



TRADE MARKS ACT 1995

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

Re: Opposition by McWilliams Wines Pty Ltd to registration of trade mark application 877486(33) - **MW MOUNT WILLIAM and the device of a VINE LEAF** - filed in the name of Darryl Murray Cousins, Adrienne Mary Cousins, Neil Stuart Smith and Joan Smith.

DELEGATE:	Mary Skivington
REPRESENTATION:	Opponent: Andrew Lockhart of Shelston IP, Patent and Trade Mark Attorneys. Applicant: Did not appear. Written submissions filed by Darryl Murray Cousins co-owner of the application.
DECISION:	Grounds of opposition under sections 44 and 60 not established. Registration allowed.

Background

1. Darryl Murray Cousins, Adrienne Mary Cousins, Neil Stuart Smith and Joan Smith, ('the applicant'), filed trade mark application number 877486, on 30 May 2001, to register the trade mark shown below in class 33, for wine.



2. No grounds for rejection were raised in the course of examination and acceptance of the trade mark for possible registration was advertised in the *Australian Official Journal of Trade Marks*, on 25 October 2001.
3. McWilliams Wines Pty Ltd, ('the opponent') filed notice of opposition to registration of the trade mark pursuant to section 52 of the *Trade Marks Act 1995*, ('the Act'). The notice lists thirteen grounds of opposition and 'Such other grounds as the Registrar of Trade Marks or the Courts see fit to allow'.
4. Both parties filed evidence supporting their respective positions and on 6 December 2004 the opponent applied to be heard. As a delegate of the Registrar of Trade Marks

I heard the matter in Canberra on 27 January 2005. The opponent was represented by Andrew Lockhart, a partner of Shelston IP, Patent and Trade Mark Attorneys. The applicant did not appear but Murray Cousins of Mt William Winery filed written submissions on behalf of the applicant.

The evidence

5. The evidence comprises statutory declarations with exhibits as set out below.

Evidence in support

Date	Declarant	Referred to as:	Exhibits
26 September 2003	Philip Skinner, Company Director of McWilliams Wines Pty Limited.	Skinner (1)	PS1 to PS9

Evidence in answer

Date	Declarant	Referred to as:	Exhibits
6 January 2004	Darryl Murray Cousins Co-owner of the application.	Cousins	DMC1 to DMC8

Evidence in reply

Date	Declarant	Referred to as:	Exhibits
3 November 2004	Matthew McWilliam, Manager of McWilliams Wines	McWilliam	MW1 to MW2
5 November 2004	Philip Skinner, Company Director of McWilliams Wines Pty Limited	Skinner (2)	PS10 to PS21

Evidence in support – Skinner (1)

6. Mr Skinner declares that the opponent is one of Australia's largest wine companies and that it has produced and retailed wine since 1877. He declares that the trade mark MCWILLIAMS was first used in Australia for wine some time before 1900 and that it has been in continuous use since then. He reports that the trade mark has been extensively advertised and promoted via displays at wine shows and award events, the Internet, point of sale material, catalogues and other print media. Exhibits PS7 and PS9 provide the annual sales and advertising figures for the years 1997 to 2003. These are substantial. The remaining exhibits are a catalogue of the opponent's wines,

wine labels, and printouts from the Internet of media releases and a history of the opponent.

Evidence in answer – Cousins

7. Mr Cousins declares that he has read the evidence in support and his declaration is largely given to submissions related to the trade mark registrations on which the opponent relies in its evidence in support. He declares that wines bearing the applicant's trade mark have been sold in Western Australia, South Australia, Victoria and New South Wales. Mr Cousins reports that the trade mark has acquired its own reputation and awareness amongst consumers. Exhibit DMC1 is evidence that the applicant's wine label won the *Sun Herald Boutique Wines Label Design Award 2003*. Exhibits DMC 2 to DMC5 are wine labels showing the trade mark. Exhibit DMC8 is evidence of an award for the Best Sparkling Wine won by the applicant at the *2003 Cool Climate Wine Show*.

Evidence in reply - McWilliam

8. In his declaration Mr McWilliam reports an incident that occurred on 22 December 2002 in which a broken mail order consignment of wine was wrongly sent to the opponent under 'Return to Sender' instructions. Mr McWilliam declares that he looked at the bottles and noted that the labels referred to Mount William. He reports that an investigation revealed that the wine should have been returned to the applicant and not sent to the opponent and that he gave instructions for it to be so returned.

Evidence in reply – Skinner (2)



9. Mr Skinner declares that the opponent has used an MW logo in various formats and that it has won numerous awards for wines bearing the McWilliam's trade mark and/or an MW logo. The exhibits include price guides and product catalogues as well as various labels and extracts from a number of publications such as Len Evans' *Complete Book of Australian Wine*, John Beeston's *A Concise History of Australian Wine* and The International Wine and Food Society's *Gazetteer of Wines* by André L Simon which refer to the opponent's goods.

Grounds of opposition

10. At the hearing Mr Lockhart pressed grounds of opposition under the provisions of sections 44 and 60 of the Act. No submissions were made in respect of the remaining grounds of opposition which I now find have not been established.

Submissions and the law

11. The opponent relied of the following trade marks, particularly trade mark number 91636:

Trade Mark No	Priority	Trade Mark	Goods
91636	20/06/1947	MCWILLIAMS	Wines and other alcoholic beverages (except beers)
720662	29/10/1996		Wines and other alcoholic beverages (except beers)
722769	26/11/1996		Wines and other alcoholic beverages (except beers)

Section 44

12. In order to establish a ground of opposition under the provisions of section 44 of the Act, the opponent must establish there is a substantially identical or deceptively similar trade mark application or registration, with an earlier priority date, in respect of similar goods or closely related services, in the name of a person other than the applicant.
13. Section 10 of the Act provides that a deceptively similar trade mark is one that so nearly resembles the other trade mark that it is likely to deceive or cause confusion.
14. The opponent's registrations have earlier priority dates than that of the subject application and it was common ground that the goods of both parties are the same. Mr Lockhart conceded that the marks are not substantially identical and focused his submissions on a claim that they are deceptively similar.

15. He submitted that it was important to take into account the types of customers who purchase wines at all prices, including value and low cost wines, noting the evidence shows that much of the McWILLIAM'S branded wine is sold in the lower price range. He argued that a large proportion of these consumers do not read labels in detail but rather respond to certain cues and form an impression from those cues. He said that in *C A Henschke & Co v Rosemount Estates Pty Ltd*, [1999] FCA 1561, Professor Lockshin's evidence concerning the distinction between 'uninvolved' and 'involved' wine consumers was not challenged and that in respect of the 'uninvolved' consumer he said,

The uninvolved consumer, by contrast, is one who has less sophisticated wine selection criteria. These consumers form a substantial majority of wine consumers. Typically he or she will be guided primarily by price. In my experience, these consumers will also respond to certain 'triggers' or 'cues'."

16. In considering the surrounding circumstances of trade in wine Mr Lockhart submitted that given that the label is attached to the circumference of the bottle part of the label will be partially obscured from view when the goods are stacked in shelves. Consumers will not see the first part of the word MOUNT in the applicant's trade mark and will not observe whether the mark ends in a letter 'S' as does McWILLIAM'S. This could lead to a first impression that the applicant's goods were those of the opponent.
17. Mr Lockhart argued that the resemblance between the marks arises from the use of similar structure and layout of elements and similar stylistic elements. In support of this he said the M and W of the opposed trade mark are visually prominent and will draw or strike the eye of the consumer, per *Saville Perfumery Ltd v June Perfect Ltd*, (1941) 58 RPC 147. He argued that consumers will read the label from left to right beginning with the visually prominent and striking letter 'M' and viewed in this way the opposed mark is strikingly similar in overall structure and appearance to the word McWILLIAM'S, which by convention is written with the letters 'M' and 'W' capitalized. Mr Lockhart submitted that the word MOUNT to the left side is likely to be partially obscured and unlikely to strike the eye as the letters are smaller than the capital letters 'M' and 'W' and moreover it is not a distinctive feature as there are many trade marks for wine which include the name of a topographical feature. He noted that common elements should to some extent be discounted: *Coca Cola Co*

(Canada) Ltd v Pepsi-Cola Co (Canada) Ltd, (1942) 59 RPC 127, *Mond Staffordshire Refinery Co Ltd v Harlem*, (1929) 41 CLR 475 and *Frigiking Trade Mark*, 1973 RPC 739. Mr Lockhart argued that the emphasized letters in the applicant's trade mark are represented in a similar crisscross style to that used by the opponent and that this is likely to feature in consumers' memories and is a surrounding circumstance that should be considered. On the other hand the representation of the letter 'C' in the McWILLIAM'S trade mark will be, at best, only imperfectly recalled. Mr Lockhart submitted that the device of a vine leaf is not an inherently distinctive device for wine and consumers' initial impression of the opposed trade mark will not include a detailed or photographic recall of the device. It was his contention that what consumers will retain in the memory is the impression created by the overall structure of the prominent letters 'M' and 'W' surrounding a rounded feature, a visual structure similar to McW.

18. Mr Lockhart submitted that the likelihood of deception is based on the overall impression or idea created by the trade mark and the imperfect recollection of consumers. In support of his case he cited authorities such as *Shell Co of Australia v Esso Standard Oil*, (1961) 109 CLR 407, *Smith Hayden & Co Ltd's Application*, (1946), *de Cordova v Vick Chemical Co*, (1951) 68 RPC 103, *Jafferjee v Scarlett*, (1937) 57 CLR 115, *William Bailey (Birmingham) Ltd's Trade Mark Application*, (1935) 52 RPC 136 and *Johnson & Johnson v Kalnin & Another*, 26 IPR 435.
19. Mr Lockart said per *Southern Cross Refrigerating Co. V. Toowoomba Foundry Pty Ltd*, (1954) 91 CLR, that to found a ground that the marks are deceptively similar there must be a real tangible danger of deception and confusion occurring. He submitted that it is not necessary to prove that there is an actual probability of deception. It is sufficient to show that confusion will result from use of the trade mark such that a number of ordinary consumers will be caused to wonder if the goods in question come from the same source. He further noted that Kitto J in the same case said that it was not necessary that the confusion persist to the point of sale. Mr Lockhart observed that in *Head Sport AG v Ahead Headgear Inc*, [2003] IPR 160, Hearing Officer Williams said in respect of this proposition,

However the first hook, by which the customer's attention will be captured by the goods, may well be a misreading of the applicant's mark

as HEAD rather than AHEAD. The likelihood is, in the present case sufficient to establish the ground of opposition.

20. On the issue of deceptive similarity, Hearing Officer Thompson in *Levi Strauss & Co v Harson International Limited*, [1999] ATMO 126 said,

The issue is therefore one of first impression, rather than of a detailed analysis of the differences between the trade marks. I am trying to estimate the effect on the mind of a person, seeing the applicant's trade mark, who carries a recollection or impression of the opponent's trade mark within their minds. This recollection or impression, per *Rysta*, supra, will not be perfectly formed.

21. Mr Cousins submitted that wine purchasers are particularly discerning and able to distinguish between hundreds of wine labels. He claimed that purchasers tend to deliberate over their selection of wine and that purchase rarely 'involves a quick grab at the nearest wine store' so that consumers are unlikely to inadvertently select a wine bearing the applicant's trade mark in the belief that it was a McWILLIAM'S labelled wine. He noted that the McWILLIAM'S brand 'tends to be associated with cheaper, bulk-produced wine rather than the relatively more expensive' boutique wines bearing the applicant's trade mark.
22. Regarding the opponent's logo trade mark, number 722769, Mr Cousins submitted the letters 'MW' between a normal and a mirror image 'C' were interlocked and rendered in a very distinctive style all within a circle. He said the applicant's trade mark is not deceptively similar to this trade mark as the 'get-up is not present or even implied' in its trade mark.
23. Mr Cousins contended that trade mark number 720662 bears no resemblance to the applicant's trade mark. In addition to the elements of trade mark 722769 it also bears the words McWILLIAM'S WINES ESTABLISHED 1877. He argued that the interlocked letters bounded by an annulus create a compact, monogram or badge-like impression. He noted that in contrast the M and W of the subject application are relatively spread out being separated by a vine leaf. Finally he submitted that phonetically MOUNT WILLIAM and McWILLIAM'S are not deceptively similar.
24. The central feature of the applicant's mark is an M and a W separated by the device of a vine leaf. While a vine leaf is common to the trade in wine and not of itself

distinctive for wine, it cannot be ignored for the purpose of section 44 of the Act. The letters MW are prominent and while they are to a certain extent stylized in that the second and third strokes of each letter crossover the stylization is simple. The combination of letters and the leaf is elegant in its simplicity.

25. The opponent's logo marks are altogether more ornate in design. The letters MW are interlaced to form a monogram. The central strokes of each meet in a fleur-de-lis and the first and second strokes and third and fourth strokes of the W are looped. The crisscrossing of the strokes of the letters form three diamond shapes in the centre of the trade mark. At the midway point in the height of the strokes that form the first and last strokes of these letters is a mirror image letter 'C' on the left side of the monogram and on the right a letter 'C'. These are significantly smaller than the MW and their close resemblance to horseshoe devices could lead to their alphabetic significance not being immediately recognized. These elements are enclosed in a simple circle in 722769 and in an annulus in 720662. The overall impression created by these trade marks is one of dissimilarity to the applicant's trade mark. I find that they are not deceptively similar.
26. I agree with Mr Lockhart that as stored in a wine shop the label on a wine bottle may be partially obscured and that in the case of the subject application consumers are likely to read the applicant's trade mark from left to right beginning with the prominent, uppercase 'M' as the MW and vine leaf device are the essential feature of the trade mark. I also agree with Mr Lockhart that in the same storage situation consumers, at a first glance, will not be able to see to the end of the word to see if the last letter is an 'S'. However, I cannot agree with him that consumers will gain an impression that the MW and vine leaf is the McW of McWILLIAM'S. The vine leaf is clearly a leaf and it would take a great leap of imagination to see it, even for a moment as a letter of the alphabet and in any case, the letters MW are far too widely separated for this element of the mark to be likely to be seen as McW.
27. In *Australian Woollen Mills Ltd v F S Walton & Co Ltd*, (1937) 58 CLR 641 Dixon and McTiernan JJ summarized the rules for determining deceptive similarity saying,

...the marks ought not, of course, to be compared side by side. 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. Potential buyers of goods are not to be credited with any high perception or habitual caution. On the other hand, exceptional carelessness or stupidity may be disregarded. The course of business and the way in which the particular class of goods are sold gives, it may be said, the setting and the habits and observation of men considered in the mass affords the standard.

28. McWILLIAM is a widely recognized surname, due in no small part, I suspect, to the activities of the opponent, because it is not a very common surname. William is generally recognized as a given name although it has some currency as a surname. MOUNT WILLIAM is clearly the name of a topographic feature, presumably so named, after a person named William. Taken as a whole MOUNT WILLIAM and McWILLIAMS do not look alike. The effect of the word MOUNT is to remove any suggestion of it being a person's name whereas McWILLIAMS is obviously a reference to a person. Nor do MOUNT WILLIAM and McWILLIAMS sound alike. The idea or impression created by each and retained in the memory is different, one being the name of a locality and the other a person. While wine may be purchased without a great deal of caution I think it would only be a very careless person who confused these two trade marks.
29. I have carefully considered Mr McWilliam's declaration which detailed an instance when a damaged consignment of the applicant's wine was wrongly sent to the opponent instead of being returned to the sender. It seems to me that this was a demonstration of 'exceptional carelessness' rather than an indication that the ordinary purchaser is likely to be deceived or confused by the deceptive similarity of the marks. The original consignment would have indicated the sender's name and address so there should have been no difficulty in returning it directly to the sender. I have no evidence that anyone inspected, however hastily, the labels on the bottles within the box and as a result of that inspection formed the opinion that trade mark on the label so closely resembled McWILLIAMS that the goods originated with the opponent.

30. I find that the applicant's trade mark is not deceptively similar to any of the trade marks relied on by the opponent and as a consequence the section 44 ground of opposition has not been established.

Section 60

31. In order to satisfy a ground of opposition under the provisions of section 60 of the Act, the following conditions must be met:

1. The applied for trade mark must be substantially identical with or deceptively similar to another trade mark or trade marks cited by the opponent;
2. The mark/s cited by the opponent must have acquired a reputation in Australia before the priority date of the applied for trade mark; and
3. Because of that reputation, use by the applicant of its trade mark, would be likely to deceive or cause confusion.

32. I have already found that the applicant's trade mark is not deceptively similar to any of the trade marks relied on by the opponent. Therefore the threshold condition for a ground of opposition under section 60 has not been made out and I dismiss it.

Decision

33. The opposition has been unsuccessful. I direct that trade mark application number 877486 may proceed to registration one month from the date of this decision. If the Registrar has been served with a notice of appeal before that time, I direct that registration shall not occur until the appeal has been decided or discontinued.

Mary Skivington
Hearing Officer
Trade Marks Hearings
23 May 2005