



TRADE MARKS ACT 1995

DECISION OF THE REGISTRAR OF TRADE MARKS WITH REASONS

Re: Trade mark application number 777920(33) - QUEEN ADELAIDE REGENCY- in the name of Southcorp Wines Pty Ltd.

Background

Trade mark application number 777920 was filed by Southcorp Wines Pty Ltd on 11 November 1998. The application seeks registration of the words QUEEN ADELAIDE REGENCY in respect of 'wines' in class 33.

When the application was examined, the examiner of trade marks advised the applicant that the word ADELAIDE, contained in the mark QUEEN ADELAIDE REGENCY, is registered as a "geographical indication" on the Australian Register of Protected Names. She also advised the applicant of provisions in the *Australian Wine and Brandy Corporation Act 1980* (the AWBC Act) which make it an offence to apply knowingly a "registered geographical indication" to wine which does not "originate" (as defined in the AWBC Act) in the area in respect of which the geographical indication is registered. Such use would be contrary to law and would give rise to grounds for rejection of the application under paragraph 42(b) of the *Trade Marks Act 1995* (the TM Act). As these grounds for rejection would not apply if the trade mark was used in relation to wines which did originate in the region in respect of which the geographical indication ADELAIDE is registered, the examiner proposed the endorsement of a condition of registration which would preclude unlawful use of the trade mark. The endorsement required by the examiner is as follows:

It is a condition of registration that the trade mark will only be used in respect of wines originating (as defined by the Australian Wine and Brandy Corporation Act 1980) in the area in respect of which the geographical indication ADELAIDE is registered and that the use is in accord with the Australian Wine and Brandy Corporation Act 1980.

The applicant filed submissions contesting the requirement for this endorsement and when a Principal Examiner confirmed that the application could only proceed to acceptance subject to the entry of the condition of registration, the applicant requested a hearing on the matter.

The trade mark application came to a hearing before me in Sydney on Monday 13 March 2000. Southcorp Wines Pty Ltd was represented by its patent attorney Mr Alan Tilley and by Ms Janet Williamson, solicitor, who made submissions on the applicant's behalf.

The Law

Before considering Ms Williamson's submissions, it is convenient to reproduce here some of the relevant provisions of the *Australian Wine and Brandy Corporation Act 1980* which give rise to the examiner's requirement for an endorsement. The AWBC Act was amended in 1993 for the purpose of implementing an agreement on trade in wine between Australia and the European Union (formerly the European Community)¹. The agreement provided, inter alia, for the mutual protection of each party's geographical indications used in respect of wines.

Under section 4 of the AWBC Act, the section dealing with interpretation, there are the following definitions of "geographical indication" and "registered geographical indication".

(4)(1) In this Act, unless the contrary intention appears:

geographical indication, in relation to wine, means:

- (a) a word or expression used in the description and presentation of the wine to indicate the country, region or locality in which the wine originated; or
- (b) a word or expression used in the description and presentation of the wine to suggest that a particular quality, reputation or characteristic of the wine is attributable to the wine having originated in the country, region or locality indicated by the word or expression.

registered geographical indication means a geographical indication that is included in the Register in relation to a particular country.

¹ As observed by Justice Heerey in his decision in the *La Provence* case (35 IPR 170 at p 175), this was the Agreement between Australia and the European Community on Trade in Wine, and Protocol, Australian Treaty Series 1994 No 6, which entered into force on 1 March 1994.

The Register referred to in this definition is the Register of Protected Names set up under section 40ZC of the AWBC Act. It is divided into several parts including a part that contains Australian geographical indications. The word ADELAIDE was registered in this part of the Register as the geographical indication of a region in South Australia, following its determination by the Geographical Indications Committee acting under section 40Z of the AWBC Act.

Under the AWBC Act, the word “originate”, used in the definition of a geographical indication, has a specific meaning in relation to wine. This was defined in section 5D of the AWBC Act and the same definition was included in section 15 of the TM Act. The definition in the AWBC Act has been amended for the purposes of clarification² and now reads:

Where wine originates

5D. For the purposes of this Act:

- (a) a wine is taken to have originated in a foreign country or Australia only if the wine is made from grapes grown within the territory of that country or of Australia, as the case may be; and
- (b) a wine is taken to have originated in a particular region or locality of a foreign country or of Australia only if the wine is made from grapes grown in that region or locality

The words “***description and presentation***”, which also appear in the definition of a geographical indication, have the meaning given in section 5C of the Act:

5C. In this Act, a reference to the description and presentation with which wine is sold, exported or imported is a reference to all names (including business names) or other descriptions, references (including addresses), signs, designs and trade marks used to distinguish the wine and appearing:

- (a) on the container (including on the device used to seal the container or on a label affixed to the container), on any tag attached to the container or, if the container is a bottle, on the sheathing covering the neck of the bottle; or
- (b) on protective wrappings (such as papers and straw envelopes of all kinds), cartons and cases used in the packaging of the wine or the transport of the wine; or
- (c) in documents relating to the transport of the wine or in other commercial documents (for example, invoices or delivery notes) relating to the sale or transport of the wine; or
- (d) in advertisements relating to the wine.

² Section 5D(a) was amended by the Agriculture, Fisheries and Forestry Legislation Amendment Act (No2) 1999. The amendment inserted the words “from grapes grown” immediately after the words “wine is made”.

According to section 5C then, virtually everything that appears on a bottle or other container in which wine is sold, imported or exported or which appears on other material used in connection with those activities, is part of the “description and presentation” of that wine. In the introductory words of the section, there is specific reference to the fact that any trade marks used to distinguish the wine are encompassed by the expression “description and presentation”.

Part VIB of the AWBC Act provides for the protection of geographical indications and certain other names and expressions that are registered in the Register of Protected Names. Under section 40C it is an offence to knowingly sell, export or import wine with a “false description and presentation”. Under section 40E it is an offence to knowingly sell export or import wine with a “misleading description and presentation”. A penalty of 2 years imprisonment is prescribed for either of these offences.

The circumstances under which the description and presentation of a wine is either “false” or “misleading” are set out in sections 40D and 40F respectively. As far as it is relevant here, section 40 D reads:

Meaning of “*false description and presentation*”

40D (1) This section has effect for the purposes of section 40C.

(2) Subject to this section, the description and presentation of wine is false if:

- (a) it includes the name of a country, or any other indication that the wine originated in a particular country, and the wine did not originate in that country; or
- (b) it includes a registered geographical indication and the wine did not originate in a country, region or locality in relation to which the geographical indication is registered; or
- (c) ...

(3) Subsection (2) does not limit what, apart from that subsection, is a false description and presentation of wine.

(4) For the purposes of subsection (2), a registered geographical indication, a registered traditional expression or a registered ancillary protected expression is taken to be included in the description and presentation of wine even if the indication or expression is accompanied by another word or expression such as "kind", "type", "style", "imitation" or "method", or any similar word or expression.

(5).....

Section 40F sets out non-exclusive circumstances under which a description and presentation of wine is misleading. So far as it may be relevant in the present case it reads as follows:

Meaning of “misleading description and presentation”

40F (1) This section has effect for the purposes of section 40E.

(2) Subject to subsection (7), the description and presentation of wine is misleading if:

(a) it includes a registered geographical indication, a registered traditional expression or a registered ancillary protected expression; and

(b) the indication or expression is used in such a way in the description and presentation as to be likely to mislead as to the country, region or locality in which the wine originated.

(3) Subject to subsection (7), the description and presentation of wine is misleading if:

(a) it includes a translation of a registered geographical indication, of a registered traditional expression or of a registered ancillary protected expression; and

(b) the inclusion of the translation is likely to mislead as to the country, region or locality in which the wine originated.

(4) Subject to subsection (7), the description and presentation of wine is misleading if:

(a) it includes a word or expression that so resembles a registered geographical indication, a registered traditional expression or a registered ancillary protected expression as to be likely to be mistaken for the registered geographical indication, the registered traditional expression or the registered ancillary protected expression, as the case may be; and

(b) the wine did not originate in the country, region or locality in relation to which the indication or expression is registered.

Justice Heerey has judicially considered these provisions of the AWBC Act in the *La Provence* case³. His findings were taken into account when guidelines were drawn up to assist examiners in the examination of applications for trade marks in respect of wines. These guidelines are set out in Part 32B of the Trade Marks Office Draft Manual of Practice and Procedure (the Manual).

Examiner’s guidelines

The examination guidelines relating to a case of the kind that I must consider here are covered by section 8.5 of Part 32B of the Manual. This section deals with the situation where a trade mark includes a word that is not an obvious geographical indication when it is viewed in the context of the trade mark, but which is in fact a registered geographical indication. The

³ *Comite Interprofessionel des Vins des Cotes de Provence v Bryce* (1996) 35 IPR 171

hypothetical trade mark given as the example consists of a stylised representation of a medical doctor together with the words DOCTOR COOL and the descriptive words ‘rough red’. This trade mark includes the registered geographical indication DOCTOR which is registered in the Register of Protected Names in respect of a German wine-growing locality in the Mosel-Saar-Ruwer region. There is no likelihood that, in the context of this trade mark, the words DOCTOR COOL would give rise to a geographic connotation. Therefore the guidelines indicate that no section 43 grounds, that the trade mark is likely to deceive or cause confusion, would be raised in a case like this. However, the trade mark does include a registered geographical indication and in use the trade mark will form part of the description and presentation of any wine to which it is applied. Therefore, because of the terms of sections 40C and 40D of the AWBC Act, use of the hypothetical mark would be contrary to law if, as per section 40D(2)(b), “*the wine did not originate in a country, region or locality in relation to which the geographical indication [DOCTOR] is registered*”. In those circumstances there would be grounds for rejection of the application under paragraph 42(b) of the TM Act, which precludes registration of any trade mark the use of which would be contrary to law. The guidelines set out a form of endorsement that would preclude “false” and therefore unlawful use of the trade mark. It is this form of endorsement that the examiner has proposed in the present case and which the applicant is contesting.

The interpretation of sections 40C and 40D of the AWBC Act, which underpins these guidelines, was drawn from Justice Heerey’s reasoning in the *La Provence* case (supra). This was an action involving a possible contravention of sections 40C and 40E of the AWBC Act. The respondents’ wine label prominently displayed the words LA PROVENCE, as part of the trade mark. The word Provence appears in several entries in that part of the Register of Protected Names in which French geographical indications are registered; these are Coteaux d’Aix-en-Provence, Les-Baux-de-Provence and Côtes de Provence. It also appears in the heading ‘Provence and Corsica regions’ and Justice Heerey concluded that this entry constituted a registration of the word Provence as a geographical indication. He found that the respondents, whose wine was produced from grapes grown in their Tasmanian vineyard, did sell wine which had a false description and presentation, as defined by section 40D, “*by reason of the inclusion on the labels of the word ‘Provence’ which was a ‘registered geographical indication’ within the meaning of the Act*”.

Submissions and discussion

In her opening remarks Ms Williamson summarised the importance of this mark to the applicant which is already the registered proprietor of two long standing trade mark registrations that include the words QUEEN ADELAIDE. These are registration 196073 for a composite trade mark including the words QUEEN ADELAIDE and registration 264017 for a trade mark consisting of the words on their own. Neither of these registrations is subject to an endorsement of the kind being contested here. She outlined for me the extensive sales of white wines marketed under labels bearing those trade marks and the extent to which the applicant has now applied the present trade mark QUEEN ADELAIDE REGENCY to red wines. She claimed that there has never been any suggestion that the labels are deceptive or misleading despite the fact that the wines do not “originate” in the region in respect of which the geographical indication ADELAIDE is registered, that is they are not made from grapes grown in that region.

It is Ms Williamson’s submission that, in following the guidelines in the Manual, the examiner has incorrectly interpreted the AWBC Act and the *La Provence* case (supra). She argues this on a number of grounds, all of which come back to the basic submission that the trade mark is not the word ADELAIDE on its own but the expression QUEEN ADELAIDE REGENCY and that the whole mark is not likely to be taken as indicating the geographic origin of the wine on which it is used.

Firstly, Ms Williamson submits that the examiner has dissected the applicant’s trade mark and taken the word ADELAIDE out of context. She points out that “Adelaide” is a well recognised female first name and it was Queen Adelaide, consort of King William IV for whom the city of Adelaide was named. It is in this context, she claims, that the word ADELAIDE is used in the trade mark QUEEN ADELAIDE REGENCY. It is not used on its own and is not used in a geographical sense or as a geographical indication to mean the name of a wine-growing region in South Australia.

She referred me to the *Miss America* case⁴ in which the High Court did not find that the words “Miss America” indicated that the applicant’s clothing fabrics came from the United States simply because the word AMERICA formed part of the whole trade mark MISS AMERICA.

⁴ *Joseph Bancroft & Sons Co v The Registrar of Trade Marks* (1957) 99 CLR 453

By comparison, Ms Williamson submits, the appearance of the word ADELAIDE in the subject trade mark does not convey the idea of the goods coming from Adelaide, given the significance of the words QUEEN ADELAIDE REGENCY as a whole. In the context of the whole trade mark the word ADELAIDE does not therefore, in Ms Williamson's view, mislead the public and is not a false representation in relation to wines even though those wines do not originate in the area defined by the geographical indication ADELAIDE.

I have a good deal of sympathy with these submissions. On a commonsense interpretation of the words forming the applicant's trade mark QUEEN ADELAIDE REGENCY, I do not believe the impression they would make on a potential purchaser of wine bearing the trade mark would be one of geographic origin. The examiner must also have reached this conclusion, as she has not raised grounds for rejection as per section 43 of the TM Act on the basis that the trade mark QUEEN ADELAIDE REGENCY has a geographic connotation. However, given the terms of section 40D, I am forced to the conclusion that the fact that the trade mark is not likely to deceive or cause confusion as to geographic origin, does not save it from being a false description and presentation within the meaning of the AWBC Act.

I agree with Ms Williamson that the applicant's trade mark does not come within the definition in section 40F of what constitutes a "misleading description and presentation". In the first place, I do not consider that the expression QUEEN ADELAIDE REGENCY so resembles the registered geographical indication ADELAIDE as to be likely to be mistaken for it, just as Justice Heerey found in the *La Provence* case that there was no likelihood that 'La Provence' would be mistaken for 'Côtes de Provence'. Therefore subsection 40F(4) does not apply. Nor do I consider that the applicant's trade mark is caught by subsection 40F(2) which specifies that the description and presentation of wine will be misleading if it includes a registered geographical indication and if, as per paragraph 40F(2)(b), that indication "*is used in such a way in the description and presentation as to be likely to mislead as to the country, region or locality in which the wine originated*". In the present case, although the description and presentation includes the registered geographical indication ADELAIDE, the way in which it is used in the trade mark QUEEN ADELAIDE REGENCY is not likely to mislead as to geographic origin.

However, the test is different under section 40D, which defines what constitutes a "false description and representation". In the terms of section 40D it is enough to render the description and presentation false if it includes a registered geographical indication and it is

applied to wines which did not originate in the country, region or locality in relation to which the geographical indication is registered. There is no requirement that the use should also be misleading. In this context, I note that attempts to avoid misleading purchasers, as to the origin of a wine, by including an indication of its actual origin in a “false” description and presentation, do not provide a defence to prosecution for an offence under section 40C (subsection 40C(4)). Furthermore, according to subsection 40D(4) the effect of including a registered geographical indication in a “false” description and presentation remains the same even if it is accompanied by a word which might avoid misdescription such as “kind”, “type”, “style” or “imitation”. It seems to me that what is being prevented by virtue of sections 5C, 40C and 40D is any use of a registered geographical indication in relation to wine which did not originate in the country, region or locality in relation to which the geographical indication is registered.

A further line of argument taken by Ms Williamson is that the applicant, in using the word ADELAIDE in the expression QUEEN ADELAIDE or QUEEN ADELAIDE REGENCY, is not using it as a “geographical indication” as defined in section 4 of the AWBC Act and therefore the provisions of section 40D do not apply. She submits that section 4 defines a geographical indication in relation to its contextual use and that if a word or expression is not being used “to indicate the country, region or locality in which the wine originated” then it does not fall within the definition. However, I do not believe that the definition is directing itself to the particular way the word or expression is being used by a person who may be in contravention of the AWBC Act. It is a definition of what constitutes a geographical indication within the meaning of the Act and what may therefore be registered in the Register of Protected Names. If Ms Williamson’s interpretation were correct, it would be open to any person to use a registered geographical indication in the description and presentation of wine and avoid the consequences of sections 40C and 40D provided they could show they did not use it to indicate the country, region or locality in which the wine originated. This appears to me to be quite contrary to the intention of the AWBC Act. I also note that the respondents in the *La Provence* case were not using the words ‘La Provence’ as a geographical indication but it was still found that they had included the registered geographical indication ‘Provence’ in the description and presentation of their wine.

Division 4 of Part VIB of the AWBC Act sets out the process by which an Australian geographical indication is to be determined by a committee set up under section 40N of the

Act for that purpose. A large number of determinations have been made by this committee in relation to wine-growing areas in Australia. Each of these determinations results in what is by definition a geographical indication and, once the process is finalised, particulars of the determination are included in the Register. The Australian geographical indication ADELAIDE, and details of the area boundary of the region in South Australia to which it relates, were entered on the Register on 27 December 1996. Therefore, there can be no doubt that the word ADELAIDE is a geographical indication within the meaning of the AWBC Act, or that it is registered.

Finally, Ms Williamson submits that the findings in the *La Provence* case can be distinguished. She suggests that the decision in that case was influenced by the fact that “Provence” is most clearly recognised as the name of a region in France and has no other meaning in English. Addition of the definite article “La” does nothing to alter the meaning and therefore, she submits, any use of the expression “La Provence” would clearly mislead the public by suggesting the name of a region in France, which is a registered geographical indication. By way of distinction, she points to the different situation here where adding the words QUEEN and REGENCY does change the meaning of the word ADELAIDE in the context of the trade mark QUEEN ADELAIDE REGENCY and therefore its presence on the applicant’s wine does not mislead the public.

I do not believe that this was a factor taken into account by Justice Heerey when he decided that the respondents in the *La Provence* case were selling wine with a false description and presentation. As I have already discussed at some length, the question of whether or not the use of a registered geographical indication is likely to mislead, does not arise under section 40D. As to the fact that the respondents’ labels included the words “La Provence” rather than the registered geographical indication “Provence”, Justice Heerey makes the following comments (35 IPR 170 at p179)

Counsel for the respondents also argued that since the expression “La Provence” was not a “registered geographical indication” there could be no breach of s 40D(2)(b). I do not accept that argument. The “description and presentation” of the respondents’ wine “includes” the word “Provence” because that word appears on the respondents’ labels, and particularly on the front label which is part of the “description and presentation” of the wine: see s 5C.

I find therefore that wine sold in bottles bearing the respondents’ labels would be sold with a false description and presentation within the meaning of s 40C(1) by reason of the inclusion on the labels of the word “Provence”, which is a

“registered geographical indication”. It is common ground that the respondents’ wine did not originate in Provence.

It seems to me that these words could be applied directly to the case in suit.

Having considered all the submissions made in respect of this application, I am still forced, reluctantly, to the conclusion that use of the applicant’s trade mark on wine which does not originate in the region for which the geographical indication ADELAIDE is registered, would be contrary to law. Such use would therefore give rise to the grounds for rejection prescribed by paragraph 42(b) of the Trade Marks Act. I consider that the practice guidelines set out in the Manual, which were applied by the examiner in this case, represent a proper interpretation of the legislation.

Decision

I have found that the applicant’s trade mark QUEEN ADELAIDE REGENCY, which in use will be part of the description and presentation of wine sold or exported by the applicant, includes the registered geographical indication ADELAIDE. Because of the provisions of sections 40C and 40D of the *Australian Wine and Brandy Corporation Act 1980*, as interpreted in the *La Provence* case (supra), I have found that, unless the trade mark is applied only to wine originating in the region defined by the registered geographical indication ADELAIDE, its use will contravene section 40C of that Act. Accordingly its use under those circumstances would be contrary to law and a ground for rejection would arise under paragraph 42(b) of the *Trade Marks Act 1995*. Accordingly, I would only be prepared to accept the application under the provisions of subsection 33(2) subject to the condition proposed by the examiner of trade marks, that is the endorsement set out at the beginning of these reasons. I am advised by Mr Till ey that a condition of this kind is a condition to which the applicant, Southcorp Wines Pty Ltd, cannot agree. In accordance with subsection 33(3) of the *Trade Marks Act 1995* I therefore reject this application.

Helen R Hardie
Deputy Registrar

14 April 2000

