

TRADE MARKS ACT 1995

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

Re: Opposition by Marc Chagall Committee to registration of trade mark application 951072(33) – **MARC CHAGALL** – filed in the name of Elite Wine and Spirits.

DELEGATE:	Iain Thompson
REPRESENTATION:	Opponent: Julia Baird of Counsel instructed by Peter Maxwell & Associates
	Applicant: Unrepresented and did not appear or file written submissions
DECISION:	29 ATMO 2007
	Section 52 Opposition:
	Grounds under section 43 established – registration refused.
	Cost ordered against applicant.

Background

1. Elite Wine and Spirits, ('the applicant'), of Miami, Florida, has applied to register the following trade mark:

Reg No: 951072
Priority Date: 21 April 2003
Goods/Services: **Class: 33** Alcoholic beverages, namely vodka and gin
Trade Mark: Marc Chagall

2. Marc Chagall Committee (whose full name is Association pour La Defense et la Promotion de L'oeuvre de Marc Chagall) ('the opponent'), of Paris, France, filed Notice of Opposition on 7 November 2003 citing grounds of opposition under the *Trade Marks Act 1995*, ('the Act').
3. The opponent served and filed evidence in support of the opposition and further evidence. The applicant did not file and serve evidence in answer.
4. As a delegate of the Registrar of Trade Marks, I heard the matter in Sydney on 14 February 2007. Julia Baird of Counsel instructed by Maxwell and Associates represented the opponent. The applicant was not represented and did not appear or file written submissions.

5. The opponent's argument went in chief to sections 42 and 43 of the Act, with additional submissions couched in terms of section 60. For the sake of convenience and clarity, I will decide this matter in terms of section 43.

Evidence

6. The Opponent's evidence in support (including further evidence served with leave) comprises the following declarations:

- (a) Leonard Mancini dated 21 April 2005 with Exhibits LM-1 to LM-10 (solicitor);
- (b) Meret Mayer Graber dated 8 April 2005 with Exhibits MG-1 to MG 28 (grandchild of the artist Marc Chagall, and member (Vice President) of the Opponent);
- (c) Pascale Lambert dated 19 May 2005 (French attorney);
- (d) Rebecca Jane Baldwin dated 1 September 2006 with Exhibit RJB-1 (investigator);

persons in the alcohol trade, aware of the artist Marc Chagall:

- (e) Simon Robinson dated 25 August 2006
- (f) Julian Clulow dated 26 August 2006;
- (g) John Patrick O'Shea dated 1 September 2006;
- (h) Patrick Dylan Ryan dated 4 September 2006;
- (i) Holly Marsh dated 11 September 2006;
- (j) Andrew Peter Sinclair Marsh dated 11 September 2006;
- (k) Arran Russell dated 12 September 2006.

members of the general public, aware of Marc Chagall:

- (l) Peter Brook dated 25 August 2006;
- (m) Charles Croxon Poolman dated 25 August 2006;
- (n) Scott Stacy dated 25 August 2006;
- (o) Andrew Keys dated 25 August 2006;

members of the general public, not aware of Marc Chagall:

- (p) Blair Massey Warren dated 25 August 2006;
- (q) Patricia Ford dated 25 August 2006;

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- (r) Jason Roach dated 25 August 2006;
- (s) Richard Anthony Davey dated 25 August 2006;
- (t) Veary Williams dated 26 August 2006.

7. The evidence shows that Marc Chagall is the name of a very well-known painter who was born in Vitebsk, in what is now Belarus, in 1887 and died in Paris in March 1985.
8. Ms Baird summarized the opponent's view of the evidence in the following way:

[Marc Chagall] became a renowned artist during his lifetime and is recognised as one of the most significant and distinguished painters and graphic artists of the 20th Century: M Meyer Graber 8.04.05, para 6. The name MARC CHAGALL has been used and recognised and associated with him since 1910: M Meyer Graber 8.04.05, para 10.

The Opponent was founded in October 1988. Its full name is the Association Pour La Defense et la Promotion de L'oeuvre de Marc Chagall. It is based in Paris, and made up of the heirs of the artist, and the Opponent's rights are derived through inheritance from the artist. The Opponent is involved in the licensing, protection and promotion of Marc Chagall and all his artistic works. Its primary object is to defend the rights and works of the artist, and to regulate and control the use of his name and images, including as a trade mark - MARC CHAGALL: M Meyer Graber 8.04.05, paras 1, 7-8.

The Opponent has adopted a conservative approach to the licensing and use of the name and mark MARC CHAGALL and the artist's works so as to protect the reputation established in and derived from the name MARC CHAGALL: M Meyer Graber 8.04.05, para 10. It has registered trade marks comprising the name MARC CHAGALL in various countries: para 11.

During his lifetime, and since his death, Marc Chagall's artistic works have been featured in a large number of exhibitions around the world, including in Australia. In addition, goods sold under the name and trade mark MARC CHAGALL include books, calendars, postcards, scarves, CD Roms, posters and porcelain goods. These goods have featured the artist's name, as well as the trade mark MARC CHAGALL: See M Meyer Graber 8.04.05.

The Mancini declaration sets out details of sales and exhibitions of Marc Chagall's works, identifies over 50 books that feature the artist and his works, and describes the merchandising and licensing of the name and mark MARC CHAGALL in Australia:

- at least 14 exhibitions at the Art Gallery of New South Wales in 1949 - 1994 and 4 at the National Gallery of Victoria since 1966, and elsewhere in at least 1939, 2001 and 2004;
- LM-1 to LM-5 includes copies of pages downloaded from the website of Stephanie Burns Fine Art, cards used in promoting the exhibitions, advertisements that appeared in the Sun Herald Newspaper for an art

auction showcasing Chagall works, and an email from the National Gallery of Victoria setting out the dates of Chagall exhibitions;

- LM-6 to LM-7 include search results from the library catalogues of the NSW State Library and an Art Gallery of NSW catalogue;
- LM-8 to LM-10: includes copies of emails and documents detailing licensing agreements with VISCOPY and the Ink Group, including greeting cards, reproductions, calendars. Nearly \$50,000 has been paid in royalties to Viscopy (the licensing agent of Marc Chagall works in Australia).

Mrs Meret Mayer Graber in her affidavit sets out the history of Marc Chagall, the Marc Chagall Committee, the trade mark registrations for MARC CHAGALL, exhibitions of Marc Chagall's works, merchandising and licensing associated with the name Marc Chagall, and details of the reputation associated with Marc Chagall in Australia, including use in school syllabuses, internet references and public display of the artist's works, sales of goods, mostly paper goods (3 items a week). The exhibits to the affidavit of Mrs Mayer Graber are:

- MG-1 to MG-3 - a copy of the By-Laws of the Committee; a schedule of trade mark registrations and applications in the name of the Marc Chagall Committee; and certificates of registration for trade marks MARC CHAGALL;
- MG-4 to MG-10 - a list of all the exhibitions of Marc Chagall's works around the world; a copy of the licence agreements entered into by the Committee with the French Firm Bernardaud for the production of a line of ceramics sold under the name Marc Chagall; a list of all the sales under the name CHAGALL known to the Committee in North America and Asia in 2003 and 2004; colour copies of various goods sold under the name MARC CHAGALL in countries around the world licensed by the Committee; a copy of a catalogue for the occasion of a major retrospective conceived by the French Museums Group, the Musee National Message Biblique Marc Chagall and co-organised with the San Francisco Museum of Modern Art; copies of pages from Livine Edition 1956; and a copy of a letter from a French book publisher requesting authorisation to use the name Marc Chagall;
- MG-11 to MG-14 - documents in relation to United States Cancellation proceedings against United States Trade Mark Registration No. 2,642,974 for MARC CHAGALL in the name of Anatoly Bondarchuk; and letter and articles in relation to the Applicant's use of the name MARC CHAGALL;
- MG-15 to MG-28 evidences use of the name and trade mark MARC CHAGALL in Australia, including pages from the NSW Board of Studies website showing the inclusion of Marc Chagall's works in the Visual Arts Syllabus; pages from the internet showing the results of searches under the term "Chagall" (484 and 1400+ hits); exhibition

listings, books and motion picture references to Marc Chagall; and a poster sold at a Gallery in Sydney NSW with the works of Marc Chagall.

Mrs Meyer Graber attests to the approach by Anatoly Bondarchuk seeking to set up a licence agreement with the Opponent to use MARC CHAGALL as a trade mark for vodka. Anatoly Bondarchuk is associated with the Applicant. The Opponent refused that approach: Mayer Graber, paras 23 - 24; MG-12, MG-13. Exhibits MG-12 and MG-13 express an intention by the Applicant (through Mr Bondarchuk) to trade off the reputation of the artist, as a national figure of Belarus.

The Lambert declaration establishes that the Opponent has granted a world wide licence to the French firm Bernardaud from 24 April 2003 to reproduce certain Marc Chagall works on porcelain and jewellery.

The Baldwin declaration establishes that it appears common for producers of alcoholic beverages to license the use of artistic works, associated names and rights as a trade mark for use on beverages labels. She exhibits the Art Series labels from Leeuwin Estate and other labels. The Art Series labels are commonly referred to by the trade and consumer declarants, who establish that persons knowing of the artist Marc Chagall are likely to associate the use of his name in relation to alcoholic beverages with the artist, and as licensed by persons representing the artist or his estate.

Mr Russell, through his company, is involved in the importation and sale of Vodka in Australia under the name BABICKA. He declares that it is common within the alcohol beverage industry for alcohol producers to reproduce artistic works and the corresponding names of the artists on their labels. He attests that if any vodka was sold in Australia bearing the name MARC CHAGALL he would conclude that the producer had received authorisation or permission from Marc Chagall or his representatives to use his name. He believes consumers would also reach this conclusion due to the number of alcoholic beverages which contain labels featuring artistic works, artists signatures or artists names: Russell, para 6. Despite his extensive enquiries, and as a person aware of the names of all vodkas sold in Australia, he is not aware of any vodka or other alcoholic beverage sold under the name Marc Chagall in Australia

The evidence served by the Opponent is not challenged by any evidence from the Applicant.

The Opponent accordingly relies on:

- (a) the international and Australian fame and reputation of the artist Marc Chagall;
- (b) the well established practice and public awareness of the practice of licensing the images and personalities of public figures, celebrities and characters (since at least *Radio Corp v Disney* (1937) 57 CLR 448, *Henderson v Radio Corp* [1960] SR (NSW) 576, and *Hogan v Pacific*

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Dunlop Ltd (1988) 12 IPR 225 and *Hogan v Koala Dundee Pty Ltd* (1988) 12 IPR 508);

- (c) public awareness of the practice of using artists works and images on labels for alcoholic beverages; and
- (d) the Opponent's licensing of merchandise under the name and mark MARC CHAGALL.

9. I would add to Ms Baird's summary of the evidence that the name Marc Chagall is the French name adopted by the artist Moyshe Segal and the period for protection of works that qualify for protection of the *Copyright Act 1968* is seventy years.

Section 43

10. Section 43 of the Act provides:

43 Trade mark likely to deceive or cause confusion

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.

11. Ms Baird submitted that :

The inquiry under section 43 is not limited to a comparison between trade marks and their notional or actual user (c.f. section 44).

The 'connotation' referred to in section 43 is something inherent to the trade mark in question: *Big Country Developments Pty Ltd v TGI Friday's Inc* (2000) IPR 513 at 521. It refers to that which is implied within the trade mark itself, as a secondary implied or associated meaning. As was said in *Down To Earth (Victoria) Co-Operative Society Ltd v Schmidt* (1998) 41 IPR 632 at 644:

'considerations under s43 concentrate on the matter within the trade mark that could cause deception or confusion in the mind of the relevant buying public. For example, deception or confusion could arise in regard to the character of the services (or goods) or the implied endorsement or licence of services (or goods) by a person or organisation'.

See also the Federal Court decision of Kenny J in *McCorquodale & Ors v Masterton* (2005) 63 IPR 582 ('*McCorquodale*') and the Office decisions of *Amalgamated Television Services Pty Limited v Pickard* (2000) 48 IPR 133 (*Summer Bay*), *Amalgamated Television Services Pty Limited v Sylvia Margret Clissold* [2000] ATMO 14 (*Home and Away*), the discussion of the

section by the Hearing Officer in *Kellogg Company v Premium Brands Pty Ltd* (2000) 49 IPR 108 at 116-118 (among other cases). Indeed, as was said by the High Court in *Radio Corporation v Disney* (1937) 57 CLR 448 at 453 (the Mickey Mouse case) a trade mark should not be registered if it involves 'a misleading allusion or a suggestion of that which is not strictly true'. Such an allusion and suggestion arises by the use of the name of the artist Marc Chagall in the form of the applicant's trade mark.

As the opponent's evidence shows, the name MARC CHAGALL has primary meaning or signification as the name of the artist. The name has acquired in Australia the secondary implied or associated meaning as meaning associated with the artist or goods or services licensed by those who control the rights of his estate, including licensing rights. This is a relevant 'connotation' within the meaning of section 43 of the Act.

The present is a case of endorsement or licence within the discussion in *Down To Earth* and in *McCorquodale*. Because of the connotation as the name of the artist, the use of the applicant's trade mark is likely to deceive or cause confusion as to whether or not the registration and use of the applicant's trade mark is with the sponsorship, licence or approval of the controller of the estate and licensing rights of the artist, namely, the opponent.

12. In *McCorquodale*, at paragraph 25, Kenny J observed:

In an opposition to registration, section 43 of the Act requires an opponent to show that:

- (1) there is a connotation in the proposed trade mark or in a part of it; and
- (2) because of this connotation, the use of the proposed mark would be likely to deceive or cause confusion. The connotation must be contained within the mark itself: see *TGI Friday's* at 365 per Wilcox, Kiefel and Emmett JJ.

The word "connotation" is defined in *The Oxford English Dictionary* (Oxford, 2nd ed, 1989) as meaning:

- a. The signifying in addition; inclusion of something in the meaning of the word besides what it primarily denotes; implication.
- ...
- b. That which is implied in a word in addition to its essential or primary meaning.

In order for section 43 to apply, the Court must be satisfied that there is a reasonable likelihood of deception or confusion arising because of the connotation within the mark, having regard to the nature of the goods or services to which it is to apply and other relevant considerations: see, e.g., the discussion in *Down to Earth (Victoria) Co-operative Society Ltd v Schmidt* (1998) 41 IPR 632 at 644-5.

Dealing with an opposition under section 44 of the Act, French J observed in *Woolworths* at 382-383:

In *Southern Cross Refrigerating Co v Toowoomba Foundry Pty Ltd* at 594–595, which concerned the 1905 Act, Kitto J set out a number of propositions which have frequently been quoted and applied to the 1955 Act. The essential elements of those propositions continue to apply to the issue of deceptive similarity under the 1995 Act. Applied also to service marks and absent the imposition of an onus upon the applicant they may be restated as follows:

(i) To show that a trade mark is deceptively similar to another it is necessary to show a real tangible danger of deception or confusion occurring. A mere possibility is not sufficient.

(ii) A trade mark is likely to cause confusion if the result of its use will be that a number of persons are caused to wonder whether it might not be the case that the two products or closely related products and services come from the same source. It is enough if the ordinary person entertains a reasonable doubt.

(iii) In considering whether there is a likelihood of deception or confusion all surrounding circumstances have to be taken into consideration. These include the circumstances in which the marks will be used, the circumstances in which the goods or services will be bought and sold and the character of the probable acquirers of the goods and services.

(v) The question of deceptive similarity must be considered in respect of all goods or services coming within the specification in the application and in respect of which registration is desired, not only in respect of those goods or services on which it is proposed to immediately use the mark. The question is not limited to whether a particular use will give rise to deception or confusion. It must be based upon what the applicant can do if registration is obtained.

Allowing for the differences between sections 43 and 44 of the Act, these observations may assist in the construction and application of section 43. It must be borne in mind, however, that section 43 does not require that there be a conflicting trade mark. Section 43 concentrates instead on the effect of a connotation contained in the impugned mark.

13. And also observed by Kenny J in *McCorquodale*, above:

As the delegate aptly observed, "without more, merely invoking a reference to a deceased celebrity cannot deceive or confuse": *Masterson* at 272. The question is whether, because of this connotation, the respondent's proposed mark is likely to deceive or cause confusion. In considering this question, the Court has the benefit of the uncontroverted evidence which the applicants tendered.

14. In considering whether the use of the opposed trade mark is likely to confuse or deceive, I have taken notice of, and weighed, the following facts shown in the evidence:

- The name Marc Chagall appears to denote only the artist of the same name. While Ms Baird submits that the name carries in Australia the connotation of the exhibitions of that artist's works and sales of licensed goods bearing that name, I consider that the name also invokes the additional connotation of the artist's body of work.
- The opponent here is very much in the same position as was the Estate of the late Princess Diana, the Princess of Wales in *McCorquodale*. There was a realisation that part of the Estate of the late artist Marc Chagall was an intellectual property resource of value to the Estate even if that property was not exploited during his lifetime.
- This resource has been actually exploited, with sales under the name Marc Chagall in Australia, associated with several well-publicised and attended exhibitions of his works.
- The evidence shows that there is a practice of using the names of artists in the musical and graphic arts fields as trade marks. The paintings of artists have frequently been used on the labels of alcoholic beverages in association with their names.
- The name Marc Chagall is not in the same category as the words Mozart, Brahms or da Vinci, being associated with someone who is well within living memory.
- The opponent or a person representing the opponent has previously acknowledged the right of the opponent to license the use of the trade mark by seeking a license to use it – a request that was turned down by the opponent. While the approach might have been mere politeness, the opponent has succeeded in having the opposed trade mark's analogue removed from the US trade mark register.

15. I observe also that the artistic works of Marc Chagall will remain in copyright until 2052 – an elapse of seventy years since his death. There might be a public expectation that until 2052, the Estate of the late artist will exploit the equities that they possess in his intellectual property. Or, most people will realize that some form intellectual property will live on after a person's death. There is an increasing trend in which the 'attractive force' in the names of famous people and celebrities such as rock musicians, sports people, and even Royalty who have passed away are protected and exploited by their Estates. Because of both the expectation (and the actual exploitation) of the name of the

deceased celebrity, the use of the name by a person other than the Estate (or a person licensed by the Estate) may in particular circumstances be likely to confuse or deceive.

16. Also in *McCorquodale*, Kenny J stated:

In considering the meaning of "likely to deceive or cause confusion" in *Woolworths* at 380, French J said:

The use of the word "likely" in this context does not import a requirement that it be more probable than not that the mark has that effect. The probability of deception or confusion must be finite and non-trivial. There must be a "real tangible danger of its occurring".

See also *Southern Cross* at 594-595 per Kitto J.

17. I note too that confusion involves an indefiniteness of mind which might not result in deception¹. Thus, I am to consider whether a person is likely to be caused to wonder whether there is a connection between the Estate of the late artist and the goods of this opposed application by use of his name on those goods.²

18. At paragraph 52 of *McCorquodale* Kenny J, after reviewing the cases, also remarked:

More than forty-five years have passed, however, since the decision in *Joseph Bancroft*, longer in the case of *Imperial Tobacco*. In that time, the practice of licensing names and likenesses of well-known people has become more prevalent and even better known. Consumers in the contemporary Australian market can be taken to be aware of these practices, at least in a general way. Referring to *Radio Corporation v Disney*, Tamberlin J said in *Twentieth Century Fox Film Corp v South Australian Brewing Co Ltd (1996) 34 IPR 225 at 238*:

That decision was given over 6 decades ago and it is important to bear in mind the great developments in broadcasting, advertising and merchandising during those decades. Nowadays, the public must be considered to be more sophisticated and aware with respect to character and personality merchandising than 60 years ago. Today there is clearly greater familiarity with licensing of products so that public awareness of the nature of the "sanction" to which Dixon J adverts is significantly more focused than in 1937.

¹ *Pioneer Hi-Bred Corn Co v Hi-Line Chicks Pty Ltd* [1979] RPC 410, at 423; *Radio Corp Pty Ltd v Disney* (1937) 57 CLR 448 (the Mickey Mouse case) per Rich J, at 454.

² *Registrar of Trade Marks v Woolworths* [1999] FCA 1020 (29 July 1999) at paragraph 47:

"That, no doubt, is because "confusion" used in that sense, does not of itself lead into error or affect choices at the point of sale. It is perhaps best described in trade mark law as effecting a prophylactic support for commercial distinctiveness."

I would agree.

19. In the circumstances of this application, I consider that it is likely that people would be caused to wonder whether there was some connection between the trade mark MARC CHAGALL and the deceased person of the same name; or whether the artist had licensed the use of his name during his lifetime; or that the Estate had licensed the use of his name as a trade mark and that the goods had the imprimatur of either the artist; or his Estate; or that the alcoholic beverage was in some way similar to one favoured by the artist during his lifetime and endorsed by him or his Estate on that basis.
20. While such wonderment is not 'deception' in terms of section 43 of the Act, it falls in my consideration within the ambit of the term 'confusion' as discussed in *Pioneer*, above.
21. The issue is, perhaps, at the lower end of the scale of the principles enunciated in *McCorquodale*, hence my finding that the use of the opposed trade mark by the applicant would be confusing, rather than deceptive. However, I am satisfied, on balance, that such confusion would occur.
22. Accordingly, the opponent has established its opposition in terms of section 43 of the Act.

Decision

23. 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.

24. I refuse to register application 951072

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Costs

25. The opponent sought its costs in this matter should it be successful and I order costs at the official scale against the applicant.

Iain Thompson
Hearing Officer
Trade Marks and Designs Hearings
31 May 2007