

## TRADE MARKS ACT 1995

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

Re: Opposition by Anheuser-Busch Inc. to registration of trade mark application 955084(25) - **BUDMAN** - filed in the name of Darren Nicholson.

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<b>DELEGATE:</b>	<b>Rachel Dunn</b>
<b>REPRESENTATION:</b>	<b>Opponent:</b> Simon Williams of Spruson & Ferguson, Patent and Trade Mark Attorneys <b>Applicant:</b> Unrepresented and did not appear
<b>DECISION:</b>	<b>2007 ATMO 48</b> Ground under section 58 established – registration refused.

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### Background

1. On 26 May 2003 Mr. Darren Nicholson (the applicant) applied to register the trade mark “Budman”. Acceptance of the application was advertised on 5 August 2004. The relevant details of the accepted trade mark application are:

**Trade Mark:** Budman  
**App. No:** 955084  
**Goods/Services:** Class 25: T shirts, caps, shorts, socks and associated clothing

2. On 5 November 2004 Anheuser-Busch Incorporated (the opponent) filed a notice of opposition to registration which cited eight grounds of opposition available under the *Trade Marks Act 1995* (the *Trade Marks Act*).
3. Both parties filed and served evidence following which the opponent asked to be heard. The hearing was held by me, as the Registrar’s delegate, in Sydney on 16 October 2006. The applicant did not attend the hearing. The opponent was represented by Mr. Simon Williams of the attorney firm Spruson & Ferguson. Mr. Williams made submissions on the following grounds of opposition in order of priority:
  - Section 58 of the *Trade Marks Act* – that the applicant is not the owner of the trade mark;
  - Section 59 of the *Trade Marks Act* – that the applicant does not intend to use the trade mark;
  - Section 62 of the *Trade Marks Act* – that the trade mark application was amended contrary to law;

- Section 60 of the *Trade Marks Act* – that the opposed trade mark is similar to a trade mark that has acquired a reputation in Australia;
- Section 44 of the *Trade Marks Act* – that the opposed trade mark is deceptively similar to a prior registered trade mark;
- Section 41 of the *Trade Marks Act* – that the trade mark is not capable of distinguishing the applicant’s goods; and
- Section 42 of the *Trade Marks Act* – the use of the trade mark would be contrary to law.

## Evidence

4. The evidence consists of the following declarations:

Declarant	Reference	Exhibits
<b>Evidence in Support</b>		
Polo Guilbert-Wright	Guilbert-Wright declaration	PGW-1 to PGW-4
J. Lee Babb	Babb declaration	JLB-1 to JLB-4
Scott D. Miller	Miller declaration	SDM-1 to SDM-24
William Joseph Martin	Martin declaration	WJM-1
James Bryan Murray-Parkes	Murray-Parkes declaration	JBMP-1 to JBMP-2
<b>Evidence in Answer</b>		
Darren James Nicholson	Nicholson declaration	Attachment 1
<b>Evidence in Reply</b>		
Viet Chau Tran	Tran declaration	VT-1 to VT-5

## Section 58 ground of opposition

5. Section 58 of the *Trade Marks 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.

6. This ground of opposition recognises that the first user of a trade mark, not the applicant for registration, may be the owner of a trade mark. If it can be demonstrated that another party used the trade mark in Australia before the applicant’s first use or

before the applicant applied to register the trade mark, and that such use was on the ‘same kind of thing’, this ground is established.<sup>1</sup>

7. The opponent argues that it, not the applicant, is the owner of the trade mark. To establish this the opponent must demonstrate:
  - that it first used a trade mark in Australia;<sup>2</sup>
  - that was either the same trade mark, or a substantially identical trade mark to the opposed trade mark;<sup>3</sup> and
  - that the trade mark was used upon the ‘same kind of thing’.<sup>4</sup>

#### First Use in Australia

8. There is no debate between the parties that the applicant was the first to apply for registration of the “Budman” trade mark. However, the case law establishes that the first user of a trade mark in Australia will prevail over the first person to apply to register the trade mark in Australia, where the use occurs before the priority date of the application.<sup>5</sup>
9. Case law further establishes that the first use need only be a small amount. In *Thunderbird Products Corp v Thunderbird Marine Products Pty Ltd* Jacobs J stated ‘any use at all on the Australian market will suffice to deny to the applicant the right to claim authorship and consequent registration’<sup>6</sup>. However such use must be use as a trade mark. It is necessary for the opponent to establish ‘an actual trade or offer to trade in the goods bearing the mark or an existing intention to offer or supply goods bearing the mark in trade.’<sup>7</sup>
10. The opponent’s evidence shows it has used “BUD MAN” as a trade mark. Exhibit WJM-1 to the Martin declaration is a copy of the opponent’s wholesaler catalogue “On Vacation: Spring/Summer 1990”. The catalogue shows the trade mark “BUD

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<sup>1</sup> *Thunderbird Products Corporation v Thunderbird Marine Products Pty Ltd* (1974) 131 CLR 592 per Jacobs J at 600; *Winton Shire Council v Lomas* (2002) 119 FCR 416 per Spender J at 423

<sup>2</sup> *Winton Shire Council v Lomas* (2002) 119 FCR 416 per Spender J at 423

<sup>3</sup> *Carnival Cruise Lines Inc v Sitmar Cruises Ltd* (1994) 120 ALR 495 per Gummow J at 513

<sup>4</sup> *Re Hicks’ Trade Mark* (1897) 22 VLR 636 per at 640

<sup>5</sup> *Winton Shire Council v Lomas* (2002) 119 FCR 416 per Spender J at 423

<sup>6</sup> *Thunderbird Products Corporation v Thunderbird Marine Products Pty Ltd* (1974) 131 CLR 592 per Jacobs J at 600

<sup>7</sup> *Moorgate Tobacco Co. Ltd. v Philip Morris Ltd. [No. 2]* (1984) 156 CLR 414 per Deane J at 433-434

MAN” prominently displayed on items of clothing. Paragraphs 4-9 of the Martin declaration and paragraphs 7-12 of the Murray-Parkes declaration establish that this and subsequent catalogues were available in Australia and that goods listed in those catalogues were sold in Australia.

11. It is clear from the applicant’s evidence (product catalogue attached to the Nicholson declaration) that its first use of its “Budman” trade mark was in 2004-2005. This is after the priority date of the trade mark application which is 26 May 2003.
12. Accordingly I am satisfied that the opponent used “BUD MAN” as a trade mark in Australia, well before either the priority date of the opposed application, or the demonstrated first use by the applicant of the “Budman” trade mark.

Substantially identical trade marks

13. It is next necessary to consider whether the trade marks in question are identical, or at least substantially identical. “BUD MAN” as used by the opponent, and “Budman” as applied for by the applicant, are clearly not wholly identical. But proprietorship may still be established if the trade marks are substantially identical. As explained by Gummow J in *Carnival Cruise Lines Inc v Sitmar Cruises Ltd* such a claim requires nothing less ‘than substantial identity between the two marks,’ such that ‘[i]n a real sense a claim to proprietorship of the one extends to the other.’<sup>8</sup>

14. The accepted test for substantial identity is as stated by Windeyer J:

“[The trade marks in question] should ... be compared side by side, their similarities and differences noted and the importance of these assessed having regard to the essential features of the registered mark and the total impression of resemblance or dissimilarity that emerges from the comparison.”<sup>9</sup>

15. The differences between “BUD MAN” and “Budman” are minimal. One is represented entirely in upper case; only the initial letter is capitalized in the other. The two words constituting the first trade mark are conjoined to form the second trade mark. I do not regard either of these differences as being sufficient to displace the total impression of resemblance. This is consistent with the finding by Gummow J in

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<sup>8</sup> (1994) 120 ALR 495 per Gummow J at 513

<sup>9</sup> *The Shell Company of Australia Limited v Esso Standard Oil (Australia) Limited* (1961) 109 CLR 407 per Windeyer J at 414

*Carnival Cruise Lines Inc v Sitmar Cruises Ltd*<sup>10</sup> that the trade marks “FUN SHIP” and “FUNSHIP” were substantially identical.

16. Hence I find the trade mark used by the applicant and that used by the opponent are substantially identical such that the claim to proprietorship of “BUD MAN” extends to a claim to proprietorship of “Budman”.

Trade mark use on ‘the same kind of thing’

17. The final consideration is whether the opponent can establish its first use of the “BUD MAN” has been upon the ‘same kind of thing’ as the goods covered in the opposed trade mark application.<sup>11</sup>
18. The opposed trade mark application is for ‘T shirts, caps, shorts, socks and associated clothing’. Exhibit WJM-1 to the Martin declaration shows use of the “BUD MAN” trade mark upon: T-shirts, jumpers, caps, shorts and crew tops. These goods are the ‘same kind of thing’ as the goods of the trade mark application.
19. The opponent has been able to demonstrate that it used a substantially identical trade mark, being “BUD MAN”, in relation to the ‘same kind of thing’ as the goods of application 955084. Further the opponent has shown that this was trade mark use in Australia and that it occurred before both the priority date of application 955084 and the date of first use in Australia by the applicant.
20. On these bases I am satisfied the ground of opposition under section 58 of the *Trade Marks Act* has been made out. I therefore do not need to consider whether any of the remaining grounds of opposition have been established.

**Decision**

21. As I have found the opponent has established the ground of opposition under section 58 of the *Trade Marks Act*, I refuse to register application 955084.

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<sup>10</sup> *Carnival Cruise Lines Inc v Sitmar Cruises Ltd* (1994) 120 ALR 495 per Gummow J at 513

<sup>11</sup> *Re Hicks’ Trade Mark* (1897) 22 VLR 636 per at 640; *Winton Shire Council v Lomas* (2002) 119 FCR 416 per Spender J at 423

22. If the Registrar is served with a notice of appeal within one month of the date of this decision, I direct that refusal shall not occur until the appeal has been discontinued, or in the event of a decision from the Court, that the application be subject to that order.

**Costs**

23. The opponent has sought its costs. As it has been successful in having registration refused I award costs against the applicant in accordance with the official scale in schedule 8 of the regulations to the *Trade Marks Act*.

Rachel Dunn  
Hearing Officer  
Trade Mark Hearings  
9 August 2007