



## TRADE MARKS ACT 1995

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

Re: Opposition by GERARD INDUSTRIES PTY LTD to the registration of trade mark application number 704329 in the name of JOHN GUNTON PTY LIMITED

#### **Background**

Trade mark application number 704329 was filed on 12 March 1996 in the name of John Gunton Pty Limited (the applicant), seeking registration of the word mark MINDER in respect of goods belonging in two classes:

Class 9 - "Digitally operable building sensor system including passive IR motion detector and IR remote control transceiver, motion detector for a desired part of a building or the like, electronic security system for a building or the like, motion detector security system and apparatus therefor";  
and

Class 11 - "Apparatus for lighting, apparatus for controlling domestic, commercial and industrial lighting systems, apparatus for controlling the occurrence and level of lighting in a building or the like, automated lighting time clock and lighting event controller, apparatus for programming and automatically setting the required lighting levels of lights in a building or the like at predetermined times during a predetermined period, apparatus for overriding the programmed light setting, apparatus for lighting a desired part of a building or the like in response to sensed motion, automated lighting energy management system and apparatus, automated lighting event controlled security system".

Acceptance of the mark was advertised in the *Australian Official Journal of Trade Marks* of 16 January 1997. This advertisement attracted opposition from Gerard Industries Pty Limited (opponent), which filed a notice of opposition 16 April 1997. Of the nine grounds set out in the notice of opposition, at the hearing the opponent concentrated on submissions and evidence based on section 41, that the opposed mark is not capable of distinguishing the applicant's goods and on section 44, that it is deceptively similar to the mark of registration number 461653.

**Evidence**

The evidence in support comprises three statutory declarations accompanied by exhibits. Mr Richard Stuart Catt, patent attorney of Madderns, exhibits search print-outs from the Trade Marks Office data base and copies of extracts from *The Shorter Oxford English Dictionary* and *The Macquarie Dictionary*. Ms Johanna Maria Churchill, senior associate of the firm Norman Waterhouse, has attached print-outs from the data base of the Australian Securities Commission records of companies and business names which incorporate the word "Minder" in the names. The third declaration has been made by Mr Anastasios Tzamtzidis who is the marketing manager of electronic products of the opponent company. The declarant provides a brief history of the opponent's use of the mark MINDER, which, apparently, is usually used in association with the opponent's house mark CLIPSAL and includes information on sales of the goods and on advertising and promotion, supported by relevant exhibits. In his view, the word "Minder" alone is well accepted in the electronic/electrical industry as a totally descriptive term, and a term which is product indicative and not source indicative, when used in relation to electronic control equipment having a minding function.

The applicant has filed three statutory declarations as evidence in answer. The first of these is by Mr Peter Milla, the general manager of the applicant company. Stating that the subject mark was first used by the applicant in November 1994, Mr Milla refers to exhibits to his declaration to support use of the mark MINDER which include stock control reports and brochures relating to the goods and invoices concerning sales under the mark. He sets out, in his declaration, confidential sales and advertising figures in respect of the goods bearing the mark. Copies of brochures and user manuals exhibited to the declaration contain a description of the control network under the mark, and how the various components in the network operate and function together. A further exhibit is purported to show that the opponent does not always use the word MINDER in conjunction with the mark CLIPSAL and that it exists as a separate trade mark. The second declaration is also by Mr Milla exhibiting a photograph of a trade exhibition which shows the opponent's mark MINDER as a registered trade mark. To the third declaration, by Mr James Vernon Maxwell, a legal practitioner, are exhibited copies of an extraction list and abstracts of registrations and applications, all identifying marks incorporating the word MINDER obtained from

the Trade Marks Office data base. A further exhibit shows company and business name extracts for the companies and business names which appear in the search annexed to the declaration by Ms Churchill.

In the evidence in reply, the opponent has filed a declaration by Ms Churchill which responds to Mr Maxwell's assertion that the companies and business names extracts in her first declaration relate only to those names which are registered. In a further declaration by Mr Catt are given details of additional information concerning marks filed in class 9 which contain the word MINDER. Three declarations from persons involved in the electrical trade complete the evidence in reply. All of these declarants attest to their knowledge of the word MINDER as denoting a product of the opponent.

The hearing on the opposition matter was held in Canberra before me, as the Registrar's delegate. Mr David Yates of Counsel, instructed by Mr Richard Catt of Madderns, patent and trade mark attorneys of Adelaide, appeared for the opponent. Ms Julia Baird of Counsel, instructed by Mr James Maxwell of Peter Maxwell and Associates, patent and trade mark attorneys of Sydney, represented the applicant.

***Whether the opposed trade mark distinguishes the applicant's goods***

**Submissions**

Concerning the first issue in suit, Mr Yates said that in considering the applicant's mark MINDER in terms of section 41, the explanatory note in the Act on this section made it explicit that one could rely on case law, particularly as it was applied when dealing with section 24 of the *Trade Marks Act 1955*. The word "Minder" went to the character or quality of the goods which, as indicated in *Australian Law of Trade Marks and Passing Off*, second edition, by D.R. Shanahan, had a broad meaning. Looking at the opposed mark in that light, he submitted that it was directly descriptive of the character and quality of the applicant's goods, describing their attributes and function. He said that the definitions of the word "Minder" extended to inanimate objects, clearly indicating that the goods applied for performed a minding function and that the literature exhibited in the applicant's evidence reinforced that meaning. He then referred to four cases which, in his opinion, made good that point: *Eutectic Corp* (EUTECTIC) AOJP 30.10.80, 3771; *Mary Kay Cosmetics, Inc* (EXQUISITE) (1983) AOJP vol 53, no. 9, 480; *Renmark Industries (Aust) Pty Ltd* (DYNOTUNE)

(1982) AOJP vol 52, no. 44, 2046 and *Beatrice Foods Co* (PIK NIK) (1970) AOJP vol.40, no. 34, 2867. Mr Yates submitted that the word "Minder", when used to refer to items such as lights, sensors, controllers and switches for security systems, was an apt term for describing a characteristic of those items and, without some additional element or feature, it was simply incapable of becoming distinctive of the applicant's goods. One needed only to refer to the heading "ONE MINDER CONTROLS THE ENTIRE PARK" in the *Newsletter, Christmas 1995*, annexed to Mr Milla's declaration, for evidence of aptness for normal description of the word "Minder". By citing *Bowen v Koor Inter-trade* 15 IPR 252, 254, he submitted further that, even if the dictionary meaning did not support the contention that the mark had a direct reference, nevertheless the mark's common usage would signify that it was not adapted to distinguish the goods. He said that other traders were likely to want to use legitimately, in the ordinary course of their business, a word that might describe products which performed a minding function and, in fact, they were already doing so. The commonality of the word was borne out by both the applicant's and opponent's evidence, he said, as illustrated by the results of the business and company names searches and the large number of trade marks containing the word. The fact that various marks containing the word "Monitor" had achieved registration did not mean those marks were inherently adapted to distinguish. Each case depended on its own facts and circumstances, including whether or not the case was opposed. Similarly, in the context of dealing with the company and business names, the evidence indicated the common use of the word. In that regard, it had to be borne in mind that the persons, using the word in relation to security products, alarms, or emergency systems, would be candidates as infringers, should the present mark be allowed registration. Furthermore, the opponent's adoption of the word for use in relation to a minding function, before the date of the present application, was a classic example of a trader using the word legitimately. The descriptive significance of the word "Minder", which was always used in association with the opponent's house brand CLIPSAL, was illustrated in the promotional material included in the opponent's evidence. It was obvious that the word "Minder" alone was well accepted in the electronic/electrical industry as a descriptive term for products or services which had a minding function.

Mr Yates then turned to the registrability of the applicant's mark under subsections 41(5) or 41(6), should it be found, contrary to the opponent's submissions, that the word "Minder" did possess some spark of inherent adaptability. Discussing the information provided in Mr Milla's declaration, Mr Yates said that the given figures showed limited sales of the goods. From the analysis of the invoices in relation to the sales of the items one could see that the figures represented domestic, as well as overseas sales, and where they occurred in Australia, they were restricted to three states: one in Queensland, three in Victoria and six in New South Wales. Moreover, many of the sales, as shown in the invoices, were of items under a different mark, such as, for example, DIMTEK 12 DIMMER. This evidence fell far short of proving that the primary descriptive meaning of the term "Minder" had acquired a secondary meaning through the mark's use in Australia. Mr Yates further submitted that Mr Milla's evidence indicated the applicant's sales of the goods ended 30 June 1997, which was a relevant factor in determining as to whether use of the mark in future would distinguish for the purpose of subsection 41(5).

Continuing to discuss the applicant's evidence with reference to the advertising, Mr Yates commented that, on their face value, the figures given by Mr Milla showed very little expenditure. Considering the actual samples of the advertising material, Mr Yates noted that one of them was obviously directed to a foreign audience, where the words DYNALITE and DyNet appeared as trade marks, and that evidence was lacking to the effect that the brochures had been circulated and used in Australia. In other literature, which included user manuals, a newsletter and an advertisement, the word DYNALITE was displayed prominently and there was no evidence that any of this material was distributed to the public, he said. Furthermore, it was significant that the three declarants from members in the trade had not heard of the mark MINDER as being associated with the applicant, but knew of it as the opponent's CLIPSAL range of products. Mr Yates argued that simply because the applicant had used the word MINDER as a mark, even in a limited way, it would be taken by the public as a badge of origin, as the word had always been accompanied by a distinctive and recognized trade mark DYNALITE. In support, he cited *Re Brian Davis & Co* 8 IPR 192, where the mark WATERWELL had been found not to have acquired a secondary meaning, particularly because it had frequently been used in association with the applicant's house mark. In the present case, Mr Yates said, it was the mark

DYNALITE which was functioning as a badge of origin and served to distinguish the applicant's goods, whereas the word "Minder", almost invariably, was used as a product descriptor. Consequently, even if it was to be accepted that the word had some spark of adaptability to distinguish, the opponent submitted that the use relied upon by the applicant proved the mark was not capable of distinguishing the applicant's goods.

In replying to the opponent's submissions, Ms Baird first discussed the dictionary definitions of the word "Minder", observing that, in order to complete any kind of descriptive meaning of the this word, there must be some other word and noting that throughout the submissions Mr Yates himself had used a phrase rather than the word itself. She said that the word may have some suggestion in relation to certain goods but not others. It was apparent from the specification of the applicant's goods that the word did not have a directly descriptive function with no inherent adaptability; it did not bring to mind exactly what the product was, in the sense considered in *Mark Foys Ltd v Davies Coop & Co Ltd* (1956) 95 CLR 190, and it was not a word apt for normal description without more. Even under the provisions of section 24 of the repealed Act, a mark needed not to be absolutely unsuggestive of quality of the goods for which registration was sought, as per *Burroughs Wellcome & Co's Trade Mark* (1904) 21 RPC 217, at 226 and *J & P Coats Ltd's Appn* (1936) 53 RPC 355. The applicant's goods did not perform a minding function and even from the dictionary definitions of the word it appeared that, without an additional feature, the word would not convey such a function.

In relation to the opponent's submissions on the common occurrence of the word "Minder", Ms Baird said that, firstly, in relation to the registrations, the evidence revealed no mark registered for the word *per se* in class 9 and only one registration for the word in class 11, for "chlorinator". The evidence did show that there were various uses of the word in association with other words which may fall within a number of classes and were registered for a number of different goods and services. The registrations showed that there were a number of marks comprising or including the word MINDER, but Ms Baird did not consider that to be evidence which showed the word to be common to the trade, or indeed what trade it might be common to. Commenting on the business and company searches in the evidence, she said that

none of the extracts contained there related to any goods which may come within the applicant's specifications of goods. Referring to the exhibit of an extract containing the business names in the applicant's evidence and selecting those which, in the applicant's view, related to goods in the relevant classes, Ms Baird noted that most fell within a descriptive use of the word "Minder" by virtue of additional words. That evidence did not support the opponent's claim that there had been first and significant use of the word "Minder" and that this use had been descriptive. Concerning the opponent's submission that the persons whose business or company names incorporated the word "Minder" would be infringing the subject mark if registered, Ms Baird directed my attention to subsection 122(1) of the Act which made it quite clear that a person using the word in good faith would not infringe a registered trade mark. Ms Baird commented further that the opponent's own evidence tended to show that the word can have trade mark significance. Having discussed the opponent's evidence concerning use of the word "Minder", Ms Baird concluded that the opponent had used the word separately, and together with CLIPSAL, after the present application had been filed. It did not support the opponent's claim, she said, that the word "Minder" by itself was descriptive. Rather, it showed that, after the application date, the opponent chose to use the word for a range of products which may have a descriptive component in it. Use of the word descriptively by the opponent did not, of course, constitute any support that the applicant had also used it in a descriptive sense, she submitted. There was no substantiation that, at the time of the application, the word alone was accepted as a descriptive term. If, however, I were to find against the applicant in that regard, the applicant wished to rely on the provisions of subsection 41(5) or subsection 41(6).

With reference to Mr Milla's exhibits, Ms Baird drew my attention to the first sales of the products under the mark on 23 December 1994, pointing to use of the word MINDER in a trade mark sense. It was clear, from the evidence, that the word MINDER was not used as a descriptor, as suggested by the opponent, but functioned as a trade mark, the word DYNALITE appearing as a business name or house mark. Ms Baird cited here, for support, the case of *Johnson & Johnson Australia Pty Ltd v Sterling Pharmaceuticals Pty Ltd* (1991) 21 IPR 1. She submitted that, although the brochure where those goods were illustrated and described might originate from the United Kingdom, it was clear that the applicant's sales in 1994, in Australia, related to

the products contained in the brochure. Therefore, this constituted use, or intended use, as contemplated under subsection 41(5) of the Act. The copies of invoices, which had attracted criticism from Mr Yates, were only a selection showing sales for initial three months and showed use of the word MINDER, in the trade mark sense, in relation to series of products, the word DYNALITE representing the trading name. Ms Baird submitted that, even if one could extrapolate from the evidence only 50% sales of the products in Australia, those sales of the goods were still significant as at the application date. Contrary to the opponent's assertion that the sales had ceased, there was no support of this. While the advertising and promotion had not been huge in dollar terms, it was, nonetheless, commensurate with the price range of the product. Indeed, Mr Milla's declaration demonstrated significant use of the mark in relation to a range of goods sought to be registered by way of sales, advertising and promotion, both prior and after the application had been made, which evidence should satisfy the provisions of subsection 41(5), Ms Baird said.

Concerning the statements of the three declarants who have stated they assumed the mark MINDER to represent the opponent's products, Ms Baird said that the contents of those declarations had to be approached very cautiously, because the declarants had a direct relationship with the opponent and were able to attest that, as at 1998, they had heard of the word being used in relation to the opponent's goods.

### **Analysis**

In *Blount Inc v The Registrar of Trade Marks* (1998) AIPC 91-408, at 37,246, Branson J set out the criteria for considering a mark's registrability in terms of section 41 of the Act:

Subsections (3) to (6) of s 41 of the Act are designed to control the process by which the Registrar is to reach a conclusion as to whether the trade mark for which registration is sought is capable of distinguishing the applicant's goods or services in respect of which the trade mark is sought to be registered ("the designated goods or services"). If the trade mark is not so capable, the application for its registration must be rejected (s 41(2)). Subsection (3) requires the Registrar first to "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". Having taken such matter into account, it is theoretically open to the Registrar to conclude:

- (a) that the trade mark is inherently adapted to distinguish the designated goods or services from the goods or services of other persons and capable,

on that basis alone, of so distinguishing the designated goods or services;  
or

(b) that the trade mark is not to any extent inherently adapted to distinguish the designated goods or services from the goods or services of other persons; or

(c) 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 there is uncertainty, on that basis alone, that the trade mark is actually capable of so distinguishing the designated goods or services.

In the decision, Branson J outlines, in detail, the consequences of these considerations. Her Honour says that, if the Registrar reaches conclusion (a), then the application will be accepted by reason of subsection 33(1). Should the mark fall in the category of (b), the provisions of paragraphs (a) and (b) of subsection 41(6) are brought into operation and the application must be rejected unless the applicant establishes that through use of the mark before the filing date the mark did distinguish the designated goods. If it is found that (c) applies, then the provisions of paragraphs (a), (b) and (c) of subsection 41(5) are brought into operation, which means that in deciding whether the mark is capable of distinguishing the applicant's goods, regard must be had to the combined effect of the extent to which the mark is inherently adapted to distinguish the designated goods, the mark's use, or intended use of the mark by the applicant and any other circumstances.

As to the interpretation of the term "inherently adapted to distinguish" in section 41, her Honour said it had retained the same significance it conveyed under the *Trade Marks Act 1955*. In this connection, in *Clark Equipment Company v Registrar of Trade Marks* (1964) 111 CLR 511, Kitto J explained, at 514:

... the question of whether a mark is adapted to distinguish [is to] be tested by reference to the likelihood that other persons trading in goods of the relevant kind and being actuated only by proper motives - in the exercise, that is to say of the common right of the public to make honest use of words forming part of the common heritage, for the sake of the signification which they ordinarily possess - will think of the word and want to use it in connexion with similar goods in any manner which would infringe a registered trade mark granted in respect of it.

The opponent has expressed the view that the mark MINDER, when applied to the goods stated in the application, is not adapted to distinguish, being a word which

describes those goods as carrying out a minding function and has referred to Mr Milla's declaration of 12 February 1998 to support this contention.

As shown in the copies of the dictionary definitions annexed to Mr Catt' declaration, in *The Shorter Oxford English Dictionary*, the word is described as "1. One who minds: *esp.* one whose business is to attend to something, as *cattle-*, *engine-m.* 2. A child taken care of at a 'minding-school' 1865". And in *The Macquarie Dictionary*, revised edition - "1. One whose occupation is to mind or tend something (usu. Used in combination): *machine-minder*, *baby-minder.* 2. One whose occupation is to protect another person, *esp.* a politician, from doing or saying anything politically detrimental: *The Prime Minister's minder*". I note that in *The Macquarie Dictionary*, third edition, 1997, a further entry has been inserted against the word "minder": "*Originally Brit* one whose occupation is to protect someone, especially from possible physical assault". Whilst it was acknowledged by the opponent that the word "minder" refers to a person who is responsible for minding or protecting someone or something, it was also submitted by the opponent that the word also describes an inanimate object whose function is to mind something. I cannot find support for this proposition, either from the dictionary definitions of the word "Minder", or from the manner in which the mark is used by the applicant. Considering the definitions, it appears that, firstly, the word is used only to describe a person and, secondly, that it is often used in conjunction with a prefixed noun which defines the word "Minder".

Essentially the applicant desires to register the mark MINDER for goods which could be broadly described as digitally operable building sensor systems and electronic security systems, in class 9, and apparatus for controlling lighting, in class 11. Even if, contrary to the recognized and accepted meanings of the word "minder", one were to understand the word, when applied to the applicant's goods, to refer to an object rather than a person that takes care or tends something, i.e. performs a minding function, as contended by the opponent, then this interpretation is not supported by a careful consideration of all of the goods embraced in statements of goods in both of the classes and of perusal of the brochures/user manuals on the nature and application of the goods as shown in Mr Milla's exhibits. Firstly, without a preceding noun, the word "minder", on its own, would not indicate what precisely it is potentially "minding". Further, under exhibit PM-4, second page of the user manual bears the

heading "THE MINDER NETWORK - A FULLY INTEGRATED LIGHTING CONTROL SYSTEM". From the introduction one ascertains that the

"Minder smart home systems are based on an enhanced version the DYNALITE DyNet commercial lighting control network. DyNet is an open general purpose control network which is as simple as possible to install and maintain. In Minder systems the concept of a centralised controller and the complicated task of "binding" individual slave devices to the central controller is completely eliminated. In Minder systems individual devices inherently know what they are and simply listen to and broadcast onto the network bus (cable)."

A brochure marked exhibit PM-2 illustrates and gives a description of the goods under the mark MINDER comprising the lighting control network. Although the brochure has been published in the United Kingdom, I may refer to it for determining the actual nature of the products, their characteristics, inter alia, being described as:

Hand Held Programmer: " ... the ideal device for those users who regularly need to change preset levels and fade times, but who do not wish to use a computer";

Time Clock Controller: " ... It may be used as a management controller or simply to select scenes at present times of the day or week";

Universal Sensors: "... It may be used as a management controller or to automatically select preset scenes according to motion, light level or signals from remote hand held I.R. transmitters";

Hand Held Remotes: "... These units are the ideal complement to a comprehensive control system made up from standard DYNALITE control products".

From the illustrations of the capacities of the applicant's products in the evidence, it appears that the products contain control and reaction elements to light or to motion, indicating that their function in the buildings is to control, observe and to detect, rather than to mind or to tend something. The word "Minder" may be used in the suggestive sense, but, in my opinion, it does not refer to the character or quality of the goods in the context submitted by the opponent. Furthermore, a careful perusal of Mr Milla's exhibits confirms Ms Baird's contention that word DYNALITE features as the applicant's house name, whereas the word MINDER identifies a range of the applicant's products in the control network.

On perusal of the opponent's literature describing the opponent's products, I believe that the word MINDER serves as trade mark, rather than a mere product descriptor,

even though, on the products themselves, it is represented in combination with the opponent's house mark CLIPSAL. Having regard to the dictionary definitions of the word "Minder" discussed previously, any descriptive use of the word "Minder" by the opponent, before the date of the application, does not seem obvious from the material in its evidence, even in the phrase "MINDER - The World's Smartest Housekeeper", which was quoted by Mr Yates. It is also significant to note that, while Mr Tzamtzidis alludes to the "well known descriptive meaning attached to the name" and the opponent's awareness of the widespread usage of the name MINDER in the electrical/electronic field, in particular in relation to security equipment and services for many years, these statements are not substantiated by evidence.

The opponent has argued further that, even if the applicant's mark MINDER was found not to convey the meaning ascribed to it by the opponent, the mark was, nevertheless, not adapted to distinguish the applicant's goods because it had become common to the trade, being used by other traders to indicate goods or services performing a minding function. The opponent's own evidence to support this assertion is contained in Mr Catt's exhibits of copies of the print outs extracted from the Trade Marks Office data base and the search print outs from the Australian Securities Commission records of company and business names incorporating the word "Minder", which are annexed to Ms Churchill's declaration. During the submissions, the opponent also utilized the list of trade marks containing the word "Minder" obtained from the Trade Marks Office by Mr Maxwell, as well as this declarant's exhibit showing details of those companies and businesses which appeared in the exhibit attached to Ms Churchill's declaration.

The words "common to the trade", in relation to trade marks, has been explained by the hearing officer in *Demuth Ltd* (1948) 65 RPC 342, at 344, as follows:

Now, it is, I think, well recognised ... that the phrase "common to the trade" is capable of two meanings, namely, "in common use in the trade" e.g. the device of a cat for gin, the word "Star" in the tobacco trade, suffix "tex" in the textile trade, or "open to the trade to use", and it seems to me that within the category of words "open to the trade to use" must come the ordinary names of goods such as "butter" in the butter trade, or the names of materials from which goods are made such as "leather" for handbags and trunks.

From Mr Maxwell's copy of the extraction list identifying a great many trade marks sought to be registered, which comprise or incorporate the word "Minder", it is apparent that such marks belong in different classes and would cover a wide range of goods and services. However, of the marks that were registered as at the dates of conducting the search on 18 July 1997 and shown in Mr Maxwell's exhibits, seven marks fall within class 9 and one in class 11. With the exception of the goods covered by registration 461653, for the mark MINDER BY MONITOR, it seems to me that none of the other goods in respect of which those marks are registered would fall in the same trade in which the applicant is engaged. Thus, at least as far as the Trade Marks Register is concerned, I do not consider the marks which comprise or include the word "Minder" to be regarded as common to the particular trade carried out by the applicant. Should I be wrong in my assessment of this, I refer to the words of Jacob J in *British Sugar Plc v James Robertson & Sons Ltd* [1996] RPC 281, at 305:

Both sides invited me to have regard to the state of the register. Some traders have registered marks consisting of or incorporating the word "Treat". I do not think this assists the factual inquiry one way or the other, save perhaps to confirm that this is the sort of word in which traders would like a monopoly. In particular the state of the register does not tell you what is actually happening out in the market and in any event one has not idea what the circumstances were which led the registrar to put the marks concerned on the register.

It may be said then that, whilst the discussed evidence indicates that the word "Minder" has been adopted by a number of traders as a desirable and popular word for use in their trade marks for different goods or services, it does not demonstrate that the applicant's mark MINDER, owing to frequency of the word's use in the relevant trade, is not adapted to distinguish the applicant's products from those of other manufacturers.

The evidence concerning the business and company name searches does not, in any way, alter the situation. From the provided records of the various companies and businesses, which include the word "Minder" in their names, it is not possible to be informed of the nature of the their activities, the type of goods in respect of which they trade, or how the word is used in relation to those goods. In my estimation, it simply confirms what has emerged from the trade mark searches, i.e. that the word "Minder" appeals to persons who have chosen to include the word in the name under which they conduct their business activities for that reason.

As I have concluded that the applicant's mark is inherently adapted to distinguish the designated goods from those of other traders, as designated by Branson J in category (a) in *Blount*, supra, it will not be necessary for me to move on to consider the applicant's submissions in relation to subsections 41(5) or 41(6).

***Whether the opposed mark is deceptively similar to an earlier registered mark***

**Submissions**

On this issue, Mr Yates submitted that the opposed mark and the mark of registration number 461653 were substantially identical or deceptively similar and that the respective goods overlapped, or were goods of the same description. He noted that the applicant's mark, in its entirety, formed the first word of the earlier registered mark. The addition of the words BY MONITOR did not affect the meaning and identity of that mark, which were retained in each of the marks. That meant that the marks MINDER and MINDER BY MONITOR, in relation to security systems and related goods, would convey the same idea, with the result that persons could believe the marks to be associated. Even if it was accepted that the marks were not likely to be taken for one another, confusion could still be caused if it were thought that the products were related - *John Lysaght Ltd v Reid Bros and Russell Pty Ltd* [1907] VLR 432. Mr Yates said that, in all the applications for registration, the onus was on the applicant to satisfy the Registrar of no reasonable possibility of confusion.

Responding to the opponent's submissions, Ms Baird considered the mark MINDER BY MONITOR to constitute a phrase, where aurally the strong "M" sound was repeated. The word MONITOR added and supplemented the word MINDER calling to mind a particular description of the goods which was distinct and different from the word MINDER per se. The ideas expressed by the marks were quite dissimilar, according to Ms Baird, and did not connote a related product from a common source. Moreover, there had been no confusion of the marks, and it should be noted that the three trade declarants had made no mention of it. Considering the respective goods, Ms Baird argued that it was difficult to see how emergency alarms could be the same as the applicant's goods. These goods served a different purpose and were not supplied to consumers through the same trade channels. In the applicant's view, it had

discharged its onus; nevertheless, should I decide otherwise, it wished to call in aid the provisions of subsection 44(3).

### **Analysis**

Under the provisions of section 44 -

**44.(1)** Subject to subsection (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) 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.

Under section 10, a deceptively similar mark is defined as one which so nearly resembles another mark that it is likely to deceive or cause confusion.

The opposition, in relation to section 44, is based on a mark registered by ADT Security Pty Limited on 16 March 1987, the representation of the mark being:



Comparing the opposed mark with this mark side by side, as I must do to determine first whether the marks are substantially identical - *Shell Company (Aust) Limited v Esso Standard Oil (Aust) Limited* (1961) 109 CLR 407, at 414-415 - it would be a gross misjudgment for anyone to assert that the mark MINDER, and the mark MINDER BY MONITOR, are virtually the same.

The guidelines on comparing trade marks are found in *Pianotist Co's Appn* (1906) 23 RPC 774, at 777, and in *Australian Woollen Mills Ltd v F.S. Walton & Co Ltd* (1937) 58 CLR 641, at 658, where Dixon and McTiernan JJ have stated:

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.... The usual manner in which ordinary people behave must be the test of what confusion or deception may be expected.

Here, the marks are to be considered independently and in isolation. While the marks display distinct visual and aural differences, the essential element, the word MINDER, is the same in both marks. The additional words "by monitor" in the allegedly conflicting mark qualify the word "Minder" by conveying a meaning that the system incorporates a monitoring device or it monitors, thus creating a somewhat different idea. On this point, I agree with the applicant. Since the words "by monitor" may denote a certain system with a monitoring element, as opposed to a more general one expressed by the word "Minder", the consumers dealing with relatively specialized goods, of the kind bearing the respective marks, are likely to be more discerning than an average purchaser. They would attach some significance to the additional words capturing and retaining in their memory the entire mark or, at least, when encountering the marks, such persons would be more careful to ensure that one mark is not mistaken for the other. Moreover, the fact that the registered mark comprises three clearly distinguishable words, each occupying a line against a contrasting background and surrounded by a rectangle, must also leave a more lasting effect of the whole mark in one's memory than an ordinary a plain one word mark. Consequently, I do not see imperfect recollection, as discussed in such cases as *Rysta Ltd's Appn* (1943) 60 RPC 87 and *de Cordova v Vick Chemical Co* (1951) 68 RPC 103, as being a very significant factor in causing deception or confusion of the marks.

However, there is a strong likelihood that the very distinguishing element between the marks, the descriptive words "by monitor", could well lead the persons to believe that the applicant's products and those embraced by the mark MINDER BY MONITOR originated from the same trader. This aspect was introduced by the opponent in its submissions and it is pertinent in the present case. The customers aware of the mark,

which has been in the market for over ten years, on seeing the mark MINDER might think that the owner of the earlier mark had released a similar product, perhaps, without a monitoring capability in the system. In this regard, I find support in *John Fitton & Co Ltd's Appn* (1949) 66 RPC 110, where, in considering the new mark EASYJEST in face of the registered mark JEST, the Assistant Comptroller said, at 113, that no limitation was to be placed "upon the nature of the confusion or deception so envisaged, whether it be visual or phonetic confusion of the marks themselves, or what is termed contextual confusion, or deception as to the trade provenance of the goods". Thus, it was found that members of the public could assume that the two sets of goods emanated from the same trade source. On this matter, I also seek to rely on *Arendsen's Appn* (1932) 2 APJP 433 and *Kodak (A/asia) Pty Ltd's Appn* (1936) 6 AOJP 1724.

To complete the evaluation of the section 44 issue, there remains, of course, the question of determining whether the applicant's goods are similar to the goods embraced by the earlier said registration 461653, i.e. whether the goods are the same, or of the same description, in accordance with section 14 of the Act. I believe the opponent is correct in maintaining that the goods concerned are of similar description, when considered in light of the factors outlined in *Jellinek's Appn* (1946) 63 RPC 59. The mark MINDER BY MONITOR is registered in respect of

"general and personal emergency and security alarm systems; alarm dialler units; personal emergency transmitters; central monitor controls".

As both statements of goods of the present application include various apparatus and devices for a security system, these goods are not only of a similar nature and serve the same purpose as those of the prior registration, but are also likely to be sold through the same electrical wholesalers and retailers to the same kind of customers.

It was indicated by Ms Baird that, should there be any doubt as to the applicant's case in respect of section 44, it desired to rely on the provisions of subsection 44(3), based on honest concurrent user or other circumstances. The applicant has not addressed this issue separately in any detail, but having regard to the applicant's evidence before me, I do not think the applicant could successfully justify its claim in terms of those provisions.

It is clear from *"GE" Trade Mark* [1973] RPC 297 and *"Granada" Trade Mark* (1979) RPC 303 that, to substantiate a case for honest concurrent user, the evidence of use, inter alia, must demonstrate real commercial value and goodwill in the mark. The relevant use must be use before the filing of the application which, in the present instance, is 12 March 1996. This means that, prior to this date, the applicant's mark had been in use for some sixteen months. From the records of sales turnover and advertising expenditure of the applicant's goods given by Mr Milla in his declaration, it appears that use of the mark in Australia was insignificant, particularly taking into account the fact that, as the selected copies of invoices of the first three months of sales show, considerable amount of the sales under the mark are attributable to the overseas customers, as was also pointed out by Mr Yates. Mr Milla does not state what percentage of the sales amounts represent sales of the applicant's goods in Australia. Even if the turnover covered sales in Australia, the volume and duration of the mark's use could not be considered to be sufficient, in terms of subsection 44(3), in the present case where the risk of potential confusion of the applicant's mark and that of registration 461653 is serious, as discussed earlier.

Ms Baird did not elaborate in her submissions as to what "other circumstances" I ought to consider towards the applicant satisfying the requirements of paragraph (b) of subsection 44(3) of the Act. On assessing the applicant's evidence, I have not been able to find any grounds upon which the applicant could plead that certain circumstances existed which justify registration of the subject mark, notwithstanding the real possibility of it causing deception and confusion.

From the foregoing comments, it follows then that the applicant has failed to discharge its burden in relation to the ground of opposition based on section 44 of the Act.

### **Conclusion**

I have found that the opponent has failed in its ground of opposition concerning section 41 of the Act. It has, however, succeeded in relation to the section 44 ground. The opposition, as a whole, is therefore successful and I refuse to register the mark MINDER, the subject of this application.

**Costs**

In respect of costs, I can see no reason why costs in the matter should not follow the result. Accordingly, I order that the applicant pay the opponent's costs, in accordance with the official scale.

Vija Zars  
Hearing Officer  
22 March 1999