



TRADE MARKS ACT 1995

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

Re: Trade mark application number 835711(35) - ACCOUNTANCY APPOINTMENTS - in the name of Small & Associates Pty Ltd.

Background

On 18 May 2000, Small & Associates Pty Ltd ('the applicant') applied to register the trade mark depicted below ('the trade mark') in respect of services in class 35 being *'recruitment and placement of accounting staff'*.

accountancy appointments

The application was examined as prescribed by section 31 of the *Trade Marks Act 1995* ('the Act'). The examiner raised a ground for rejection under section 41 of the Act, namely that the trade mark had 'insufficient inherent adaptation to distinguish'. The examiner found the words 'accountancy appointments' described the applicant's services and was a term other traders are likely to need to use. The examiner took into account the way the words are represented but found this was not sufficient to make the trade mark, as a whole, capable of distinguishing the applicant's services. The applicant was invited to submit evidence of trade mark use in terms of subsection 41(5).

The applicant responded by filing a statutory declaration and exhibits which it claimed showed 'accountancy appointments' had been associated with its operations since 1980. The examiner was not persuaded by the evidence. She found the evidence showed very little use of the term 'accountancy appointments' as a trade

mark. Consequently she was not satisfied the trade mark was capable of distinguishing. In her second report she suggested the applicant apply to be heard in the matter.

The applicant did apply to be heard and the matter was set down for a hearing before me, as the Registrar's delegate, in Sydney on 22 October 2001. Mr Scott Small and Ms Glen Sharp appeared for the applicant. Mr Small is the Chief Executive Officer of the applicant, and Ms Sharp is the Company Secretary.

Evidence

The evidence consists of a statutory declaration by Scott Cameron Small, in his role as Chief Executive Officer of the applicant, dated 15 September 2000. There are 10 attachments to the declaration. In his declaration Mr Small provides the history of the applicant's use of the words 'accountancy appointments' since 1980. Attachments 1(a) and 1(b) show John Francis Cameron Small registered the business name, Accountancy Appointments NSW, in 1980. That registration remained in place until May 1996 when it was cancelled. Attachment 2 shows that in May 1996 John Francis Cameron Small registered the business name A.A.Accountancy Appointments. Attachment 3 shows that, also in May 1996, the company known as Small's Training Pty Ltd changed its name to Accountancy Appointments NSW Pty Ltd. However Mr Small does not provide any details regarding the relationship between the applicant, Small & Associates Pty Ltd, and John Francis Cameron Small, the owner of the two business names. Mr Small's declaration is also silent as to the relationship between the applicant and Small's Training Pty Ltd, later Accountancy Appointments NSW Pty Ltd. Mr Small does say 'Accountancy Appointments has operated as an arm of Small & Associates Pty Ltd since being registered in 1980'. I think it is reasonable to conclude the applicant and the aforesaid businesses and company are connected in trade.

The other exhibits to Mr Small's declaration are examples of the applicant's use of the trade mark. These are:

- listing in the White Pages directory for 1983/1984 (Attachment 4)
- listing in the Yellow Pages directory for 1985/1986 (Attachment 5)
- office stationery (Attachments 6 & 7)
- business card (Attachment 8)
- advertising brochure (Attachment 9)

- advertisement appearing in the 11 September 2000 edition of Nine to Five Magazine (Attachment 10).

Mr Small did not provide any details of sales or advertising figures in his declaration, nor give any information about how the services associated with the trade mark were advertised or promoted apart from the material in Attachments 9 and 10.

I note that only Attachments 6 to 10 show use of the trade mark applied for with the words 'accountancy appointments' being depicted in the same way they are represented in the subject trade mark. However in those attachments the trade mark is always used in conjunction with the trade mark in registration 495685

accountemps

which is also owned by the applicant. The trade mark of 495685 appears above the trade mark of this application and is in larger type. Both trade marks have the letters TM at the end. I have attempted to approximate the manner of depiction (without the letters TM) below:

accountemps
accountancy appointments

No formal evidence was presented at the hearing. Mr Small did provide photocopies of advertisements in the June, August and September 2001 issues of the magazine Charter which show the trade mark is no longer being used in conjunction with that of 495685. Mr Small also showed how the applicant's services can be accessed via a link under the words Accountancy Appointments at the web site of The Institute of Chartered Accountants in Australia. However it appears that link takes the user to an advertisement for Smalls Recruiting, employment consultants, with no reference to 'accountancy appointments'.

Submissions

There were no written submissions. At the hearing Mr Small argued the trade mark was capable of distinguishing taking into account its past and intended use. He referred to the evidence already on file. To show how the trade mark was currently being used, he directed my attention to the web site of the Institute of Chartered Accountants. He said the applicant had a reputation among members of the Institute

and that its services were advertised at the site. He also provided the copies of full page advertisements in Charter, the Institute's monthly publication, to which I have already referred. Mr Small said the trade mark will also appear in the latest edition of the Yellow Pages.

Mr Small said he was not aware of other traders using the words ACCOUNTANCY APPOINTMENTS in connection with the same or similar services. He said in the marketplace ACCOUNTANCY APPOINTMENTS was a name associated with the applicant and the applicant had not received any complaints regarding its use. Other traders in the same field were using trade marks such as ACCOUNTANCY PLACEMENTS or ACCOUNTANCY LINK. He said other traders had registered their trade marks. Ms Sharp referred me to 16 trade mark registrations and 2 pending applications in the names of other traders.

Mr Small explained why the applicant had adopted the trade mark. It had found services marketed under the trade mark of registration 495685 had not been as successful as it had hoped. The applicant wished to revitalise its presence in the marketplace and for that reason in early 2000 adopted the trade mark as part of a new and fresh image. It was no longer using trade mark 495685.

Reasons

Subsection 41(2) of the Act provides:

(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.

The appropriate test to be applied in determining whether a trade mark is 'capable of distinguishing' was set down by Kitto J in *F. H. Faulding & Son Ltd v Imperial Chemical Industries of Australia and New Zealand Ltd.*, 112 CLR 537 at 555 and confirmed more recently by Wilcox J in *Ocean Spray Cranberries Inc v Registrar of Trade Marks* (2000) AIPC 91-539 ('CRANBERRY CLASSIC'). Kitto J said:

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.

Branson J in *Blount Inc v Registrar of Trade Marks* 40 IPR 498 ('OREGON') went through the steps required of the Registrar in deciding the question. Her Honour said the first step is that required by subsection 41(3), namely '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'.

Guidelines for determining inherent adaptability to distinguish are provided in Note 1 to subsection 41(6) of the Act. It reads:

- 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.

Wilcox J in *CRANBERRY CLASSIC* found that while the above note did not have *'legislative force'...* *'it fairly reflects the trend of relevant judicial authority.'*

The applicant has applied to register the trade mark for services described as 'recruitment and placement of accounting staff'. The test in Note 1(a) refers to a trade mark which consists 'wholly of a sign ordinarily used to indicate the kind,...intended purpose,...or some other characteristic, of goods or services'. Therefore, in order to decide whether the trade mark has any inherent adaptation to distinguish, I need to determine whether it is an ordinary or expected way of indicating those services.

The applicant specialises in recruiting and placing accounting staff. In other words, the applicant assists in placing people in jobs or appointments in the accounting field. While 'appointments' may not be the most common term, it is well understood within the trade and amongst the public. Therefore, while there may be other ways of describing such services, ACCOUNTANCY APPOINTMENTS is a well accepted and understood description for them. Applying Kitto J's test, I am satisfied that other traders are likely to want or need to use the term to describe their businesses and/or services. It is a description that is 'ordinarily used'.

However the trade mark is more than just the words ACCOUNTANCY APPOINTMENTS; it is the words ACCOUNTANCY APPOINTMENTS represented in a particular manner. The letters are all in lower case and the horizontal strokes in each letter T are extended to the end of the words. I therefore need to determine

whether this is an ordinary or usual way of representing these words. If it is, then I must find the trade mark has no inherent adaptation to distinguish.

Justice Branson in OREGON found that a combination of upper case lettering and an oval border was not sufficient adaptation. She found these elements did not change the significance of the ordinary meaning of the word Oregon. In *Re Application by Babcock & Wilcox Company* 41 IPR 147, Deputy Registrar Hardie considered the trade mark depicted below:



Ms Hardie found the word GASTEMP was not inherently adapted to distinguish the goods applied for and that the graphic element was 'nothing more than a representation of an ordinary nameplate'. Consequently the trade mark as a whole had 'no greater aptitude to distinguish than the word GASTEMP by itself'.

This contrasts with the finding of Hearing Officer Forno in *Re Application by Fantasy Inc* 39 IPR 381 for the trade marks ORIGINAL JAZZ CLASSICS and ORIGINAL BLUES CLASSICS reproduced below:



Mr Forno found the application had to be considered under the provisions of subsection 41(5). He said the words by themselves were not capable of distinguishing the applicant's goods. However the 'get-up' of the respective combinations was sufficient to 'give to the trade marks a low level of inherent adaptation to distinguish'.

I am aware that it is common practice for traders with word trade marks to depict them in lower case. I am also aware that traders will draw attention to their trade marks by underlining words, highlighting or italicising letters or using unusual fonts.

However in my experience it is not usual for traders to depict the letter T in the same way as in the applicant's trade mark. Mr Small made no submissions in the matter and there is nothing on file to show me otherwise. I am therefore satisfied that the manner of representing the letters T is not usual or entirely ordinary and is sufficient to give the trade mark as a whole a very slight degree of inherent adaptation to distinguish. It is not sufficient to say it is prima facie capable of distinguishing but it means that, in line with the findings of Branson J in OREGON, I am now to assess the trade mark under the provisions of subsection 41(5).

Subsection 41(5) reads:

41(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).

The amount of trade mark use referred to in paragraph (ii) above was considered by Hearing Officer Murray in *Re Application by Allergan, Inc.* 37 IPR 639. She found 'the more a trade mark with some adaptation to distinguish is used, or its intended use is promoted, the less likely it will be that other traders, having no improper motive, will need to use the trade mark in connection with their own goods or services.'

In this case, where the trade mark has a very low level of inherent adaptation to distinguish, the applicant needs to show evidence of extensive use or at least provide

details of how it plans to use the trade mark in the future. For example, it needs to provide details of the size of the target market, its market share, current and projected sales revenue and advertising expenditure and how the trade mark is and will be promoted. This it has not done. Although Mr Small claimed the applicant had been associated with the words ACCOUNTANCY APPOINTMENTS since 1980, the trade mark had only been used since approximately May 2000. Initially it was used in conjunction with another trade mark as documented in the evidence, however I am satisfied the applicant is now using the trade mark on its own. Nevertheless the applicant does not appear to have undertaken an extensive marketing campaign. Nor has it provided details of revenue derived from services offered in connection with the trade mark. Mr Small said the applicant did not wish to promote the trade mark extensively until it had been registered in case it was copied by other traders. The evidence of use on its own is not sufficient to satisfy me that paragraph 41(5)(b) has been made out.

As far as paragraph (iii) is concerned, Mr Small did refer me to trade mark registrations which he thought were precedent for accepting this application. None of those registrations were for the same trade mark, nor even for similar trade marks. Some contained the word ACCOUNTANCY, others the word APPOINTMENTS and others the word PLACEMENTS. All were prima facie capable of distinguishing because of their get-up or had been accepted for registration on the basis of evidence of use. Neither of these factors applies to the present case. I am not persuaded by the state of the Register. Further, I note Wilcox J's direction in CRANBERRY CLASSIC that:

...although consistency in public administration is desirable, a public officer is not justified in persisting with error. Marks may, in the past, have been wrongly registered. It would be an unwarranted distraction from the task at hand to investigate, in a particular case, whether they were or not.

On these bases I find the provisions of paragraph 41(5)(c) apply. The trade mark is not capable of distinguishing the applicant's services.

Decision

I have found the trade mark is not capable of distinguishing the applicant's services from those of other traders. I therefore reject this application.

Geoff Purvis-Smith
Hearing Officer
Trade Marks Hearings
25 January 2002