



**TRADE MARKS ACT 1995**  
**DECISION OF A DELEGATE OF THE REGISTRAR OF**  
**TRADE MARKS, WITH REASONS**

Re: Opposition by Civic Video Pty Ltd to the registration of trade mark applications number 703629 and 704103 in the name of Blockbuster Entertainment Inc.

**Background:**

After examination, the Trade Marks Office ("TMO") advertised trade mark applications number 703629 and 704103 as having been accepted for registration. The applicant is Blockbuster Entertainment Inc, which I will refer to simply as "the applicant" from this point.

The applicant is proposing to register the trade mark MAKE IT A BLOCKBUSTER NIGHT, TONIGHT under application 703629 in respect of the following services:

Class 41 Rental of video cassettes, video discs, video cassette recorders, video cameras, video games, video game players, video game accessories, laser disc players, compact discs, compact disc interactive software and hardware and related products; video and virtual reality game arcades; sports and amusement parks including soft play areas, ball pits, rides, tunnels, mazes and bridges for children; entertainment services being the organising, sponsoring and conducting of concerts, music and artistic performances and festivals; arranging ticket reservations for concerts, music and artistic performances and festivals

Class 42 Retail or wholesale of video recordings, video cassettes, sound recordings and related products, accessories and promotional items

That application claims a priority date of 1.3.96.

Also, under application 704103, which claims a priority date of 7.3.96, the applicant seeks registration of the same trade mark for the following goods:

Class 16 Paper goods and printed matter, including gift catalogues, printed awards, pen and pencil sets, decalcomanias, calendars, labels, gift certificates and sheet music; printed publications, including magazines and books dealing with entertainment and music.

In the decision which follows, it will be convenient to refer to the trade mark in the singular, noting at all times that the mark is sought to be registered for a range of goods and services.

Civic Video Pty Ltd ("the opponent") opposes registration of the applications on various grounds. Initially wide-ranging, these have now been restricted to just four:

- the opposed mark is not capable of distinguishing
- use of the opposed trade mark would be likely to deceive or cause confusion
- the applicant is not the owner of the opposed mark and that
- the opposed trade mark 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, such that use of the opposed mark would be likely to deceive or cause confusion.

The opposition process has followed the course set out in the regulations. Both sides served evidence to support their positions.

The opponent relies on its evidence in support, the declaration of Jocelyn Moore, its Group General Manager. In brief, this establishes that the opponent has used the trade mark MAKE IT A CIVIC VIDEO TONIGHT. The first clear-cut use of this was, on the evidence before me, in 1993. That use is, on the face of it, always in close conjunction with the use of the trade mark CIVIC VIDEO, in relation to the hire and sale of video recordings.

The applicant relies on its evidence in answer to the opposition. This consists of the declaration of Rebecca Borden, its Legal Counsel. According to this evidence, the applicant has authorised its Australian subsidiary to use a range of trade marks. Ms Borden has declared that, since opening its first BLOCKBUSTER VIDEO outlet in 1991, the Australian subsidiary company now operates 136 directly-owned stores and an additional 36 by franchise. It is in connection with the running of these stores that the mark MAKE IT A BLOCKBUSTER NIGHT TONIGHT is used in Australia. That trade mark is said to have been devised in the United States in June 1993, but there was no commercial use of the mark here until August 1995.

Examples of radio and in-store video promotion are in evidence. There is no direct evidence of the amount spent on promoting the actual trade mark now at issue. I presume, from the promotional material that is in evidence, that it would in any case be difficult to separate this out from promotion of BLOCKBUSTER VIDEO per se.

The opposition came on for hearing and decision by me, as a delegate of the Registrar of Trade Marks. At that hearing, the applicant was represented by its solicitor, Jennifer McEwan, of the firm

of Minter Ellison, solicitors. The opponent was represented by its solicitor Brett Doyle, of the solicitor firm of Baker and McKenzie.

I turn to the four grounds relied on by the opponent. All four of them are appropriate grounds, specified in Division 2 of Part 5 of the act:

*1. the opposed mark is not capable of distinguishing*

The relevant provisions are those of s 41, which I will reproduce in full except for some explanatory notes that are not relevant to the current matter:

**Trade mark not distinguishing applicant's goods or services**

**41.(1)** For the purposes of this section, the use of a trade mark by a predecessor in title of an applicant for the registration of the trade mark is taken to be a use of the trade mark by the applicant.

**(2)** An application for the registration of a trade mark must be rejected if the trade mark is not capable of distinguishing the applicant's goods or services in respect of which the trade mark is sought to be registered (*designated goods or services*) from the goods or services of other persons.

**(3)** In deciding the question whether or not a trade mark is capable of distinguishing the designated goods or services from the goods or services of other persons, the Registrar must first take into account the extent to which the trade mark is inherently adapted to distinguish the designated goods or services from the goods or services of other persons.

**(4)** Then, if the Registrar is still unable to decide the question, the following provisions apply.

**(5)** If the Registrar finds that the trade mark is to some extent inherently adapted to distinguish the designated goods or services from the goods or services of other persons but is unable to decide, on that basis alone, that the trade mark is capable of so distinguishing the designated goods or services:

- (a) the Registrar is to consider whether, because of the combined effect of the following:
  - (i) the extent to which the trade mark is inherently adapted to distinguish the designated goods or services;
  - (ii) the use, or intended use, of the trade mark by the applicant;
  - (iii) any other circumstances;

the trade mark does or will distinguish the designated goods or services as being those of the applicant; and

- (b) if the Registrar is then satisfied that the trade mark does or will so distinguish the designated goods or services—the trade mark is taken to be capable of distinguishing the applicant's goods or services from the goods or services of other persons; and
- (c) if the Registrar is not satisfied that the trade mark does or will so distinguish the designated goods or services—the trade mark is taken not to be capable of distinguishing the applicant's goods or services from the goods or services of other persons.

**(6)** If the Registrar finds that the trade mark is not inherently adapted to distinguish the designated goods or services from the goods or services of other persons, the following provisions apply:

- (a) if the applicant establishes that, because of the extent to which the applicant has used the trade mark before the filing date in respect of the application, it does distinguish the designated goods or services as being those of the applicant—the trade mark is taken to be capable of distinguishing the designated goods or services from the goods or services of other persons;
- (b) in any other case—the trade mark is taken not to be capable of distinguishing the designated goods or services from the goods or services of other persons.

Note 1: Trade marks that are not inherently adapted to distinguish goods or services are mostly trade marks that consist wholly of a sign that is ordinarily used to indicate:

- (a) the kind, quality, quantity, intended purpose, value, geographical origin, or some other characteristic, of goods or services; or
- (b) the time of production of goods or of the rendering of services.

The correct approach is that I must be satisfied that registration is appropriate. As Branson J held in *Blount v Registrar of Trade Marks* (1998) 40 IPR 498 at 505, this is done where an applicant places before me, "material upon which (I am) persuaded, on the balance of probabilities" that a case has been made. As the judge held:

"The effect of such subsections is that a trade mark is not to be taken as capable of distinguishing the goods or services of an applicant from the goods or services of other persons unless the registrar is satisfied of certain matters or the applicant establishes a certain matter..."

The same page of that judgement also disposes of the argument raised by Ms McEwan that the "presumption of registrability" under s 33 continues to run under s 41. It does not, and there is no benefit of the doubt to be allowed. However, I understand, conversely, that my function as a public servant is not to raise grounds of rejection that are unreasonable, unnecessary or speculative.

At the outset, Mr Doyle addressed s 41(3). He argued that the word "blockbuster" means simply "an epic best-selling book or film". Here he relied on the *Shorter Oxford* dictionary. He described the mark, as a whole, as being "a descriptive word buried within a slogan".

Mr Doyle argued that the applicant, finding registration opposed, is still under an onus to justify its claim to registration. It cannot simply rest on its laurels, relying on the fact that a delegate of the Registrar of Trade Marks has accepted the application for registration. I fully agree with this and note his reference to the case of *Companhia Souza Cruz Industria E Comercio v Rothmans of Pall Mall (Australia) Ltd* - 41 IPR 497. As Wilcox J put it, at 501, "Where a ground of opposition depends on some fact being established, the onus of proof of that fact rests on the party seeking to establish the ground of opposition; nonetheless, an overall onus rests upon the applicant to satisfy the court, in effect acting as the registrar, that the mark should be registered".

Ms McEwan replied that, be those things as they were, there was ample evidence that the trade mark was capable of distinguishing the applicant's goods and services. Also underlying the acceptance are some other relevant facts. The applicant is registered as the owner of the trade mark BLOCKBUSTER VIDEO, under number 493938, in relation to "video rental". It is also the owner of a trade mark comprising the words BLOCKBUSTER VIDEO and the device of a ticket, torn in half. That trade mark is registered under number 493937 for the same "video rental" services. Both trade marks have a date of registration of 24 August 1988 and have been on the register since 1992.

Those trade marks were in turn accepted on provision of evidence of use. However, while I take note of that fact, I will confine my decision in the present matter to the limited evidence that the applicant has sought to rely on in relation to the present application.

That is not to say that I have changed the view I expressed in *Konckier v Amco Wrangler Ltd* (1987) AIPC 90-385. In that case, I was prepared to consider the evidence that the applicant had relied on in gaining acceptance. The evidence had not been served on the opponent but, as material that had brought about the acceptance, I proposed to rely on it. Accordingly, I gave the opponent the opportunity to comment on it. In the present case, there was no additional evidence relied on by the accepting officer other than the plain fact of the applicant's existing registrations. I think that fact can be allowed to speak for itself now, as it did at acceptance. It is for the applicant, if it wishes now to rely on additional facts, such as those supporting the acceptance of the earlier applications, to document those facts.

As to the issue itself, Mr Doyle argued that the trade mark has little or no inherent adaptation to distinguish. He argued that the trade mark is a slogan and that all slogans have low inherent adaptation to distinguish. I do not agree. The problem with slogans is that traders tend to adopt those that show a low level of inherent adaptation. Each slogan must be looked at on its merits. In fairness to Mr Doyle, were the slogan an exceptional one, like "Make it a QGXTLKZ night tonight", I doubt the argument would have been put in its present terms.

Mr Doyle argued that comparison with other expressions such as "Make it a science-fiction night tonight" or "make it a musical tonight" showed that this particular slogan was no better than most. Again, I do not agree. Mr Doyle's other examples are not entirely comparable, though the difference is slight. Since "blockbuster" is descriptive only of the success of a movie, not of its subject matter, a proper comparison with "Make it a blockbuster night tonight" would be "make it an extremely popular movie tonight".

To come to the point, the word "blockbuster" tells a great deal about the success of the movie in question. However, the mark as a whole, "MAKE IT A BLOCKBUSTER NIGHT, TONIGHT," does not so accurately describe the goods or services, nor does it so laud them, as to be entirely lacking in inherent adaptation. However, I think it is equally obvious that, despite this, the trade mark is not so endowed with inherent adaptation as to be prima facie capable of distinguishing the goods and services in question.

Accordingly, this application must either proceed under the provisions of s 41(5) or not proceed at all. There is evidence in front of me of the extensive use of the BLOCKBUSTER VIDEO trade mark. The trade mark MAKE IT A BLOCKBUSTER NIGHT, TONIGHT is also in extensive use, inseparably from the BLOCKBUSTER VIDEO trade mark. I am satisfied that, on the balance of probabilities, the trade mark the subject of the pending applications will come to distinguish the goods and services of the applicant.

Accordingly, I find that the opponent has failed to establish this ground of opposition.

#### *2. use of the opposed trade mark would be likely to deceive or cause confusion*

Here, Mr Doyle relied on s 43, which deals with trade marks that are, inherently, likely to deceive or cause confusion. It provides:

#### **Trade mark likely to deceive or cause confusion**

**43.** An application for the registration of a trade mark in respect of particular goods or services must be rejected if, because of some connotation that the trade mark or a sign contained in the trade mark has, the use of the trade mark in relation to those goods or services would be likely to deceive or cause confusion.

As Mr Doyle argued the matter, the trade mark sought to be registered is a mere slogan, an exhortation to hire a blockbuster video, meaning a video recording of a movie has been a blockbuster success. He noted that not all the movies offered for hire were blockbusters and that therefore, in his view, the mark was inherently deceptive.

Again, I do not agree. I will adapt the words of Kitto J put it in *Southern Cross Refrigerating Co v Toowoomba Foundry Pty Ltd* (1954) 91 CLR 592 at 595 to the current situation:

While a mere possibility of confusion is not enough - for there must be a real, tangible danger of its occurring (*Reckitt & Colman (Australia) Ltd v Boden* (1945) 70 CLR 84 at 94, 95; *Sym Choon & Co Ltd v Gordon Choons Nuts Ltd* (1949) 80 CLR 65 at 79) - it is sufficient if 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 that (all, or an unusually high proportion,

of the videos in the store were blockbuster successes). It is enough if the ordinary person entertains a reasonable doubt.

Common sense says that not all novels can be best-sellers, and neither can all videos. Once the matter is reduced to those terms, I believe that substantially all customers for these goods and services will be saved, by their own common sense, from such an assumption. Some of them, those not familiar with the applicant, may think the trade mark is mere commercial puffery but, even so, there will not be a significant number who will take it so literally, even at first exposure, as to entertain a "reasonable doubt".

*3. the applicant is not the owner of the opposed mark*

It is well established that to succeed under this heading the opponent would have to show prior use of a substantially identical trade mark. Mr Doyle argued that these marks were substantially identical and relied on Windeyer J in *Shell Co of Australia v Esso Standard Oil* (1963) 109 CLR 407 at 414:

... (the two marks) should, I think, be compared side by side, their similarities and differences noted and the importance of these assessed having regard to the essential features of the registered mark and the total impression of resemblance or dissimilarity that emerges from the comparison.

Mr Doyle argued, from this, that what I was required to find under this heading was essential identity, or intrinsic identity, as opposed to absolute identity. I could not agree more, but the principle will not stretch to the present case. The trade marks MAKE IT A CIVIC VIDEO TONIGHT and MAKE IT A BLOCKBUSTER NIGHT, TONIGHT are not, at heart, particularly close. Mr Doyle's argument does not give sufficient weight to the elements BLOCKBUSTER on one hand and CIVIC VIDEO on the other.

Such a conclusion is consistent with the decision of Gummow J in *Carnival Cruise Lines Inc v Sitmar Cruises Ltd* (1994) AIPC 91-049.

*4. the opposed trade mark 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, such that use of the opposed mark would be likely to deceive or cause confusion.*

This question is a re-statement of the ground of opposition provided by s 60. I have already concluded that the marks in question are not substantially identical.

"Deceptively similar" is defined, in section 10, in terms of one trade mark so nearly resembling another that it is likely to deceive or cause confusion. The question becomes a matter of assessing the risk of deception or confusion, assuming the applicant's trade mark to be in notional fair use for any of the goods or services at issue. This is to be done in the light of evidence establishing the opponent's reputation in its trade mark or that otherwise tends either to suggest or negate the possibility of confusion.

Mr Doyle argued that the two competing slogans would be confused or seen as variants of each other. He reminded me that I need to allow for ordinary habits and perceptions, in a field where it was common to act on impulse. He argued that, in such a context, the two marks had the same overall impact. The structure "Make it a .... night tonight" he described as a common feature that would strike the eye and fix itself in the recollection. His argument was that the repeat of the pattern "Make it a .....night tonight" in relation to video hire or to relevant goods would be seen as too much to be coincidental, and a trade connection would be inferred.

He reminded me that the test was not limited to what the applicant has so far done in using its mark. The test is, I agree, "what can the applicant do if it obtains registration".

Individually, the prominent elements BLOCKBUSTER and CIVIC VIDEO cannot be mistaken for each other. I have allowed for an appropriate degree of carelessness or imperfect recollection, applied to the marks as wholes, but even so I do not think that either trade mark will simply be mistaken for the other. For all that those two elements are at the centre of slogans, slogans in themselves are quite common. The features that argue for similarity of the two slogans are outweighed by the essential differences.

I must also consider Mr Doyle's argument that typical customers would be reasonably likely to infer a common source, despite noting and allowing for the points of difference. Those customers, he argued, would assume that the CIVIC VIDEO chain was urging its customers to "hire a successful blockbuster movie (from CIVIC VIDEO) tonight". My conclusion will depend firstly on the reputation of the opponent's trade mark at the priority date of the opposed applications and secondly on what I judge to be the likely reaction of people encountering the applicant's mark.

By the priority dates of the applications, early March 1996 in both instances, MAKE IT A CIVIC VIDEO NIGHT TONIGHT had been in use for three years. Advertising expenditure over that period had not been less than six million dollars. Exhibit B of the Moore declaration suggests the opponent had seven sales outlets in New South Wales in 1990. By 1997, this number had, according to exhibit F of the same declaration, grown to over 260 in all states and territories except for Tasmania. I can infer from the declaration as a whole that, at the priority date, the opponent's

trade mark MAKE IT A CIVIC VIDEO NIGHT TONIGHT was known to a quite substantial number of people, all of whom would also know that CIVIC VIDEO was a trade mark.

I have already concluded, with reference to s 41, that the applicant's mark is capable, in the future, of distinguishing its goods and services. However, I do not consider that the trade mark was distinctive in fact of the applicant's goods and services at the priority date. The reputation of the applicant's trade mark at the priority date was not, therefore, sufficient in itself to have prevented deception.

Nor is it an answer to argue, as Ms McEwan did, that the opponent's mark is always used in a context where its major trade mark, CIVIC VIDEO, is prominent as the source of goods or services traded under its trade mark MAKE IT A CIVIC VIDEO NIGHT TONIGHT. That is true, of course, but will not preclude the sort of deception with which Mr Doyle was concerned. I must allow, as he argued, for what would happen if, in terms of notional fair use, the applicant's mark is encountered, for the first time, in isolation away from a BLOCKBUSTER VIDEO store.

However, Mr Doyle has, I think, over-emphasised the extent to which a connection will be inferred between one slogan and another.

I am sure there would have been many people who knew of the opponent and its trade marks but who, at the priority date, were not familiar with the applicant and its business. These people would have taken the applicant's trade mark as a simple exhortation. Obviously, if their first encounter with the trade mark MAKE IT A BLOCKBUSTER NIGHT TONIGHT was at a BLOCKBUSTER VIDEO outlet, they would not then be confused into assuming a connection with CIVIC VIDEO. Equally, if they came on the trade mark in isolation - perhaps displayed on the side of a bus or the rear of a taxi - then their ignorance of the applicant's business would itself tend to armour them against confusion with the trade marks used by the opponent. They would see the mark, perhaps, as the sort of exhortation for which Mr Doyle had argued. I believe that there would not be a significant number of people who, in such a situation, would have inferred that:

- a) the "exhortation" with which they were confronted was a variant of the opponent's MAKE IT A CIVIC VIDEO NIGHT TONIGHT and
- b) this variation none the less indicated the opponent to be the origin of the goods or services in question.

A mere idle speculation is not enough: *Southern Cross Refrigerating Co v Toowoomba Foundry Pty Ltd* (1954) 91 CLR 592 at 595. There must be what the courts have called a reasonable doubt and a real risk of deception or confusion, though it will not assist the applicant if that doubt, having arisen, is dispelled before the actual sale. As Mr Doyle himself argued, when attacking the

applicant's mark under s 41, "people may not necessarily be expecting a trader to be using a slogan as an indication of trade origin". As applied to those people who, at the priority date, were unaware of the trade mark use of the word BLOCKBUSTER, that is quite appropriate.

The more reasonable and likely responses, from people in general, would be to treat the "exhortation" as just that, or, if they were aware of the applicant and its business, to ignore the apparent coincidence or to write it off as a piece of harmless competition, a "me too" slogan and nothing more.

Therefore, I conclude that the ground under s 60 has not been established.

### **Conclusion**

Having found that no ground relied on by the opponent has been established, I direct that, subject to any appeal from this decision, these applications proceed to registration. I award costs to the applicant.

T. Williams  
Hearing Officer  
26 March 1999.