 221 of the Act allows

221 Costs awarded by Registrar

- (1) The Registrar may award costs in respect of the matters, and in the amounts, provided for in the regulations against any party to proceedings brought before him or her.
- (2) A party desiring to obtain costs must apply to the Registrar in accordance with the regulations.
- (3) If a party is ordered to pay the costs of another party, the costs may be recovered in a court of competent jurisdiction as a debt due by the first party to the other party.

Westjade has sought its costs in this matter and I order that Bose pay those costs as per those at Schedule 8 to the regulations.

Ian Thompson
Hearing Officer

21 January 2002