

## TRADE MARKS ACT 1995

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

Re: Opposition by Kimberly-Clark Worldwide, Inc to registration of trade mark application 945155(21) – **SHINEX KLEENWIPES "SAVING AUSTRALIA'S WATER"** - filed in the name of Robert James Alver.

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<b>DELEGATE:</b>	Mary Skivington
<b>REPRESENTATION:</b>	<b>Opponent:</b> Carmen Champion of counsel instructed by Spruson & Ferguson, Patent and Trade Mark Attorneys. <b>Applicant:</b> Robert James Alver, the applicant, appeared on his own behalf.
<b>DECISION:</b>	Grounds of opposition under sections 41, 44, 58, 59 and 60 not established – registration allowed.

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#### Background

1. Robert James Alver, ('the applicant'), filed trade mark application number 945155 to register the trade mark shown below on 26 February 2003.



2. Acceptance of the trade mark for possible registration was advertised in the *Australian Official Journal of Trade Marks* on 10 July 2003 for goods in class 21 described as:

*Soft cloth type wet chemical added wipe; used for polishing, waxing and cleaning cars, glass and vinyl; metal surfaces; dash and interior.*

3. Kimberly-Clark Worldwide, Inc, ('the opponent'), filed notice of opposition to registration of the trade mark on 18 September 2003 citing grounds of opposition under the provisions of sections 41, 42, 43, 44, 58, 59 and 60 of the *Trade Marks Act 1995*, ('the Act').
4. In due course the evidentiary phases of the opposition process were completed and on 24 January 2005 the opponent applied to be heard. As a delegate of the Registrar of Trade Marks I heard the matter in Sydney on 20 July 2005. The opponent was

represented by Carmen Champion of counsel instructed by Spruson & Ferguson, Patent and Trade Mark Attorneys. The applicant, Mr Alver, appeared on his own behalf.

**The evidence**

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

*Evidence in support*

A statutory declaration with exhibits GM-1 to GM-10, made on 24 June 2004, by Gregg Marazzo, Assistant Secretary of Kimberly-Clark Worldwide, Inc.

*Evidence in answer*

A statutory declaration with exhibit KW-1 made on 9 September 2004 by the applicant, Robert James Alver, (Alver 1’).

*Evidence in reply*

A statutory declaration with exhibits DRG-1 and DRG-2, made on 13 December 2004, by Duncan R Gilbert, a private investigator employed by Meridian Services Pty Ltd, (Gilbert 1).

*Applicant’s further evidence*

Statutory declarations made on 6 January 2005 and 21 January 2005 by Robert James Alver, (‘Alver 2 and 3’).

*Opponent’s further evidence*

A statutory declaration with exhibit DRG-1 made on 1 March 2005, by Duncan R Gilbert, (Gilbert 2).

*Evidence in support - Marazzo*

6. Mr Marazzo declares that the opponent is the owner of the trade mark KLEENEX, a trade mark that was invented by the opponent’s predecessor, Cellucotton Products Co and first used on 12 June 1924 in the United States of America. Use of the trade mark extended to Australia in 1937, reports Mr Marazzo. The initial product was an absorbent facial tissue and in 1931 the opponent began using the trade mark in respect

of paper towels. Mr Marazzo declares that on 15 June 1966 the opponent began using the trade mark in a cursive font. Exhibit GM-1 shows that KLEENEX with and without additions is the subject of fourteen Australian Registrations and one application for registration with priority dates ranging from 22 October 1948 to 27 January 2004. In addition to several registrations in class 16 there are registrations in classes 3, 5, 21, 24 and 25. Two of the registrations are defensive registrations, the first being in class 3 and dating from 14 January 1965 and the other dating from 1 September 1970 for goods in class 21 described as:

*Cloths, impregnated or not, for cleaning, washing, glossing, polishing, dusting, wiping, drying, and other instruments and materials for cleaning purposes included in this class; containers to be used in connection with cleaning products.*

7. Other exhibits include packaging materials, brochures, catalogues and advertising and promotional materials. Mr Marazzo provides sales and advertising figures which are of a most substantial nature. He also provides details of various surveys which indicate that KLEENEX has achieved an enviable reputation not only in Australia but also throughout the world, along with the names of countries that have recognized KLEENEX as a 'world famous trade mark' or 'well-known world trade mark'.

*Evidence in answer - Alver (1)*

8. Mr Alver, the owner of the subject application, declares that he is the owner of a registered business, Kleenwipes Australia, which aims to develop and market a product that will be an effective means of 'Saving Australia's Water'. Mr Alver declares his belief that his trade mark has its own distinctive identity and that it does not conflict with any of the opponent's trade marks. He declares that the graphic artist who designed the mark used a cursive script for the word KLEENWIPES to suggest the wiping action used in cleaning. Exhibited to Mr Alver's declaration is an affidavit sworn on 7 September 2004 by Joseph Alexander Presti. Mr Presti attests to having been so satisfied with the applicant's product that he wrote a letter of recommendation which he sent to Kleenwipes Australia. Mr Presti states that he has never been mistaken as to the origin of the applicant's product.

*Evidence in reply - Gilbert (1)*

9. Mr Gilbert declares that under instruction from Spruson & Ferguson he conducted an investigation to ascertain if the applicant had commenced use of the trade mark in respect of the goods specified in the subject application. Exhibits DRG-1 and DRG-2 are letters from Mr Gilbert to Spruson & Ferguson. The first of these states that on 27 November 2003 a visit was paid to Mr Alver's residential address but Mr Alver was absent from home. During the course of the conversation with two men who came to the door, Mr Gilbert claims he was told that Mr Alver had some involvement with car cleaning cloths and that he was shown a brochure. Mr Gilbert states that on 9 December 2003 he telephoned Mr Alver who, he claims, in the course of the ensuing conversation told him that he had taken over the Australian national distributorship of products of a Singapore based company known as KLEENWIPES and that the products were intended for distribution at various service stations and car retail outlets. Mr Gilbert further states that Mr Alver said his attention was not presently focused on the product because of a dispute with the opponent. Mr Gilbert reports that Mr Alver stated he had made an offer to the opponent to sell it the KLEENWIPES name for one million dollars. I attach little weight to this, as while it may be the case that Mr Alver made this statement the opponent has provided no direct evidence that such an offer was made. Mr Gilbert then states that posing as a potential client he made an appointment for 10 December 2003 with Mr Alver to see a demonstration of the product.
  
10. The second letter is dated 18 December 2003. Here Mr Gilbert claims that Mr Alver did not keep the arranged appointment. Mr Gilbert reports that in a subsequent telephone conversation with Mr Alver, it was agreed that Mr Alver would send him samples of the cleaning product. Mr Alver requested a street address to which to send the products and later asked for street details of the retail outlet where the goods would supposedly be sold.

*Applicant's further evidence – Alver (2) and Alver (3)*

11. Mr Alver declares that from the outset of the call made to him by the investigator on 9 December 2003 he detected that the caller was not a genuine potential customer and that as a consequence he had no intention of keeping the appointment scheduled for

10 December 2003. Mr Alver also takes issue with statements made in Mr Gilbert's letters, DRG-1 and DRG-2, claiming that they are untrue.

12. The Alver (3) statutory declaration of 21 January 2005 was addressed to the opponent's agent and was made in response to a letter sent to him some days earlier by the agent. In his declaration Mr Alver declares 'We have put on hold any immediate plans to negotiate the importation of car cleaning products until ... [the] trade mark has been approved or denied by IP Australia.' Mr Alver also states in the declaration: 'We suggest if your client is entering the car care products business, and they are interested in the Kleenwipes trade mark, they may be better advised to commence a far less hostile approach in any negotiations to acquire the ... proposed applied for registered (sic) trade mark.'

*Opponent's further evidence – Gilbert (2)*

13. Mr Gilbert provides additional detail concerning the visit made to Mr Alver's residence on 27 November 2003 and an explanation as to how some confusion may have arisen as to the relationship if any between a person spoken to at the address and Mr Alver himself. Mr Gilbert maintains that the essential detail of the conversation with Mr Alver on 9 December 2003 is correct and provides additional details related to that conversation. Mr Gilbert is adamant that Mr Alver had asserted that an offer to sell the Kleenwipes business to the opponent for one million dollars had been made.

**Grounds of opposition**

14. At the hearing Ms Champion pressed grounds of opposition under sections 41, 44, 58, 59 and 60 of the Act. The remaining grounds were not pressed but for the sake of completeness I now find that they have not been established.

## **Submissions and the law**

### *Section 41*

15. Subsection 41(2) of the Act provides that 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 from those of other traders. Subsection 41(3) provides that in deciding the question, the Registrar must first consider the extent to which the trade mark is inherently adapted to distinguish. If the Registrar finds the trade mark is to no extent inherently adapted to distinguish, then it is to be considered under the provisions of subsection 41(6). If the Registrar finds that the trade mark is to some extent inherently adapted to distinguish, but it is not capable of distinguishing on that basis alone, then it is to be considered under the provisions of subsection 41(5). If, after consideration under the provisions of subsections 41(5) or 41(6), the Registrar is still not satisfied the trade mark is capable of distinguishing, or does in fact distinguish, then the application must be rejected.
  
16. It was submitted by Ms Champion that the test for determining if a trade mark is adapted to distinguish may be found in *Mark Foy's Ltd. v. Davies Coop & Co. Ltd.* (1956) 95 CLR where Dixon C.J. said,

The test must lie in the probability of ordinary persons understanding the words, in their application to the goods, as describing or indicating or calling to mind either their nature or some attribute they possess.
  
17. She argued that both KLEEN and WIPES are words that convey a commonly accepted meaning to consumers and that registration of the mark would trespass on the rights of other traders to use this combination of words to describe the nature and quality of their goods.
  
18. KLEEN is an obvious corruption of the word clean but I consider that the general public has been educated to see KLEEN as a word with trade mark significance. I note that there are some ninety-one trade mark registrations, other than KLEENEX registrations, across all classes that contain the element KLEEN as part of the mark. Likewise, the word WIPES, in combination with other elements, occurs many times on the Register. A trade mark may allude to the nature of the goods and yet be sufficiently adapted to distinguish the goods. I think that KLEENWIPES has just enough inherent adaptation to distinguish by itself, but in any case, the mark must be

looked at as a whole and in this case the essential and most prominent feature, KLEENWIPES, is combined with the word SHINEX, which is adapted to distinguish the goods, along with the slogan, "Saving Australia's Water". In combination these elements are more than sufficient to meet the requirements of subsection 41(3). This ground of opposition is not established.

*Section 44*

19. 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.
20. The opponent relied on its registered trade marks numbered 96807(16), 237433(24), 241971(21) for the trade mark, KLEENEX, in plain typescript and 591231(16) for the trade mark, KLEENEX in a cursive script. All of these trade marks have earlier priority dates than the subject application. The goods specified in defensive registration 241971 clearly encompass the goods specified in the subject application.
21. It was not argued that the marks are substantially identical. It therefore remains for me to determine if they are deceptively similar.
22. 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.
23. It was submitted that the slogan should be ignored in the comparison of the trade marks because the words do not form an essential or memorable part of the trade mark, they do not substantially affect the identity of the mark and moreover they are purely descriptive in character.
24. I do not agree that the slogan is purely descriptive of the goods. In order to understand that the words "Saving Australia's Water" refer to an environmentally friendly effect achieved by use of the cloths, that is, that less water or possibly no water is required to clean and thereby water is saved, a degree of analysis of the words is required. The

words are not directly descriptive as would be, for instance, the words *Chemically Charged Cleaning Cloths*. Thus in a comparison of the trade marks these words cannot be ignored.

25. The word SHINEX in the mark has the appearance of a house mark. I consider that consumers are likely to infer that KLEENWIPES is a product in the SHINEX range of products and this significantly reduces any likelihood of deception and confusion with the opponent's products.
26. I note that KLEENWIPES is represented in an ordinary cursive script similar to the script used in many of the KLEENEX trade marks but as this style is a simple one without any out-of-the-ordinary embellishments to the letters I consider that this is not sufficient to cause deception or confusion in the minds of potential customers. Mr Alver provided a reasonable explanation as to why this particular script was chosen and I have no reason to doubt the veracity of this.
27. Ms Champion argued that in determining deceptive similarity consideration must be given to the fact that the goods are off-the-shelf items purchased by self-selection without particular care and that the visual impact of the KLEEN component in the applicant's mark cannot be assessed without regard to the notoriety of KLEENEX. With regard to the latter point I consider the notoriety of KLEENEX is of such a great magnitude that it works against a finding of deceptive similarity.
28. Ms Champion submitted that the essential element of the subject mark is the word KLEEN, and that the word WIPES acts as a descriptor of the nature of the product. She argued that in the mark KLEENEX, the essential element is likewise KLEEN and it is by this element, she said, that potential purchasers will remember and recall the marks. Ms Champion observed that there are few registrations in classes 16, 21, 24 and 25 with the prefix KLEEN, other than the opponent's trade mark and thus KLEEN cannot be said to be in common use in Australia in naming cleaning accessories.
29. I consider this to be altogether too narrow a view of market realities where consumers generally have no knowledge of the *International Classification of Goods and Services*, (Nice Classification) but are well used to seeing the word KLEEN in respect of a range of products. I do not agree that KLEEN of itself is likely to suggest a

connection with the opponent nor do I think that customers will recall the opponent's trade mark by anything other than the full word KLEENEX. KLEEN in both marks conveys a common idea of cleanliness, however, 'the fact that two marks convey a common idea becomes relevant only if the marks themselves look or sound alike, per their Honours Wilcox, Heerey and Lindgren JJ in the *Sports Cafe* case [1998]1614 FCA. Taken as a whole the applicant's mark and the opponent's mark are neither visually nor aurally deceptively similar. I am not satisfied that there is 'a real tangible danger of deception or confusion occurring' per Kitto J in *Southern Cross Refrigerating Co v Toowoomba Foundry Pty Ltd* (1954) 91 CLR 592 and confirmed by French J in *Registrar of Trade Marks v Woolworths Ltd*, (1999) 45 IPR 411. This ground of opposition is not established.

*Section 58*

30. Section 58 of the Act provides that registration of a trade mark may be opposed on the ground that the applicant is not the owner of the trade mark.

31. Gummow J, in *Carnival Cruise Lines Inc. v Sitmar Cruises Limited* 31 IPR 375, confirms that the opponent must show that it has used a trade mark that is at least substantially identical to the opposed trade mark. He said in respect of substantial identity at page 391:

It requires a total impression of similarity to emerge from a comparison between the two marks. In a real sense a claim to proprietorship of the one extends to the other.

32. I have already found that the respective trade marks are not substantially identical and it follows therefore, that the ground under section 58 cannot be established.

*Section 60*

33. In order to satisfy a ground of opposition under the provisions of section 60 of the Act, the opponent must establish that the applied-for trade mark is substantially identical with or deceptively similar to another trade mark or trade marks that have acquired a reputation in Australia before the priority date of the applied for trade mark and, because of that reputation, use by the applicant of its trade mark, would be likely to deceive or cause confusion.
34. The opponent has failed the threshold test of establishing that the applicant's trade mark is either substantially identical with or deceptively similar to the trade marks upon which the opponent relied. Consequently I have no need to consider the other factors specified in these provisions. This ground of opposition is not established

*Section 59*

35. Section 59 of the Act provides that the registration of a trade mark may be opposed on the ground that the applicant does not intend to use, or authorise the use of, the trade mark in Australia, or to assign the trade mark to a body corporate for use by the body corporate in Australia, in relation to the goods specified in the application.
36. Ms Champion submitted that the opponent relied upon the evidence of the first Gilbert declaration. Exhibit DRG-2 attached to that declaration states that in a conversation Mr Gilbert had with Mr Alver he was told that some months previously Mr Alver had taken over the Australian national distributorship for a Singapore based company. Ms Champion argued that this points to the applicant's intention to act purely as a conduit for that company's products in Australia and that he does not have the requisite intention to use the trade mark in the course of trade so that it will indicate a connection with the applicant. Ms Champion further submitted that the applicant has not asserted that the products are not manufactured and sold under and by reference to that company's trade mark.
37. It is not for the applicant to establish its intention to use the trade mark – this intention is inherent in the making and filing of the application per *Aston v Harlee Manufacturing Company* (1960) 103 CLR 391. The onus lies with the opponent to lead evidence showing a lack of intention or incapacity to use the mark for the relevant goods.

38. While it is unusual for a distributor to own trade mark rights in Australia in respect of goods which it imports into Australia for distribution and sale in Australia, it is possible that an overseas trader may come to an arrangement with the Australian distributor whereby that distributor becomes the owner of the trade mark in Australia. At the hearing Mr Alver claimed that such contracts exist, although that was not in evidence. Clearly the trade mark has been used in Australia, (Presti declaration) but I cannot be certain whether this use has been by Mr Alver as owner of the trade mark or whether it has been use by the Singapore company with Mr Alver as a distributor for that company. In the absence of persuasive evidence that the applicant does not intend to use the trade mark I find that the opponent has failed to establish this ground of opposition.

### **Decision**

39. The opponent has not succeeded in establishing any of the grounds on which it relied. As a consequence, trade mark application 945155 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.

### **Costs**

40. The applicant is entitled to his costs. I therefore direct that the opponent pay the applicant's costs in accordance with the official scale set down in Schedule 8 of the *Trade Marks Regulations 1995*.

Mary Skivington  
Hearing Officer  
Trade Marks Hearings  
17 October 2005