



TRADE MARKS ACT 1995

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

Re: Trade mark application number 761347(31) - COLOUR: PINK - in the name of Flower Carpet Pty Ltd.

Background

Trade mark application number 761347 was filed on 5 May 1998 in the name of Flower Carpet Pty Ltd (the applicant). The application was for registration of the colour pink as applied to pots containing the goods, *rose plants* in class 31 of the *International Classification of Goods and Services*.

The trade mark application was duly examined under the *Trade Marks Act 1995* (the Act), four reports being issued in total. In each report, it was held by the examiner, that the colour pink, as applied for, was not capable of distinguishing the applicant's goods in terms of s41. The ground for rejection was based on the contention that other traders were likely to require to apply the colour pink to pots containing the same or similar goods, and therefore it was not to any extent inherently adapted to distinguish the goods in question. The applicant was advised that, to achieve acceptance of the trade mark, it would need to file persuasive evidence to enable the provisions of s41(6) to be applied. The description of the trade mark provided at filing did not meet Office requirements. The applicant was asked to amend that description to one suggested by the examiner, and to provide a sample of the colour as applied for.

A sample of the colour as applied for was provided by the applicant, who also consented to amend the description of the mark. That description now reads: "The trade mark consists of the colour pink applied to the pots containing the goods, as shown in the examples attached to the application form."

In response to the examiner's reports, the applicant also filed written submissions and evidence on several occasions. Neither the arguments advanced by the applicant, nor the evidence filed, were found to be persuasive. The section 41 ground for rejection was subsequently maintained.

The Registrar ultimately set the matter down for hearing under s203 of the Act. Prior to that hearing, the applicant amended its specification of goods to *ground cover rose plants, including standard or tree ground cover rose plants*.

The matter came before me, as Registrar's delegate, in Sydney on 8 February 2001. Mr Ben Fitzpatrick of counsel, instructed by Mr Trevor Beadle of the attorney firm Freehills Carter Smith Beadle, appeared on behalf of the applicant.

The evidence

The applicant filed nine statutory declarations as evidence in these proceedings. For convenience I have summarised those declarations in the following table.

Name	Date Sworn	Exhibits
Anthony I Tesselaar Director, Flower Carpet Pty Ltd (the first Tesselaar declaration)	4. 2. 99	Exhibits A-D
David Gordon Executive Director, Nursery Industry Association of Victoria	17. 5. 00	
Roger Heyne Director, Heyne Nursery Pty Ltd	18. 5.00	
Jane Edmanson Writer and presenter of gardening programmes	6. 6.00	
Anthony I Tesselaar Director, Flower Carpet Pty Ltd (the second Tesselaar declaration)	12. 9.00	
Neville Passmore Gardening show presenter and writer	27. 9.00	Exhibit PV-1
George Holland	9.10.00	
Margot Buckeridge	24.10.00	
Rodney John Thorpe Director, Flower Carpet Pty Ltd	7. 2.01	Exhibits RT1-RT3

The first Tesselaar declaration states that the applicant adopted the trade mark in 1992, and has used it continuously since that date. The declaration sets out volume of sales of goods bearing the trade mark from 1992-1998, which are in the tens of millions. Advertising figures for the corresponding period are provided, and these are also considerable. Exhibits A, B and C include a sample pot, depicting the colour pink as applied for, examples of advertisements used to secure registration in the United States market, and samples of advertisements and promotional material used in the Australian market. Exhibit D is a copy of the trade mark's United States Certificate of Registration. Mr Tesselaar also attests to the applicant's belief that rose plants and other plants are generally sold in pots coloured dark green, black or terracotta, and that, at the time of filing, it was the only trader selling its roses in pink pots.

In his second declaration Mr Tesselaar provides evidence that the applicant has actively promoted the pink coloured pot as a trade mark. He also states that, while some of the pink pots are stamped with the applicant's house trade mark FLOWER CARPET, certain plants, which are marketed in larger pots, are not so stamped. He asserts that customers distinguish the applicant's rose plants from those of other traders by identification of the pink pot, rather than by the label or stamped brand, which is not visible at a distance. Further details of sales figures are provided.

The Thorpe declaration provides similar information relating to adoption of the pink pot and the subsequent promotion of the applicant's goods as "The rose in the pink pot". Exhibits RT1 to RT3 inclusive are samples of advertising and promotional material, copies of scripts and a video tape of radio and television promotions. Mr Thorpe declares the applicant holds between 70-75% of the groundcover rose market, and has done so since 1992. Evidence is also put forward as to the advantageous function of black and dark green pots and the discrete market in which roses are sold.

Expert trade evidence is provided by way of the Gordon, Heyne, Edmanson and Passmore declarations. The declarants, each of whom have considerable experience in the nursery industry, all attest to an association of roses in pink pots with the applicant, Flower Carpet Pty Ltd. They also state that, in their opinion, nursery customers would use the pink pots to distinguish rose plants marketed by the applicant, and would be confused if some other entity were to market its rose plants in pink pots.

The remaining two declarations filed are those of consumers, Buckeridge and Holland. Both declarants state they recognise rose plants in pink pots as belonging to the applicant and would distinguish FLOWER CARPET roses from similar rose plants by way of the pink pot.

Submissions

At the hearing, Mr Fitzpatrick made quite lengthy submissions on the applicant's behalf. His arguments went firstly towards the applicant's belief that the trade mark is 'capable of distinguishing' under s41(5). Mr Fitzpatrick said that, as pink is an unusual colour for rose pots (the colours commonly used being black, green or terracotta), the trade mark has some degree of inherent adaptation to distinguish. He also argued all the following points: The trade mark has been used and promoted extensively both in Australia and overseas, and has achieved registration in the United States of America. At the time of filing the applicant was the only party in Australia presenting its roses for sale in pink pots. Sales and advertising figures were very high and there was strong evidence the applicant had promoted its goods as "The rose in the pink pot". This evidence, combined with the expert trade evidence and consumer evidence filed, he claimed, was sufficient to demonstrate the trade mark is capable of distinguishing the goods in question, and therefore it should be accepted under the terms of s41(5).

To support his argument, Mr Fitzpatrick referred me to examples of single colour trade marks which achieved registration under earlier trade marks legislation - Australian trade mark registration 427578, PINK BATTIS, and the United Kingdom *Blue Paraffin* case ([1977] RPC 493).

In the event that I was not persuaded to consider the trade mark under s41(5), Mr Fitzpatrick also argued the case in terms of s41(6).

He submitted that, contrary to a contention made by the examiner during the course of examination of the trade mark, it was not essential for the applicant to provide a market survey before the trade mark could be accepted. It was also not necessary to demonstrate that the buying public identified the pink pot by the term "trade mark". As established by *Blount Inc v Registrar of Trade Marks* 40 IPR 498 (the *Oregon* case), a trade mark could be accepted under s41(6) on the basis of sales figures and trade evidence that proved that the buying public associated the trade mark with the goods. He contended that, in combination, the

evidence presented was sufficient to demonstrate that the trade mark did distinguish the applicant's goods at the time of filing.

Reasons

The term "trade mark" is defined at s17 of the Act, as follows:

What is a trade mark?

17. A *trade mark* is a sign used, or intended to be used, to distinguish goods or services dealt with or provided in the course of trade by a person from goods or services so dealt with or provided by any other person.

Note: For *sign* see section 6.

A sign is defined in s6 as:

sign includes the following or any combination of the following, namely, any letter, word, name, signature, numeral, device, brand, heading, label, ticket, aspect of packaging, shape, colour, sound or scent.

A sign must be capable of distinguishing the applicant's goods in terms of s41 of the Act before it can qualify for registration.

Section 41 states:

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.

Note 1: For *applicant* and *predecessor in title* see section 6.

Note 2: If a predecessor in title had authorised another person to use the trade mark, any authorised use of the trade mark by the other person is taken to be a use of the trade mark by the predecessor in title (see subsection 7(3) and section 8).

(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.

Note: For *goods of a person* and *services of a person* see section 6.

(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.

Note 1: For *goods of a person* and *services of a person* see section 6.

Note 2: Use of a trade mark by a predecessor in title of an applicant and an authorised use of a trade mark by another person are each taken to be use of the trade mark by the applicant (see subsections (1) and 7(3) and section 8).

(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.

Note 2: Use of a trade mark by a predecessor in title of an applicant and an authorised use of a trade mark by another person are each taken to be use of the trade mark by the applicant (see subsections (1) and 7(3) and section 8).

A trade mark may only proceed to acceptance if the Registrar is satisfied that it is capable of distinguishing under the provisions of s41. If the Registrar is satisfied the trade mark is capable of distinguishing, s33(1) binds the Registrar to accept the trade mark. If the Registrar is not satisfied the trade mark is capable of distinguishing, and the applicant fails to show otherwise, the Registrar must reject the application in terms of s41(2) and 33(2) (the *Oregon* case, *supra*).

The operation of s41 was considered by Branson J in the *Oregon* case, supra. At 504 Her Honour observed that, in applying the provisions of s41, and in deciding whether a trade mark is capable of distinguishing, the Registrar has three options. He or she may 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 distinguishing the designated goods or services.

If the Registrar reaches conclusion (a), no ground for rejection under s41 exists. If the application has been made in accordance with the Act, and there are no other grounds for rejecting it, the Registrar is bound to accept the trade mark under s33(1).

If the Registrar reaches conclusion (b), the onus then reverts to the applicant to establish, that because of the extent to which the applicant has used the trade mark before the filing date of the application, the trade mark does distinguish the designated goods or services. If the applicant demonstrates this, the Registrar must find the trade mark is capable of distinguishing in terms of s41(6). If the Registrar is satisfied the application has been made in accordance with the Act, and there are no other grounds for rejecting it, the Registrar is then bound under s33(1) to accept the trade mark. If the applicant fails to establish its trade mark does distinguish the designated goods or services, the Registrar must reject the application in terms of s41(2) and s33(3).

If the Registrar reaches conclusion (c), the onus is then on the applicant to establish that, by the combination of the extent to which it is inherently adapted to distinguish, and/or the use or intended use of the trade mark by the applicant, and/or any other circumstances, the trade mark does or will distinguish the designated goods or services in terms of s41(5). If the Registrar is satisfied that the applicant has discharged the onus on it to so establish, s33(1) again binds the Registrar to accept the trade mark. If the applicant does not discharge the onus on it to so establish, the Registrar must reject the trade mark in terms of s41(2) and s33(3).

Inherent adaptation to distinguish has been defined as a quality of the trade mark itself, which cannot be acquired through use in the marketplace. In *Burger King Corporation v Registrar of Trade Marks* (1973) 128 CLR 417, Gibbs J made the following observation:

Inherent adaptability is something which depends on the nature of the trade mark itself and therefore is not something that can be acquired; the inherent nature of the trade mark itself cannot be changed by use or otherwise.

In *Clark Equipment Co v Registrar of Trade Marks* (1964) 111 CLR 511, at 514 Kitto J set out the well-known test for determining a trade mark's adaptation to distinguish, and later in *F H Faulding & Son Ltd v Imperial Chemical Industries of Australia and New Zealand Ltd* (1965) 112 CLR 537 His Honour summarised that test as follows:

The question to be asked in order to test whether a word is adapted to distinguish one trader's goods from the goods of all others is whether the word is one which other traders are likely in the ordinary course of their business and without any improper motive, to desire to use upon or in connection with their goods.

Although that test was framed in the context of adaptation to distinguish, the underlying principle is appropriate for a basic inquiry under section 41 of the Act when examining a trade mark's capacity to distinguish. The test was recently approved by Wilcox J in *Ocean Spray Cranberries Inc v Registrar of Trade Marks* 47 IPR 579.

In *British Sugar PLC v James Robertson & Sons Ltd* [1996] RPC 281 (the *Treat* case), Jacob J also considered the concept of inherent adaptability to distinguish. At page 306 His Honour says:

The phrase ["devoid of any distinctive character"] requires consideration of the mark on its own assuming no use. Is it the sort of word (or other sign) which cannot do the job of distinguishing without first educating the public that it is a trade mark? A meaningless word or a word inappropriate for the goods concerned ("North Pole" for bananas) can clearly do. But a common laudatory word such as "Treat" is, absent use and recognition as a trade mark, in itself . . . devoid of any inherently distinctive character.

Taking into account the above criteria, to determine if the applicant's trade mark is capable of distinguishing the designated goods, the relevant questions I must consider are:

Is the colour pink a sign which other traders are likely, in the ordinary course of trade and without improper motive, to desire to use in connection with their goods?

Is the colour pink a sign that can distinguish the applicant's goods without the need to first educate the public of the fact that it is a trade mark?

The use of colours as trade marks is discussed in Paragraph 4 of Part 21 of the *Trade Marks Office Draft Manual of Practice and Procedure*. In summary, Paragraph 4.6 sets out the following points.

- The requirements to be considered in deciding a colour trade mark's capacity to distinguish are - competitive need, functionality and evidence of capability of distinguishing.
- In almost all cases, a single colour applied to the goods or packaging of the goods will have a very low level of inherent adaptation to distinguish.
- There is a heavy onus on an applicant to show that the colour does or will in the future distinguish the applicant's goods and/or services.
- The usual sort of evidence that goes to prove that a trade mark does or will distinguish under subsection 41(5) would be required.

Nevertheless, a colour's level of inherent adaptation to distinguish must be assessed in relation to the goods or services on which it is to be used - as per *Re application by Veuve Clicquot Ponsardin, Maison Fondée En 1772*, 45 IPR 525 (the *Veuve Clicquot* decision).

In this instance, the trade mark is the single colour pink as applied to pots in which the goods are sold. It is not the colour of the goods themselves, but an aspect of packaging of the goods.

The applicant has provided evidence that pots in which roses are presented for sale are most commonly coloured black, green or terracotta. The colours black and green are deliberately chosen for their functionality - they are the colours most resistant to UV rays, and therefore play some role in prolonging the life of the pot itself. The colour terracotta is apparently selected as it is reminiscent of traditional terracotta flower pots. The applicant also states that, at the time of filing of the application, it was the only trader selling its roses in pink pots. The colour pink was deliberately chosen to match the colour of the blooms of the original FLOWER CARPET roses, and thus enhance the attractiveness and appeal of the plants themselves. The applicant has also suggested that the colour pink's capacity to distinguish should be viewed in the context of the niche market to which roses belong.

The goods in question are *ground cover roses* which are promoted as being "easy care" and as not requiring the same degree of nurturing as other rose varieties. As such, the goods are very likely to appeal to a wide range of consumers, many of whom are not rose devotees, but who are attracted to the plants simply for their ground-covering capabilities, and "easy care"

qualities. In my view, the capacity of the colour pink to distinguish must be considered in that broader market.

Plant pots come in a wide variety of colours, shapes and designs. A quick perusal of any department store or gardening catalogue, or a visit to any large supermarket, confirms this. I do not dispute that black, green and terracotta are colours commonly used. But plants are not infrequently sold in pots of many other colours, including pink. From my own visits to nurseries, I am aware that plants are often presented for sale in brightly coloured or decorative pots, thus enhancing the attractiveness and appeal of the product. The colours of the pots are sometimes designed to match the colours of the plants they contain. I have observed red bottlebrush in bright red pots, blue agapanthus in very bright blue pots and pink cone flowers in bright pink pots, to name just a few. I see no reason why traders in roses would not wish to adopt similar marketing strategies, with a view to enhancing the appeal of their products. As other traders in plants, including roses, clearly have a competitive need to present their goods in coloured pots, I consider the trade mark is not inherently adapted to distinguish the goods in question.

Having determined the trade mark is not inherently adapted to distinguish the goods in question, I must now consider if the trade mark is to some extent inherently adapted.

Other traders already present their plants in a variety of brightly coloured and decorative pots, often designed to match the colour of the item being sold. On that basis, the colour pink as applied to the applicant's goods is likely to be seen by consumers as a decorative feature, rather than as a trade mark or badge of origin of the goods. For that reason, I consider that in this particular case the trade mark can only be considered for registration under the terms of s41(6). That is, the applicant must establish that the trade mark did distinguish its goods at the time of filing.

Considerable evidence and argument have been put before me. The applicant has demonstrated that it has sold its product extensively over the 6 year period prior to filing, and that, from the outset, it has maintained 70-75% of the market in groundcover roses. There has been a good deal of promotion of the goods in gardening magazines, catalogues and newspapers, and on television and radio. As well as promoting the goods under its registered trade mark, FLOWER CARPET, the applicant has also sought to highlight the pink colour of the pot and to educate consumers to select "The rose in the pink pot". Expert trade evidence

attests to association of the pink pot with the applicant's goods, FLOWER CARPET roses. There are two consumer declarations, which also acknowledge such an association.

At first glance the evidence, particularly the sales and advertising figures, appears impressive. But the evidence must be viewed in the appropriate context. It must be viewed in the light of the short period of use prior to filing, and the manner in which the trade mark is used on the goods. When these factors are considered, the evidence is less impressive.

The trade mark has been used for only six years prior to filing. This is not a significant period of time over which to establish a reputation in the colour of the packaging of its product, to show that the colour pink does, in fact, distinguish the applicant's goods.

The evidence shows that the applicant does not rely on the colour pink alone to distinguish its goods. In most cases, the applicant's pink pot features in combination with its registered trade mark, FLOWER CARPET, which is stamped on the outside of the pots. In addition to this, the rose plants are accompanied by a mini stake, attached to which is a label again bearing the trade mark, FLOWER CARPET. The evidence put forward shows the applicant has attempted to promote the pink colour of the rose pots, and to this end is using the description "The rose in the pink pot". On the other hand, samples of advertising material tendered also show very clearly that the applicant is heavily promoting its goods under the registered trade mark, FLOWER CARPET. Under such circumstances, I am unable to determine to what extent consumers would identify the goods by the colour of the pink pot.

The expert evidence adds some weight to the applicant's case, but I do not find it sufficiently persuasive. Those in the nursery trade may well identify the pink coloured pot as the applicant's trade mark. Such persons are in regular contact with the goods, and are privy to much trade promotional material which may lead them to this conclusion. However, in view of the short duration of use, and the fact that the pink pot is simply one of several features the applicant is using to promote its goods, I find it impossible to assume that the buying public would identify the goods in a similar manner.

The situation is similar with the evidence provided by the two consumer declarations. It adds some weight to the applicant's case, but is not sufficient when viewed in the overall context.

I turn now to Mr Fitzpatrick's points in relation to the type of evidence which is necessary for a trade mark to be accepted under s41(6). I feel it is obvious that consumers who are

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unacquainted with the technical term "trade mark" may well use some other word or words to explain the means by which they identify one traders goods from another. To achieve trade mark registration of a sign that has no inherent capacity to distinguish, however, a trader must demonstrate that at the time of filing its application for registration, that sign was used in the course of trade to distinguish its goods from those of other traders, and that the buying public recognised it as such.

It is not essential for an applicant to provide a market survey in order to achieve this outcome. The *Veuve Clicquot* decision is a case in point. Where other evidence is inconclusive, however, a well constructed market survey may prove helpful.

On the evidence before me I am not satisfied that at the time of filing the application, the colour pink, as applied to pots containing the applicant's goods, was recognised by the buying public as a badge of origin of the applicant. For that reason, I find the applicant has not discharged the onus on it to establish that the trade mark did distinguish the designated goods at the time of filing.

Decision

In the particular circumstances of this application, I find the applicant's trade mark is not to any extent inherently adapted to distinguish. I consider the evidence provided by the applicant is insufficient to establish that the trade mark did distinguish the applicant's goods from those of other traders at the time of filing in terms of s41(6). Accordingly, I reject the application under the provisions of s41(2) of the Act.

Frances Aarnio
Senior Examiner

11 May 2001