



TRADE MARKS ACT 1995

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

Re: Opposition by Vadilal Industries, Ltd to registration of trade mark application 953003(30) VADILAL proceeding in the name of Arun Varma.

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| DELEGATE: | Ian Thompson |
| REPRESENTATION: | Opponent Applicant |
| DECISION: | 1. Section 52 Opposition; s58. Ownership of trade marks on imported goods – use of two trade marks in conjunction – opposition established. |

Background

1. Arun Varma ('the applicant') of Moorebank, Sydney, owns this application to register a trade mark, current details of which are:

App No: 953003
Filing Date: 7 May 2003
Goods: **Class: 29** mixed beans and vegetables ready to eat, lentils, milk, mango pulp, fruit mango dices, mango shake and pickles



Trade Mark:

2. After examination, the application was advertised accepted for possible registration in the *Australian Official Journal of Trade Marks*, on 4 September 2003. On 1 December 2003, within the time allowed in which to do so, Vadilal Industries, Ltd of Gujarat State, India ('the opponent') filed Notice of Opposition ('Notice') to registration of the trade mark. The Notice sets out grounds under sections 58, 59, 60, and 43 of the *Trade Marks Act 1995* ('the Act')

3. The opponent has filed a statutory declaration by Rajesh Gandhi, a director of the opponent, and written submissions by Vijay A Shaw in support of its opposition. The applicant has not served and filed evidence in answer or made submissions. Neither party has requested a hearing so the matter has been allocated to me, as a delegate of the Registrar of Trade Marks, to decide according to the relevant materials on the official file.

Evidence

4. The evidence shows that the opponent is a company based in the Gujarat State, in India. The opponent manufactures and distributes a range of foodstuffs, including Mogri, frozen spinach (palak), string beans (chauli), green peas (mutter), cut okra, frozen mustard blocks (sarson), drumsticks (saragawa), surti papdi, yam (suran) cubes, baby pumpkin (tinda), spiky gourd (kantola), cluster beans (guar), whole okra, pointed gourd (parwal), val padapi, violet ram cut (ratalu), frozen fenugreek blocks (methi), pigeon beans (tuver lilva), kidney beans (surti papdi liva), lima beans (valore liva), undhiyu mix, frozen guava pulp, frozen mango pulp, sapota slices, aam ras, various parathas and samosas.
5. All of the above goods appear on an invoice dated 12 November 2002, issued by the opponent to Katoomba Trading of Homebush, New South Wales. My understanding of the evidence is that the opponent has also exported ice-cream to Australia.
6. The opposed trade mark appears at the head of the invoices (and also on the packaging) along with the words QUICK TREAT in a panel separate to the trade mark VALIDAL which appears in what resembles stationery seal as in the opposed trade mark.
7. This usage of the trade mark appears to be similar to that analysed by Bennett J, in *Wellness Pty Limited v Pro Bio Living Waters Pty Limited* [2004] FCA 438. The opponent's use of the signs on the invoices and packaging appears to me to be use of a house mark in conjunction with another, rendered in different script and appearing in a separate panel. This view is strengthened by the opponent's use of the word VADILAL in a stationery seal along with the word ICE CREAM. Thus the word The opponent's VADILAL logo and the applicant's trade mark are thus identical.

8. Mr Gandhi avers that, since 12 November 2002, the opponent has exported goods under the opposed trade mark to Australia on a regular basis.
9. Mr Gandhi exhibits packaging, bills of lading, invoices and so forth to his declaration, which I accept as supporting his claims.

Issues

10. For convenience, I will decide this matter under section 58 of the Act.

Section 58

11. Section 58 of the Act provides:

58 Applicant not owner of trade mark

The registration of a trade mark may be opposed on the ground that the applicant is not the owner of the trade mark.

Note: For *applicant* see section 6.

12. Ownership of a trade mark in Australia may arise in either of two separate ways. Ownership of a trade mark in Australia may arise either through first use of a sign in trade in respect of goods or services or by the making of a trade mark application to register that sign as a trade mark, whichever is the earlier. In competing claims to a sign through use, the first user of the sign as a trade mark in Australia is its owner: *PB Foods Limited v Malanda Dairyfoods Limited* 1999 FCA 1602, 47 IPR 47.
13. In order to establish its opposition under section 58, an opponent must show that it has had use of a trade mark which is at least substantially identical to the opposed trade mark¹, in respect of the same kind of thing² before the priority date of the opposed application³ (or any use that the applicant might have made of the opposed trade mark before the priority date)⁴.
14. Here it is not suggested that the applicant has used the opposed trade mark; further, the goods are, as discussed below, in general the same kind of thing, the trade marks are identical and the opponent's use predates the filing date of the opposed application.

¹ *Carnival Cruise Lines Inc. v. Sitmar Cruises Limited* 31 IPR 375

² *Hicks trade mark* (1897) 11 V.L.R. 636 at 640

³ For instance, *Settef v. Riv-Oland Marble Co (Vic) Pty Ltd.* (1986) 10 IPR 402

⁴ Per *Malanda*.

15. In *Malibu West, Inc v Catanese* [2000] FCA 1141 (18 August 2000), Finkelstein J said at paragraph 28:

While a local trader can deliberately adopt a foreign trade mark not previously used in this country, such action described by Williams J in *Re Registered Trade Mark "Yanx"* (at 202) as "sharp business practice", the court is inclined to regard this practice with suspicion and to "frown on these borrowings from abroad" (*Aston v Harlee Manufacturing Co* at 400 per Fullagar J). This is especially so where one of the local trader's motives in adopting the foreign mark is to prevent the foreign owner's use in this country. The corollary is that courts will regard a small amount of use, or slight use, of a mark in Australia by an overseas proprietor as sufficient to establish proprietorship of the trade mark in Australia: *Aston v Harlee Manufacturing Co* at 400; *Moorgate Tobacco* at 432; *Riv-Oland Marble Co v Settef SpA* at 353-354. As Williams J said in *Seven-Up Co*⁵ at 211:

"The court frowns upon any attempt by one trader to appropriate the mark of another trader although that trader is a foreign trader and the mark has only been used by him in a foreign country. It therefore seizes upon a very small amount of use of the foreign mark in Australia to hold that it has become identified with and distinctive of the goods of the foreign trader in Australia."

16. The above observations also, obviously, apply where an Australia trader attempts to establish an exclusive agency by registering a foreign trade mark without the agreement of the owner of the trade mark.
17. The finding of a ground of ownership based upon very limited use occurred in *Thunderbird Products Corp v Thunderbird Marine Products Pty Ltd* (1974) 131 CLR 592 and *Winton Shire Council v Lomas* [2002] FCA 288 (20 March 2002).
18. Here, use by the opponent of its trade mark in Australia before the application date appears to be well in excess of \$100,000 Australian. The opposed trade mark appears on both the invoices and the goods.
19. While it is not necessary for the invoiced goods bearing the trade mark to be physically present in Australia to establish the opposition,⁶ the opponent's goods in question were in Australia before the applicant filed the opposed application.

⁵ *The Seven Up Co v OT. Ltd* (1947) 75 CLR 203 at 211

⁶ *Re The Registered Trade Mark "Yanx"; Ex Parte Amalgamated Tobacco Corporation Ltd.* (1951) 82 CLR 199 "The goods are put upon the Australian market whether they are in Australia awaiting delivery upon sale or they may have to be imported for delivery after sale."

20. I have had no submissions from the applicant about what, if any, of his goods are not the same kind of thing as those of the opponent and consequently what, if any, goods should remain in its specification. The goods are, broadly speaking, 'the same kind of thing' and I do not think that it is appropriate that consider this aspect on the applicant's behalf where there has obviously been a high degree of conscious copying of the opponent's trade mark.
21. Accordingly, the opponent has established its opposition under section 58.

Decision

22. 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.

23. The opponent has established its ground under section 58 of the Act and I refuse to register application 953003.

Ian Thompson
Hearing Officer
Trade Marks Hearings
11 October 2004