



TRADE MARKS ACT 1995

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

Re: Opposition by Geoffrey Inc to registration of trade mark application 910891(35, 37, 40) GLASS 'R' US proceeding in the name of Mary Margaret Hoyle.

DELEGATE:	Ian Thompson
REPRESENTATION:	Opponent Julia Baird of Counsel. Applicant Fleur Hinton of Guy & Hinton.
DECISION:	1.s52 opposition: section 42 – <i>Fair Trading Acts</i> s42; <i>Trade Marks Act 1995</i> s43, s44, s58, s60, ss21(2), s55 – trade marks not deceptively similar: opposition not established 2 Costs ordered against opponent.

Background

1. Mary Margaret Hoyle ('the applicant') of Kellyville, New South Wales, has filed application to register a trade mark, current details of which are:

App No:	910891
Filing Date:	26 April 2002
Acceptance Date:	19 September 2002
Services:	Class: 35 Wholesale and retail of all glass products Class: 37 Installation of all glass products Class: 40 Making changes to glass products to suit customers' needs
Trade Mark:	GLASS 'R' US

2. On 18 December 2002, Geoffrey, Inc ('the opponent') of New Jersey, United States of America, filed Notice of Opposition ('the Notice') to the registration of the trade mark. The Notice cites grounds via section 42 of the *Trade Marks Act 1995* under *Fair Trading Acts* section 42; and also *Trade Marks Act 1995* sections 43, 44, 58, 60 and 55.
3. Evidence in support was served and filed, as was evidence in answer and evidence in reply as allowed by the Act and Regulations thereto.
4. A hearing was held before me, as a delegate of the Registrar of Trade Marks, in Sydney, on Monday 19 July 2004. Julia Baird of Counsel, instructed by Chrysiliou Law, represented the opponent. Fleur Hinton, of Guy & Hinton, represented the applicant who was also present at the hearing.
5. I will discuss the evidence and what I consider that it shows, how the evidence relates to the arguments of the parties, apply the outcome of those discussions to the circumstances of this application, then assess that discussion in terms of the grounds of opposition.

Evidence

6. The evidence comprises the following declarations:

Declarant	Position Known as	Date Made	Exhibits
Evidence in Support			
John Francis Redenbach	Merchandise Director of opponent 'Redenbach 1'	14 November 2003	JFG-1 to JFG-14

John Francis Redenbach	Merchandise Director of opponent 'Redenbach 2'	9 December 2003	JFG-15 to JFG-25
Evidence in Answer			
Mary Margaret Hoyle	Applicant 'Hoyle'	19 January 2003	MMH-1 to MMH-4
Evidence in Reply			
Peter Collins	Associate Professor Linguistics 'Collins'	2 June 2003	PC-1 to PC-2

7. The evidence in support and reply shows that the opponent is the owner, in Australia and elsewhere in the world, of the trade mark TOYS "R" US and related trade marks. The opponent's group of companies was founded in the USA by Charles Lazarus who coined the trade mark TOYS "R" US, which is also used in logo form with the central letter R, reversed. The trade mark is a rebus which makes use of visual pun, elision and grammatical inexactitude to deliver a simple, inherently distinctive message about the nature of the goods and/or services offered under the trade mark. The trade mark might also be seen as referring obliquely to the surname of the opponent's founder by the incorporation of the sound of the last five letters of Mr Lazarus's surname into the trade mark.
8. In 1982, the opponent first registered its trade mark in Australia. In 1989, the opponent supplied various metal toy vehicles under its trade mark TOYS "R" US to retailers in Australia. In 1993, the opponent opened its first store in Australia. The opponent now has 35 stores throughout Australia.

9. The opponent has registered a number of trade marks within Australia which are coined in the same way as its TOYS "R" US trade mark. These include KIDS "R" US, BABIES "R" US, COMPUTERS "R" US and BOOKS "R" US.

10. Details of relevant Australian TOYS "R" US registrations are:

Reg Number 376288
Priority date: 2 June 1982
Goods/Services: Class: 42: Retail department store services in relation to the importation, sale, distribution of games, toys and playthings
Trade Mark: **TOYS 'R' US**

Reg Number 376289
Priority date: 2 June 1982
Goods/Services: Class: 28: Games, toys and playthings and all other goods in class 28
Trade Mark: **TOYS 'R' US**

11. The opponent has sold a number of toys, games or playthings in Australia which are made from or include glass. These include leadlight craft kits, glass chess sets, glass marbles, glass wishing stones and so forth.

12. Sales and advertising expenditure in relation to the TOYS "R" US trade mark by the opponent in Australia have been substantial and I am satisfied that the opponent's TOYS "R" US trade mark (in either logo or plain form) has a reputation within Australia.

13. The opponent's trade marks KIDS "R" US, "R" US, TOYS "R" US, SPORTS "R" US and BABIES "R" US appear on the opponent's websites, www.toysrus.com, www.kidsrus.com and www.babiesrus.com.

14. Peter Collins is an associate professor of linguistics who provides his curriculum vitae. I accept that he is very well qualified to comment on semantics and linguistics. He attests

that it is his opinion that the expression “(X) R US” is a clever coinage which is associated only with the opponent and has no currency in Australian English. To arrive at this conclusion, Professor Collins referred to two comprehensive databases of modern Australian English and found that there were no examples of “(X) R US”. Professor Collins states that he believes that it is unlikely that the expression “(X) R US” would gain any currency due to its contravention of regular grammatical/semantic principles of modern English.

15. Ms Hoyle attests, in her declaration, to her founding of a business under the trade mark GLASS R US. This business sells and installs a number of glass products such as leadlight windows and door panels, shower screens and so forth. Her initial choice for a trade mark was YOUR LOCAL GLASS COMPANY, but Ms Hoyle wished to have a trade mark which was immediately registrable and enforceable. She decided on the trade mark which is here opposed. Ms Hoyle provides brochures with the trade mark rubber-stamped on the back page on which the contact company for the provision of services is shown as being Abstract View P/L [sic].
16. Ms Hoyle appends to her declaration a Trade Marks Office printout of various of what I will term the (GOODS) R US registrations on the Australian Register of Trade Marks. Ms Hoyle also appends an Australian Securities and Investments Commission printout which advises that there are 1181 entries on the National Names Index (‘NNI’) (which includes both company and State business names registers) which contain the phrase R US.

Comment

17. While the opponent’s trade marks “R” US, TOYS “R” US, SPORTS “R” US, BABIES R US and KIDS R US appear on the opponent’s websites, the opponent does

not state whether these websites are regularly accessed from Australia or whether orders for goods from the websites have been placed from within Australia. The opponent does not provide sales figures for goods sold under its trade marks (other than, or distinct from, the trade mark TOYS “R” US) within Australia. The opponent does not provide details of how many Australians have bought goods within its shops overseas and might have been exposed to the opponent’s trade marks marks “R” US, TOYS “R” US, SPORTS “R” US and BABIES “R” US, etc. The opponent does not provide details of the numbers of Australians who travel to countries where its family of trade marks are used. Thus, the evidence does not support the proposition that Australians perceive that the opponent has a family of trade marks which it uses in Australia, or elsewhere. The evidence before me shows that the opponent has used only the trade mark TOYS “R” US in Australia.

18. As Ms Hinton observed, there is an obvious problem with Professor Collins’ report that is appended to his declaration. The problem is that Professor Collins’ report in his evidence does not mention whether he was aware that there were, by the date at which the applicant filed the opposed application, some 31 registrations of the (GOODS) R US type of trade marks on the Australian Register in the names of persons other than the opponent. How this awareness would colour or qualify Professor Collins’ report is not clear – however, his perceptions of any exclusivity that he thought that the opponent had in the trade mark might, I consider, be qualified. Since Professor Collins was obviously not aware of the commercial context of the question that his report addresses, I do not think that it would be correct to place much weight on his conclusions which were in any case specifically in relation to a hypothetical expression in the English language and not a name or trade mark.

19. Ms Baird submitted that in view of comments in the decisions *Ocean Spray Cranberries* (2000) 47 IPR 579 at [35]-[36] and *McDonalds Corporation v David Bellamy* [2004] ATMO 26, at [6], it is inappropriate to refer to the state of the Register of Trade Marks. However, in terms of *Ocean Spray*, I think that it is true to say that here the present applicant does not refer to the state of the Register in order to establish the trade mark's registrability per se, but rather to address the state of the marketplace. And, the point in *Bellamy* was not that it was inappropriate to refer to the Register to establish the state of the marketplace, but rather that if the state of the Register was to be relied upon, and the analysis was to be one which was other than straightforward, the state of the Register should be in evidence in order that the other party could properly consider and answer it. As the state of the Register was not in evidence in *Bellamy* and the analysis was not straightforward, I did not consider it. However, here the state of the Register is in evidence and I will consider it.
20. While Ms Baird correctly stated that it is not at all obvious that all of the (GOODS) R US trade marks which are registered by persons other than the applicant are being used, they do, I think, as there are many of them, fall within the precept within *Re Smith Hayden and Co's Application* (1946) 63 RPC 97 at 101.8: I should, at the very least, consider them to be 'notionally' used. It would defy commonsense to suppose that there are so many unused trade marks on the Register.
21. While this approach might, at first blush, appear at odds with my finding that the opponent has not used its 'family' of registered trade marks which includes TOYS "R" US, KIDS "R" US, BOOKS "R" US, COMPUTERS "R" US and BABIES "R" US, this is because to establish the 'family' of trade marks argument, an opponent must show that the individual trade marks of the 'family' have been actually

been used in trade and are recognised as a family within the marketplace. However, the only trade mark that the opponent has evidenced actual use of within Australia is TOYS “R” US.

22. It would otherwise stretch credulity that the 31 registered (GOODS) R US type trade marks in the names of persons other than the parties are all unused and it would be at odds with both my experience of the Register and my observations of the world where (GOODS) R US trade marks appear to abound. The 1181 NNI entries, although not conclusive, offer further support for this approach.
23. Thus, while Professor Collins establishes that the expression “(X) R US” has not entered general English, it would seem to me apparent that the expression (GOODS) R US is regularly used within Australia as the basis of trade marks by traders other than the parties to these proceedings.
24. The state of the register and NNI index indicate that the coinage (GOODS) R US is, if not widespread, is now by no means unusual or novel in Australian trade and is regularly used by traders other than the parties as the basis of trade marks.
25. At this stage it is also appropriate to address the opponent’s submission that, “the copying of the opponent’s designation “R” US in circumstances where it is grammatically incorrect tends against the bona fides of [the applicant’s] adoption of the trade mark.” I don’t consider that the applicant has copied the trade mark: there are 31 trade mark registrations based on the sign and further suggestive listings on the NNI. The allegation that the applicant has copied one or more of these trade marks is obviously not a proposition which is reflected in, or supported by, commercial reality. It is more likely that the applicant has started with a general awareness of the (GOODS) R US trade marks, in the same way that most people have a general

awareness of the (GOODS)MASTER, (GOODS)MATE or GOODS(WORLD) trade marks and has coined her trade mark on that basis.

Subsidiary Issues

26. I am not entirely satisfied that it is appropriate for me to look at the provisions of subsection 21(2) of the *Trade Marks Act 1995* as a ground of opposition as it relates to loss of equities in the opponent's trade mark. However, it is true, as Ms Baird submitted, that following *Advantage Rent-A-Car Inc v Advantage Car Rental Pty Ltd* (2001) 52 IPR 24, I am to consider whether use by an applicant of an opposed trade mark would be contrary to law in terms of subsection 42(b) and the law includes subsection 21(2) of the *Trade Marks Act 1995*. As I understand it, this argument amounts to one of 'trade mark dilution': if this is so, the many trade marks of the type (GOODS) R US which are registered (or used) in Australia in the names of traders other than the opponent mean that whatever equities the opponent might have had in this type of trade mark, through the use of its TOYS "R" US trade mark due to its exclusivity, those particular equities have been exhausted.

Reasons


27. The grounds argued by the opponent rely on its perceptions of:
- Exclusivity and reputation in the (GOODS) R US type of trade mark
 - Its 'family' of trade marks in Australia
 - The substantial identity or deceptive similarity of the parties' trade marks
 - The reputation of the TOYS "R" US trade mark.
 - An alleged nexus between the opponent's goods and services and the applicant's services.
28. I have found that the opponent does not have any exclusivity in the (GOODS) R US type of trade mark (whether in use or by registration) and the opponent has not evidenced that it is using a family of trade marks in Australia. Further, the evidence does not establish

that Australians are aware that the opponent is using a ‘family’ of (GOODS) R US trade marks elsewhere in the world nor does it establish that this ‘family’ has a reputation in Australia. I have also found that the evidence establishes that the opponent’s trade mark TOYS “R” US has a reputation in Australia. What remains for me is to determine whether the trade marks are substantially identical or deceptively similar and consider the alleged nexus between the opponent’s goods and services and the services of the applicant and apply my conclusions to the grounds both specified in the Notice and pursued at opposition.

Similarity of the Trade Marks

29. **Substantial Identity.** In considering whether the trade marks of the parties are substantially identical, I adopt the test enunciated by Windeyer J in *Shell Company of Australia Co Limited v Esso Standard Oil (Australia) Limited* (1963) 109 CLR 407, 414 (reversed on appeal but not on this principle):

In considering whether marks are substantially identical they should, I think, be compared side by side their similarities and differences noted and the importance of these assets having regard to the essential features of the registered mark and the total impression of resemblance or dissimilarity that emerges from the comparison.

30. The trade marks in question are TOYS “R” US (section 60) or  (sections 44 and 60) and GLASS ‘R’ US. The trade marks exhibit very obvious differences and are not substantially identical.

31. **Deceptive Similarity.** Dixon and McTiernan JJ in *Australian Woollen Mills Ltd v F S Walton and Co Ltd* (1937) 58 CLR 641, at 658, said, in determining the issue whether trade marks are deceptively similar:

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.

32. In this test, the trade marks ought not be considered side by side.
33. The test is a subjective one in which the wider context of the use of the trade marks is to be considered: *Re Application by the Pianotist Co Ltd* (1906) 1A IPR 379 at 380; 23 RPC 774 at 777. Part of the context here is the fact that the (GOODS) R US type of trade mark is regularly used by traders other than the parties – there are 31 registrations of trade marks incorporating, or based on, the sign (GOODS) R US. Looked at from this point of view, while the trade marks are similar, they are not deceptively so, as the registrations may be taken as indicating that the public is well used to distinguishing between business which have coined trade marks based on the sign (GOODS) R US and do not regard the type of trade mark as indicating a particular trader.
34. The trade marks are not deceptively similar.

Nexus between Goods and Services

35. In considering the alleged nexus between the goods and services of the opponent and the services of the applicant, I think that something a lot closer is required than the fact that the opponent has amongst its considerable range of goods, occasionally supplied glass toys, playthings and games while the applicant supplies glass windows, doors and shower screens, for this leg of the grounds to be established. In terms of section 44, the parties' goods or services are not, in the main, similar services or closely related goods: *Australian Tourism Company Ltd and Others v Mid Sydney Pty Ltd* 42 IPR 561 at 567; *Registrar of Trade Marks v Woolworths* [1999] FCA 1020 (29 July 1999).
36. The possible exception to this observation is the fact that the opponent's specification of services includes the retail of glass playthings, games and toys and the applicant seeks

registration in respect of all the retail of 'all' glass products which would include such goods. However, the trade marks are, as I have stated, not deceptively similar and are not such that they would lead the ordinary person to conclude that there is a relationship between the parties, or indicate a common source in trade of the goods.

37. In terms of sections 60 and 42, the link or nexus between the goods and services of the parties is, in my estimation, remote and tenuous and the applicant's services are not what one would expect of the opponent in the normal course of its current business or normal commercial expansion. One does not go to a shower and glass installer for toys and games (or vice versa); neither does one take broken games and toys to a glass window and shower and door repairer to be fixed. Consequently, I consider that most ordinary people would see the opponent goods and services, and the services of the applicant as being unrelated.
38. Although in the trade context described above I consider it to be unlikely, it is possible that some people might see in the applicant's trade mark a reference to the opponent's trade mark or a part of it. However, making reference to part of another trade mark is permissible if the end result is that such reference will not mislead or deceive in terms of section 52 of the *Trade Practices Act 1972* (or section 42 of the *Fair Trading Acts*) or will not result in deception or confusion in terms of sections 44 or 60 of the *Trade Marks Act 1995*. See for instance, *McIlhenny Co v Blue Yonder Holdings Pty Ltd formerly trading as Tabasco Design & Anor* [1997] 962 FCA (18 September 1997) (the Tabasco case). Registration is not an award for originality as long as that lack of originality is not a source of deception or confusion or would be likely to mislead or deceive.

39. Under section 58, an applicant's claims to ownership via the filing of an application may be displaced by evidence of the opponent's prior use of a trade mark which is at least substantially identical in respect of the same kind of thing: *re Hicks' Case* (1897) 22 VLR 636, by Holroyd J: *Carnival Cruise Lines Inc. v. Sitmar Cruises Limited* 31 IPR 375 per Gummow J. The opposition under section 58 is not established as the goods and services of the parties are not the same kind of thing (except in Class 35), neither are the trade marks the same or substantially identical. I will also add that this ground was pursued on the basis that the applicant has shown in its evidence what may be use of the trade mark by Abstract View P/L. But, whatever the relationship is between the applicant and Abstract View P/L, this line of argument founders at the first hurdle as the use Ms Baird refers to is of indeterminate provenance - it does not necessarily predate the filing of the application.
40. The opposition under section 44 is not established as the trade marks are not substantially identical or deceptively similar; the opponent's goods or services are not similar services or closely related goods to those services of the applicant other than those in Class 35.
41. In *Equity Access Pty Ltd v Westpac Banking Corporation* (1989) 16 IPR 431 at 440-442, Hill J set out the following principles, concerning section 52 of the *Trade Practices Act 1974* (which are also applicable to section 42 of the *Fair Trading Acts* as they apply to individuals, rather than companies):
1. For conduct to be misleading or deceptive the conduct must convey in all the circumstances of the case a misrepresentation:
 2. There will however be no contravention of s.52(1) of the Act unless error or misconception results from the conduct of the corporation and not from other circumstances for which the corporation is not responsible:
 3. Conduct will be likely to mislead or deceive if there is a "real or not remote chance or possibility" of misleading or deception regardless of

whether it is less or more than 50%. The question of whether conduct is misleading or deceptive or likely to mislead or deceive is an objective question which the Court must determine for itself. Hence evidence that persons in the relevant class have been misled will, although admissible, not be determinative. In some cases however such evidence will be very persuasive.

4. Conduct of a corporation causing mere confusion or uncertainty in the minds of the public in the sense that they may be caused to wonder whether two products may have come from the same source is not necessarily coextensive with misleading or deceptive conduct: Since actual deception need not be shown the Court must consider whether a reasonably significant number of potential purchasers would be likely to be misled or deceived: The test in passing off cases is usually expressed as being whether a "substantial number of persons likely to become purchasers ... are liable to be deceived by the defendant's use of the name. On the other hand it is not necessary to show that all, or substantially all, persons in the market associate the name with the plaintiff's goods, if this can be shown of a substantial proportion of persons who are probably purchasers of the goods of the kind in question."

5. In a case such as the present the applicant must establish that it has acquired the relevant reputation in the name, that is to say that the name had become distinctive of the applicant's business in a particular country or geographical area. However at least in some circumstances very slight activities may be found to be sufficient to establish that a name has become distinctive of a person's business in a particular country.

6. Section 52 is not confined to conduct which is intended to mislead or deceive and a corporation which acts honestly and reasonably may none the less engage in conduct that is likely to mislead or deceive.

42. The opposition under section 42 of the *Fair Trading Acts* of the States via section 42 of the *Trade Marks Act 1995* is not established. The opponent does not have a reputation in Australia in (GOODS) R US trade marks (as opposed to its TOYS "R" US trade mark). Absent widespread knowledge in Australia of the opponent's family of trade marks and with many other traders using (GOODS) R US trade marks, there is no idiosyncrasy in the opponent's type of mark which would lead people to believe there is likely to be some kind of connection between the parties. Additionally, there is no nexus between the majority of the goods and/or services provided by the parties and the services of the applicant are not those that one might expect the opponent to extend its brand into: *Twentieth Century Fox Film Corporation v South Australian Brewing Co Ltd*

(1996) 66 FCR 451 (“the Duff Beer case”); *Campomar Societad Limitada v Nike International Ltd* (1999) 202 CLR 45 (“the Nike case”).

43. It is therefore unlikely that the opposed trade mark would mislead or deceive as the opposed trade mark does not misrepresent a connection with the opponent.
44. In terms of section 43 of the *Trade Marks Act 1995*, it is not appropriate to compare the opposed trade mark with that of the opponent: *Big Country Developments Pty Ltd v TGI Friday's Inc*, [2000] FCA 720, 48 IPR 513 at 521:

The case on deception and confusion sought to be made by Big Country and Friday's Australia in the present proceedings is one that falls outside the reasons specified in [section 43]. It does not depend upon some connotation in the registered mark, but upon its similarity to a name used by Big Country and others. So the alleged deception or confusion is not for a reason covered by s 43.

45. The connotation within the opposed trade mark, that it is used in relation to glass, appears to be entirely consistent with its use. The coinage (GOODS) R US does not connote a connection with the opponent, since it has not been used by the opponent in such a way that it has entered ordinary parlance: *Down To Earth (Victoria) Co-Operative Society Ltd v Schmidt* (1998) 41 IPR 632, *Amalagamated Television Services Pty Ltd v Linda Cameron Pickard, Alexandra Cameron Pickard and Linda Louise Pickard* [1999] ATMO 103 (11 October 1999), and *Durkan v 20th Century Fox Film Corporation* (2000) 47 IPR 651. See also the declaration by Professor Peter Collins that the designation has not entered Australian English.

Decision

46. Section 55 of the Act provides:

55. Unless the proceedings are discontinued or dismissed, the Registrar must, at the end, decide:

- (a) to refuse to register the trade mark; or

(b) to register the trade mark (with or without conditions or limitations) in respect of the goods and/or services then specified in the application; having regard to the extent (if any) to which any ground on which the application was opposed has been established.

Note: For *limitations* see section 6.

47. The opponent has not established any of its grounds of opposition.
48. Subject to the opponent notifying the Registrar of filing an appeal against my decision within one month of the date of this decision, the application may proceed to registration. If such appeal is notified and not withdrawn, the application should be dealt with as the Court directs.

Costs

49. The parties sought their costs should they be successful in these proceedings. Costs may follow the event and I order costs against the opponent at the official scale.

Ian Thompson
Hearing Officer
Trade Marks Hearings
16 August 2004