



## TRADE MARKS ACT 1995

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

Re: Opposition by Kiwi Munchies Pty Ltd to registration of trade mark application 941375(30) - **IN A BISKIT STOPS THE MUNCHIES!** - filed in the name of Kraft Foods Holdings Inc.

---

<b>DELEGATE:</b>	Terry Williams
<b>REPRESENTATION:</b>	<b>Opponent:</b> written submissions by Sophia Paras, solicitor, of KM Legal <b>Applicant:</b> written submissions by Jeffrey Ryder, patent attorney of the firm of Callinan Lawrie
<b>DECISION:</b>	<b>S 52 opposition:</b> Applicant's mark able to distinguish, not deceptively similar to opponent's – registration proceeding.

---

#### Background

1. Kraft Foods Holding Inc (Kraft) has applied for registration in class 30 of a composite trade mark containing the words **IN A BISKIT STOPS THE MUNCHIES!** The goods specified are:

Coffee, tea, cocoa, sugar, rice, tapioca, sago, artificial coffee; flour, biscuits, cookies, crackers, and preparations made from cereals, bread, pastry, and confectionery, teas, honey, treacle; yeast, baking powder; salt, mustard; vinegar, sauces (condiments); spices, ice.

2. The precise form of the trade mark is as follows:



3. This application has been examined and accepted for possible registration. Kiwi Munchies Pty Ltd (Kiwi) has filed a notice of opposition to registration, nominating grounds under s 41, 42(b), 43, 58 and 60 of the *Trade Marks Act 1995* (the Act).

4. The parties filed and served evidence as provided under part 5 of the Trade Mark Regulations. In 2004 the parties were given an opportunity to be heard but neither side took advantage of this and the matter was initially referred to Ms. Rachel Dunn, then acting as a Hearing Officer, to be decided on the written record. This record included the written submissions of both sides.
5. On 8 June 2004, Ms. Dunn directed that the trade mark proceed to registration. As part of her reasons for decision given in the letter of that date, she stated:

Ms. Paras (solicitor for Kiwi) also submits that the applicant does not use the trade mark for the entire range of goods claimed and the application therefore contravenes s59 of the Act.

Section 59 of the Act was not raised as a ground of opposition and was not referred to in the opponent's evidence in support. The applicant, not having had the benefit of reading the opponent's submissions, had no knowledge of this claim against s59 and therefore no way to respond to the allegation. I do not believe it is reasonable in these circumstances to consider a ground of opposition under s 59 at this stage, and I decline to do so.

6. Kiwi sought a review of the decision under the *Administrative Decisions (Judicial Review) Act 1977* on the grounds of denial of natural justice. Kraft was made aware of the review matter by the Australian Government Solicitor, acting for the Registrar of Trade Marks. The review matter was settled by consent on terms that provided, inter alia:
  - The decision of the delegate of the Registrar of Trade Marks be set aside;
  - The decision be remitted back to a delegate of the Registrar of Trade Marks to be redetermined in accordance with law
7. Kraft concurred with the proposed settlement. The parties agreed that, as part of the re-decision, written submissions filed by Kraft would be provided to Kiwi and Kiwi given a right of reply. We also agreed that in relation to s 59 of the Act:

Kiwi Munchies may, upon 7 days of settlement, make a written request to the Registrar of Trade Marks pursuant to section 66 of the Act, to amend its Notice of Opposition to include section 59 of the Act as a ground of opposition. Any written request is to include submissions in support of the request.”

8. The consent orders allowed for submissions from Kraft, if it objected to the amendment, and from Kiwi in reply.

9. On 6 September 2004, Kiwi made a written request to amend the Notice of Opposition under s 66 of the Act to introduce a ground of opposition under s 59. As a delegate of the Registrar, Ms Dunn informed the parties she intended to refuse the request made pursuant to s 66 seeking to amend the notice of opposition to include s 59 as a ground of opposition. Kiwi sought a hearing, which I conducted, in relation to the intended refusal to amend the notice of opposition. On 29 April 2005, I issued a decision<sup>1</sup> wherein I gave reasons for my refusal of permission to amend the notice of opposition.
10. I subsequently allowed Kiwi 28 days to request a hearing on my stated intention to refuse its application to introduce further evidence. That application to bring in further evidence first came to light at the hearing of the amendment request.
11. On 6 June, the 28 days having passed, I wrote to both sides. I confirmed that I had refused permission to Kiwi to bring in further evidence and I gave the parties an ultimate opportunity to be heard on the substantive matter. Neither party has done so and, none of the previous decisions being under challenge, I am now able to decide the substantive matter. I do so having regard to the evidence that has been properly filed and served, the grounds of opposition nominated by Kiwi in its notice of opposition (as originally filed) and the written submissions of the parties. These were prepared by Sophia Paras, a solicitor on behalf of Kiwi, and by Jeffrey Ryder, a patent attorney of the firm of Callinan Lawrie, on behalf of Kraft.

### **Evidence**

12. Kiwi's evidence in support consists of a single declaration by Anastasia Ualesi, the company secretary of Kiwi. She asserts that Kiwi has used the trade mark "munchies" in association with its business since 1997. Ms Ualesi asserts:

If the Trade Marks Office accepts the registration of trade mark no 941375 'In a biskit stops the muchies' application, Kiwi will experience considerable inconvenience to its operations. The acceptance (sic) of the trade mark 'In a biskit stops the muchies' application will also have a detrimental effect on the business of Kiwi Munchies. Kiwi Munchies will be denied the benefits and protection afforded to it under the Trade Marks Act.

Kiwi has placed an enormous amount of effort and resources building its

---

<sup>1</sup> Kiwi Munchies Pty Ltd v Kraft Foods Holdings Inc [2005] ATMO 22

brand name under the ‘munchies’ trade mark. The applicant if successful will be allowed to trade off the goodwill of the Opponent.

13. There is no evidence of how or to what extent the trade mark is used or advertised, or what the association with the business comprises, or the extent of the use.
14. Kraft’s evidence in answer consists of a single declaration by Mr Ryder. His declaration strays onto matters of his own personal opinion. For the benefit of Kiwi, I state that I give no weight to such opinions where they go to issues that I am required to decide on the basis of my own findings of fact in the light of evidence.
15. Mr Ryder establishes that Kraft has two trade mark registrations, 219816 and 200394, as follows:



16. Both trade marks were registered under the higher tests applicable to Part A under the now-repealed 1955 Act. Consistently, they are endorsed:

Registration of this trade mark shall give no right to the exclusive use of the words "Chicken in a biskit".

17. Mr Ryder’s declaration also introduces an extract from the second edition of the *Macquarie Dictionary*, which relevantly notes that “munchies” is a colloquial term meaning “anything to eat, especially snacks between meals” and that the expression “have the munchies” means “to experience a craving for food, especially one resulting from smoking marijuana”.

**Other matters of note**

18. Appended to the declaration of Ms Ualesi is a copy of the details of trade mark 887886, registered – at the time<sup>2</sup> - to Kiwi for “retailing of foodstuffs and clothing”. The trade mark is the word MUNCHIES. Perplexingly, Ms Ualesi states that this trade mark “has been registered for a period of ten years”. While registration back-dates, because of s 72, to the date of filing in 2001, Ms Ualesi appears to be incorrect in her calculation of time, which is also inconsistent with her claim of use since 1997.

19. I note that the registration to which she refers was granted to Kiwi under the provisions of s 44(4). Kiwi would be aware that this provision involved the acceptance of its application 887886 in the face of another and earlier application or registration. Kiwi relied, to gain registration of the trade mark in question, on evidence of use of its own trade mark before the filing date of an earlier and conflicting trade mark application, 846665.

20. Kiwi obtained registration of its own trade mark under s 44(4) and opposed registration of trade mark 846665. The significance of this matter to the present is that it establishes that Kiwi is no stranger to the opposition forum at the Trade Marks Office. The circumstances attending the earlier opposition shed some light on the evidence in the present matter. Kiwi’s opposition to the registration of 846665 was successful. In deciding that opposition, I note that the delegate found that, in relation to foodstuffs:

... "munchies" has a particular meaning. The *Macquarie Dictionary* relevantly states that the expression colloquially means "anything to eat, especially snacks between meals". Accordingly, it is an apt description for foodstuffs or services relating to foodstuffs. Other traders are likely to want to use the expression to describe their goods. Therefore, I am not satisfied that the trade mark has any inherent adaptation to distinguish in relation to "wholesale and distribution services being sale of food".

I agree with that comment, though I think it would be equally fair to say that in the context of the present mark the expression “stops the munchies” is more likely to be seen as a reference to a foodstuff or snack that stops a craving for food.

---

<sup>2</sup> There has since been an assignment, but s 44 is still relevant, since it is not predicated on ownership of a potentially conflicting registration by the opponent. A registration owned by some third party would also suffice.

21. Kiwi would also be aware that, in the opposition matter to which I have just referred, the delegate noted, with my own parenthetical alterations:

(Kiwi's) assertion in its written submissions that it has used the expression (MUNCHIES) since 1997 is not supported by any evidence which has been properly filed in this matter."

22. With that in mind, the failure of Kiwi, in the present matter, to bring into evidence any material to justify the identical assertion cannot be ignored, nor should its consequences be minimised. An opponent is always under an initial evidentiary onus and in the present matter that cannot have been the subject of any doubt in the minds of Kiwi or its solicitor. Were it open to me to draw favourable inferences from Ms Ualesi's assertions, I would have to decline to do so as they would appear to be unsafe, given the self-contradictory nature of her claims and the protracted failure of Kiwi to substantiate critical facts relating to the precise mode of use or the extent of that use in dollar terms, or over time or by area.

23. On the subject of unsupported assertions, I also note that Mr Ryder also makes a totally unsupported assertion, in his own declaration on behalf of Kraft, and on which he relied in his subsequent written submissions:

... use of the mark of the present application will simply continue the association with those marks and have no reference to the Opponent or its entities".

Ms Paras has objected vehemently to my giving any weight to such an assertion. She is obviously correct. There is no evidence at all that the trade marks registered by Kraft have been used, let alone having an "association" to be continued. I will approach the matter in that light, though in fairness to Mr Ryder it is worth noting that his unsupported assertion could simply be seen as an answering counter-assertion in the face of Ms Ualesi's equally unsupported claim of an extant "association" in relation to Kiwi's trade mark.

### **Grounds of opposition:**

24. The grounds nominated by Kiwi are, as I have said, s 41, 42(b), 43, 58 and 60. In its only written submissions to date on the substantive matter, Kiwi indicated that it relies on grounds under s 42 and 58 and, belatedly, s 59. After dealing with the matter of a possible amendment to the notice of opposition to bring that ground formally into contention, I have refused Kiwi permission to do so. Therefore, barring whatever

attention a court might be prepared to give the s 59 issue on appeal, the latter has fallen away in the present proceeding. I will deal first with sections 42 and 58 but, to avoid any uncertainty in the event of another appeal, I will deal briefly with the remaining grounds also.

***Section 42(b)***

25. Under this heading, Ms Paras argues that use of the applied-for mark by Kraft would infringe the trade mark registration for the word MUNCHIES, owned by Kiwi. She argues that this infringing use would be contrary to law and that the present application is therefore trapped by the ground of opposition created by s 42(b). Ms Paras noted that s 120 relevantly provides (omitting some of the notes in the interests of brevity, but adding in italics some explanation of my own):

A person infringes a registered trade mark if the person uses as a trade mark a sign that is substantially identical with, or deceptively similar to, the trade mark in relation to goods or services in respect of which the trade mark is registered.

Note 2: For deceptively similar see section 10. (*“For the purposes of this Act, a trade mark is taken to be deceptively similar to another trade mark if it so nearly resembles that other trade mark that it is likely to deceive or cause confusion.”*)

(2) A person infringes a registered trade mark if the person uses as a trade mark a sign that is substantially identical with, or deceptively similar to, the trade mark in relation to:

(d) goods that are closely related to registered services. (*“registered services” is defined by para (c) as being “services in respect of which the trade mark is registered”*)

However, the person is not taken to have infringed the trade mark if the person establishes that using the sign as the person did is not likely to deceive or cause confusion.

26. Ms Dunn, in the earlier decision, had this to say on that topic:

Clearly, the trade marks are not substantially identical. The visual and phonetic differences in these trade marks are so obvious there is clearly no total impression of similarity as required to establish substantial identity.

There seems little point in doing anything other than adopt this finding, which is based on the explanation of Gummow J in *Carnival Cruiselines Inc v Sitmar Cruises Ltd*<sup>3</sup>.

---

<sup>3</sup> (1994) 120 ALR 495 at 513

27. Ms Dunn then went on to note the definition of deceptive similarity to which I have referred above. I entirely agree with her conclusion on that issue, as follows:

Using the tests common for the question of deceptive similarity found in *Australian Woollen Mills Ltd v FS Walton* and *Shell Co of Australia v Esso Standard Oil*<sup>4</sup>, I conclude that the trade marks are not deceptively similar. Trade marks must of course be considered in their entirety.

28. In my own view, the main component of the applicant's trade mark is the phrase IN A BISKIT, not the phrase "stops the munchies!" Given the ordinary dictionary significance of the word "munchies" in relation to a craving for food, or indeed in relation to food, particularly snack foods, it is hard to see how any reasonable person, even one buying Kraft's goods in a hurry<sup>5</sup> would be confused into expecting any sort of connection with Kiwi.

29. Ms Paras also argued that there was an element of unfair competition in the applicant's advocacy of anything that will STOP THE MUNCHIES, which words she construed literally as being an undertaking that there would then be no need for the purchaser of Kraft's goods to purchase those of Kiwi. I do not find this to be at all convincing. A far more likely reading, on the evidence of the meaning of the word "munchies", would simply be that the products of Kraft to which the trade mark might be applied would satisfy hunger, whether or not stimulated by marijuana.

***Section 41 – not capable of distinguishing***

30. There is no reason to find any defect in the inherent adaptation of this trade mark to distinguish the goods of Kraft. The adaptation lies in the combination of particulars, chiefly the combination of words IN A BISKIT. These words are set within the confines of the device element. As part of the trade mark as a whole, the words in question form an incomplete expression. The trade mark is therefore sufficiently well removed from likely terminology such as "Sesame seeds in a biscuit". Or indeed, "Chicken in a biskit". The mark as a whole is prima facie unlikely for others to use as a trade mark. The trade mark is inherently capable of distinguishing.

---

<sup>4</sup> (1937) 58 CLR 641 and (1961) 109 CLR 407 respectively

<sup>5</sup> I acknowledge the force of the observation by Lord MacNaghten, in *Montgomery v Thompson*, (1891) 8 RPC 361, 'Thirsty folk want beer, not explanations'. This would no doubt apply equally to hungry folk.

***Section 43 – deceptive because of a connotation***

31. The assertions of Ms Ualesi are very far short of the detail and substance that might establish the word “munchies” has any connotation other than its ordinary dictionary significance. I have already referred to this, and find no ground exists under s 43.

***Section 58 – ownership***

32. There is no evidence to suggest that Kraft was not the owner of the trade mark in question at the time it filed the application. The mere inclusion of the word “munchies” in Kraft’s trade mark does not raise ownership as an issue as the competing marks are not substantially identical. See *Carnival v Sitmar*, supra. This ground has not been established.

***Section 60 – conflicting prior reputation***

33. This ground is not established. It fails at the threshold because I have not found that the trade marks of Kiwi and Kraft are deceptively similar, for reasons above. Moreover, there is nothing like enough evidence of facts on which I might determine the extent of the reputation asserted in Kiwi’s trade mark.

**Conclusion**

34. The trade mark application 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.
35. I direct that Kiwi pay the costs of Kraft in the amounts set out in the regulations. These will be taxed and ultimately certified by the Trade Marks Office in the event of dispute.



Terry Williams  
Hearing Officer  
Trade Marks Hearings  
30 September 2005