

TRADE MARKS ACT 1995

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

Re: Opposition by Verband Bayerischer Ausfuhrbrauereien Engetragener Verein to registration of trade mark application 847343(32,33) - **BAVARIA HOLLAND BEER LIESHOUT AND DEVICE** - filed in the name of Bavaria N.V.

DELEGATE:	Deirdre O'Brien
REPRESENTATION:	Opponent Written submissions by Albert Terry of Griffith Hack, Patent & Trade Mark Attorneys Applicant Written submissions by Christian Schieber and Jill Newton of Watermark Patent & Trade Mark Attorneys
DECISION:	Section 52 opposition s43 ground made out; s61 ground not made out; registration refused. Costs awarded against applicant.

Background

1. Bavaria N.V. ('the applicant') applied for registration of the following trade mark:



Relevant details of the accepted application are as follows:

Application Number:	847343
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Priority date:	22 August 2000
Goods:	Class 32 Beers; mineral and aerated waters and other non-alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages Class 33 Alcoholic beverages (except beer)
Acceptance advertised:	16 August 2001
Endorsement:	When the trade mark is used for items in the specification of goods other than beer, the word BEER in the trade mark will be changed to accord with those other items. The applicant has advised that the translation of the DUTCH word BIERWROUWERIJ is BREWERY.

- Registration is opposed by Verband Bayerischer Ausfuhrbrauereien Eingetragener Verein ('the opponent'). After the parties had filed and served evidence the matter was set down for hearing by me in Sydney in March 2006. However, shortly before the hearing date, both parties requested the matter be decided on the written record. The opponent filed written submissions by Albert Terry of Griffith Hack, Patent & Trade Mark Attorneys: the applicant's written submissions were by Christian Schieber and Jill Newton of Watermark Patent & Trade Mark Attorneys.
- The evidence filed and served by the parties is as follows:

DECLARANT	MADE	EXHIBITS	KNOWN AS
Evidence in support			
Michael Zoebisch	05.08.2003	MZ1	Zoebisch
Klaus Sandles	08.08.2003	KS1	
Frank Maley	11.08.2003	FM1	
John Xzangolies	12.08.2003	JAS1	
Nicky Shanks	17.08.2003	NS1	Shanks
Evidence in answer			
Frank Swinkels	06.12.2004	FS1-3; FS5, FS7-30	Swinkels
Tim Carroll	07.02.2005	TC1	
Jill Newton	09.02.2005		
Jill Newton	10.02.2005		
Jill Newton	17.02.2005	JN1-2	Third Newton
Evidence in reply			
Manfred Newrzella	13.09.2005	MN1-4 incorporating exhibits "MN1-5"	

- The Zoebisch declaration is a means of bringing into evidence (at MZ1) a copy of written argument by Manfred Newrzella, the managing director of the opponent, in the original German and in a certified English translation. Mr Newrzella's

submissions in MZ1 are not in declaratory form. Furthermore, while Mr Newrzella refers to various enclosures to substantiate certain facts, there were no enclosures annexed to the copy of his argument filed with this office.

Grounds of opposition

5. The opponent's notice of opposition nominates all of the allowable opposition grounds, however its submissions only go the grounds pursuant to sections 41, 42, 43 and 61 of the *Trade Marks Act 1995* ('the Act'). As is usual in opposition proceedings, the onus is on the opponent to make out at least one of those grounds.

Section 61 ground

6. Subsection 61(1) provides:

61.(1) The registration of a trade mark in respect of particular goods (*relevant goods*) may be opposed on the ground that the trade mark contains or consists of a sign that is a geographical indication for goods (*designated goods*) originating in:

- (a) a country, or in a region or locality in a country, other than the country in which the relevant goods originated; or
- (b) a region or locality in the country in which the relevant goods originated other than the region or locality in which the relevant goods originated.

7. The opponent submits that the word BAVARIA in the present trade mark constitutes a geographical indication for beer originating in Bavaria, one of the states in the Federal Republic of Germany. The applicant, on the other hand, points to the definition of geographical indication in section 6 of the Act and says that BAVARIA does not fall within that definition.

8. Section 6 provides:

geographical indication, in relation to goods originating in a particular country or in a region or locality of that country, means a sign **recognised** [emphasis added] in that country as a sign indicating that the goods:

- (a) originated in that country, region or locality; and
- (b) have a quality, reputation or other characteristic attributable to their geographical origin.

9. The applicant does not dispute that the German expression BAYERISCHES BIER is a geographical indication in the European Union ('EU') with respect to beer.¹ However it says the English translation of BAYERISCHES BIER is BAVARIAN

¹ According to Mr Newrzella (paragraph 9 of MZ1) BAYERISCHES BIER was 'registered' in the EU on 28 June 2001 as a geographical indication for beers brewed in Bavaria.

BEER, not BAVARIA. The opponent, on the other hand, points to a 2003 judgment by a German court² that one of the applicant's trade marks (not the present) containing the word BAVARIA infringed the geographical indication BAYERISCHES BIER.

10. At Australian law infringement goes to matters of substantial identity and deceptive similarity whereas section 61 only applies when a trade mark contains or consists of a geographical indication. There is no mention in the definition at section 6 of a geographical indication encompassing signs which are substantially identical with or deceptively similar to a geographical indication. In other words the application of section 61 is much narrower than the matter at issue before the German court where the court found infringement occurred because the applicant's trade mark "alluded" to the geographical indication BAYERISCHES BIER.³
11. In order to make out subsection 61(1) the opponent needs to show that BAVARIA is a sign *recognised* in Germany as indicating that the goods originated in Bavaria and 'have a quality, reputation or other characteristic attributable to their geographical origin'.
12. The *Macquarie Dictionary* defines *recognise* as:

verb (t) (recognised, recognising)

² NS1 to Shanks is the English translation of a judgment made 2 October 2003 by the Munich I District Court ordering the withdrawal of protection in Germany for the international registration 645 349

³ Section 3 at pages 25-6 of the German court's decision commences:

The Defendant's combined mark (S BAVARIA HOLLAND BEER) infringes the protected geographical indication (GGA) "bayerisches Bier" according to Art. 13 paragraph 1 b Regulation (EC) No. 2081/92, in any case as far as it is registered for beer.

Art. 13 paragraph 1 b Regulation (EC) No. 2081/92 protects the GGA against any unlawful appropriation, imitation or allusion, even if the true origin of the product is indicated or if the protected designation is used in translation or together with expressions such as "kind", "type", "method", "make", "imitation" or the like.

In the *Cambozola* decision (EuGH, judgment dated March 4, 1999, law case C-87-97, GRUR Int. 1999, 443/445, text items 25 and 26 – *Gorgonzola/Cambozola*) the European Court of Justice found that the term of allusion covers a case presentation in which the expression used for designating a product includes a part of a protected designation in the way that the consumer is caused by the name of the product to establish a mental reference to the product bearing the designation. Such an allusion may also be provided if there is no danger of confusion at all between the products concerned. Such an allusion to the GGA "bayerisches Bier" has to be confirmed in the case of use of the Defendant's trademark for beer.

1. to know again; perceive to be identical with something previously known: *he had changed so much that one could scarcely recognise him.*
2. to identify from knowledge of appearance or character.
3. to perceive as existing or true; realise: *to be the first to recognise a fact.*
4. to acknowledge formally as existing or as entitled to consideration: *one government recognises another.*
5. to acknowledge or accept formally as being something stated: *to recognise a government as a belligerent.*
6. to acknowledge or treat as valid: *to recognise a claim.*
7. to acknowledge acquaintance with (a person, etc.) as by a salute.
8. to show appreciation of (kindness, service, merit, etc.) as by some reward or tribute.

When section 6 speaks of a 'recognised' sign I take it to mean a sign which has received some kind of acknowledgment. This could include registration as a certification trade mark or entry on a national or international register of geographical indications, or a finding by a court. Such acknowledgement could also include mention in agreements between governments.

13. Mr Newzrella says⁴ the Bavarian Purity Law of 1516 (made when Bavaria was an independent state) provided that beer in Bavaria may only be prepared from water, malt, hops and yeast. He considers Bavaria has long been recognised in Germany for producing quality beers in accordance with the Purity Law. He also refers to the following part of the judgment of the German court:

As it was stated in the literature (K 12) already in 1957 (Annex K 11), the designation "Bayerisches Bier" (frequently used on bottle labels as well as in promotion as is shown by the enclosures of Annex K 14) has been protected since decades already before the registration according to the Community Law not only in the Federal Republic of Germany but also in Italy, Greece, Spain, France and Switzerland thanks to different bilateral conventions (Annex K 16) as a geographical indication of origin connected with high appreciation.

14. Annexes K 11, K 12, K 14 and K 16 to which the court refers are not in evidence here, however the court's finding with respect to a bilateral agreement with Spain is corroborated by the judgment of the Spanish court which is part of the applicant's evidence.⁵ The Spanish court refers to the Bilateral Agreement executed on 11

⁴ in MZ1

⁵ JN1 to Third Newton is the English translation of a judgment made 5 July 2004 by the Provincial Court Section 23 Madrid Spain in relation to the applicant's appeal of a 1999 decision of the Court of

September 1970 between Spain and Germany on the Protection of Indications of Origin, Names of Origin and other geographical names. The court said the agreement protected the geographical name “Bayerisches Bier”.

15. I am satisfied from the evidence that BAYERISCHES BIER was a geographical indication well before the date on which it was acknowledged as such by the EU and well before the filing date of the present application. However, notwithstanding Mr Newzrella’s opinion, there is nothing in evidence to show that BAVARIA was or is a geographical indication. Indeed the evidence suggests that it is not. The judgment by the German court was based on BAVARIA ‘alluding’ to the geographical indication BAYERISCHES BIER. Furthermore in the judgment by the Spanish court, the court said at its Third Point of Law:

‘1. the BAVARIA trademark does not breach the provisions of the aforementioned Bilateral Agreement because the only geographical name that it protects is “Bayerisches Bier” (which can be translated as “Baviera [sic] Beer”) but not “BAVARIA” itself. ...;’ and
‘2. ... the matter has been settled in EC European Union Council Regulation 1347/2001, of July 28, 2001, completing the annex to (EC) Commission Regulation no 1107/967, on the registration of geographical indications and names of origin, in accordance with the procedure established in Article 17 of (EBC) Council Regulation no 2081/92.’

The court concluded

‘that the “BAVARIA” trademark does not breach the Hispano-German Treaty, or fall within any of the prohibitions established in Article 11.1 c), e) and f) of the Trademark Act, or breach Community regulations.’

16. For these reasons I am not satisfied BAVARIA is a geographical indication as defined by section 6. However the question remains whether, for the purposes of section 61, the presence of BAVARIA in the applicant’s trade mark should be taken as being equivalent to the presence of BAYERISCHES BIER.
17. BAVARIA and BAYERISCHES BIER are not the same, nor are they substantially the same. BAVARIA is the name of a German state; BAYERISCHES BIER refers to beer from Bavaria. Consequently the presence of BAVARIA in the applicant’s trade mark does not have the same effect as the presence of BAYERISCHES BIER. I find

the presence of BAVARIA in the applicant's trade mark does not constitute a false geographical indication and that the section 61 ground has not been made out.

Section 43 ground

18. This section provides:

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

Simply stated, a trade mark has a 'connotation' when it conveys more information than its primary or dictionary meaning.

19. The *Macquarie Dictionary* gives the following definition for Bavaria.

Bavaria

1. a state in southern Germany (formerly in West Germany); formerly a kingdom. Pop. 11 596 000 (1992 est.); 70 549 km²; *Capital*: Munich.

German **Bayern**.

For a substantial number of Australians, however, BAVARIA means more than just the name of a German state. Bavaria is a popular destination for Australian tourists, particularly its capital Munich which is the venue for the annual Oktoberfest. For those Australians the word BAVARIA will conjure up images of people sitting together at tables in beer halls drinking locally brewed beer, eating local sausage specialities and generally having a good time. Australians who have not travelled overseas are likely to be aware of the Oktoberfest through the Australian versions of the festival. There are also Australian incarnations of the Munich Hofbrauhaus⁶ dispensing German beer and cuisine and a visible local German community.⁷ Consequently a substantial number of Australians will associate Bavaria with beer, both the brewing and drinking thereof.

20. I am aware the applicant's first use of its trade mark was in Holland and dates back to at least 1956⁸ and I have taken into account the applicant's claim that it and its beer are well known in Europe as being from Holland. Nevertheless I am required to make

⁶ literally "Royal Court brewery"

⁷ This information is not in evidence but is common knowledge of which I am entitled to take notice.

⁸ FS1 to Swinkels

a finding with respect to the Australian marketplace as at 22 August 2000, the priority date of the present application. The applicant simply has not shown the same awareness of it and its beer existed then or exists now in Australia. Its evidence establishes beer bearing the present trade mark has been sold here since 1998 but there is no information about Australian market share. As the applicant did not serve its sales figures on the opponent, I am unable to take them into account for the purposes of assessing trade mark reputation. It may well be that the applicant's trade mark was widely known amongst Australian beer drinkers at the relevant date but I can make no such finding from the information before me.

21. BAVARIA is the most prominent feature of the present trade mark. It immediately strikes the eye and gives rise to an impression that the beer is from Bavaria. The applicant points to the presence of the word HOLLAND below BAVARIA and says that consumers will not be confused about the origin of the beer. But, as noted by the opponent, HOLLAND is given much less prominence than BAVARIA. Furthermore it is just the word HOLLAND by itself. It is not part of an expression such as 'brewed in Holland' or 'made in Holland'.
22. The applicant also points to the words HOLLAND BEER within the border of the trade mark. However in *Re Registered Trade Mark "YANX"; Ex parte Amalgamated Tobacco Corp Ltd* Williams J found the word YANX was so conspicuously displayed on a cigarette label that the qualifying words "Made in England" could easily be overlooked.⁹ I consider the same applies here with respect to HOLLAND BEER. A beer label will generally not be given the same close inspection as would a medicine label. As noted by Lord MacNaghten in *Montgomery v Thompson*: 'Thirsty folk want beer, not explanations'.¹⁰
23. To summarise, when the present trade mark is used on beer, I am satisfied the word BAVARIA connotes that the beer is from Bavaria. The applicant has not established that its beer is so well known in Australia that consumers would take BAVARIA as an indication of trade source not of geographical origin. Use of the present trade mark on beer that is not from Bavaria is therefore likely to deceive and/or cause confusion. I find the section 43 ground has been made out.

⁹ (1951) 82 CLR 199 at 206

¹⁰ (1891) 8 RPC 361 at 368

Remaining grounds

24. As the opponent has been successful with the section 43 ground it is not necessary for me to consider the grounds pursuant to sections 41 and 42.

Decision

25. My decision is to refuse to register trade mark application 847343.

Costs

26. I award costs against the applicant according to the official scale.

Deirdre O'Brien
Trade Marks Hearings
30 June 2006