

## TRADE MARKS ACT 1995

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

Re: Opposition by Laboratoires La Prairie SA to registration of trade mark application 955561(3 and 44) - **SILVER RAIN** - filed in the name of Wendy Stockden-Brock.

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<b>DELEGATE:</b>	<b>Don Nancarrow</b>
<b>REPRESENTATION:</b>	<b>Opponent: Mr. Neil Murray of Counsel instructed by Spruson &amp; Ferguson, Patent and Trade Mark Attorneys, Sydney</b> <b>Applicant: Mr. Bernard O'Brien</b>
<b>DECISION:</b>	<b>Opposition successful under ss. 44 and 62(b). Costs awarded against the applicant.</b>

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#### Background

1. Ms. Wendy Stockden-Brock, (the applicant), filed an application for registration of the trade mark SILVER RAIN on 28 May 2003 in respect of “make-up, skincare, hair care and cosmetics products, perfumes” in class 3, and “beauty salon and hair care services, provision of information in relation to beauty, cosmetics, hair care and perfumery” in class 44, of the *International Classification of Goods and Services* (NICE classification). The application was advertised as accepted under the provisions of sub-section 44(4) of the *Trade Marks Act 1995* (the Act) in the *Australian Official Journal of Trade Marks* of 19 February 2004. Laboratoires La Prairie SA, (the opponent), filed a notice of opposition to registration on 19 August 2004 after gaining a three month extension of time in which to do so.
2. The evidence stages followed in which the opponent filed and served two declarations, from Harald Stolzenberg (Stolzenberg declaration with exhibits “HS-1” to “HS-3”) and Michael Rumore (Rumore declaration with exhibit “MR-1”), and in which the applicant filed and served a declaration from Wendy Ann Stockden-Brock (Stockden-Brock declaration with exhibits “1” and “2”).

3. After an unsuccessful attempt to settle the matter by negotiation the opponent requested to be heard. The matter came before me as the Registrar's delegate in Sydney on 20 October 2005.
4. The applicant has been involved in some aspects of the health and beauty industry for over 20 years as part of a much broader involvement with a variety of business interests. These interests go to forms of counselling, alternative healing techniques and both personal and business strategies for the future. The applicant has travelled to a number of overseas countries and also has a variety of venues within Australia from which makeover services, in particular, have been dispensed.
5. The opponent is a Swiss company that has not claimed use of the SILVER RAIN mark in Australia but bases its opposition, in particular, on a Protected International Trade Mark, (PITM), which claims a priority date of 21 May 2003 for its protection in Australia. The plans of the opponent are to market a fragrance in Australia in 2005. The company is either active in, or plans to be active in, 68 countries worldwide.
6. The present trade mark, filed on 28 May 2003, was accepted with an endorsement indicating that the trade mark was used from a time prior to 21 May 2003. This date is the priority date of the opponent's SILVER RAIN trade mark which was filed in Australia on 30 June 2003 but which claimed a filing date of 21 May 2003 based on the convention priority of a Swiss application.

### **The Evidence**

7. The Stockden-Brock declaration claims that the applicant first used the mark in March 2002 in relation to a beauty makeover and first used the mark in relation to goods shortly after February 2003. The exhibits showing use of the mark, however, are undated and, therefore, do not categorically support the applicant's claim.
8. The Stolzenberg declaration lists the chronology of the acceptance of the application and endeavours to point out deficiencies in the applicant's case that led to the acceptance. It also goes to show the picture regarding the opponent's resolve and its international interests, including trade mark applications and registrations.

9. The Rumore declaration exhibits the results of a number of investigations that Mr. Rumore had made in the Bowral district in his capacity as a private inquiry and commercial agent. The exhibit details a conversation that Mr. Rumore alleges took place with the applicant, which in her declaration, the applicant denies took place at all. Despite the strength of assertion by both parties on this issue, whether or not this conversation actually took place or not is of little import in the overall decision.
10. As well as the three declarations listed above, Mr. Murray, for the opponent, requested that I also consider the declaration that had been supplied to this Office on behalf of the applicant in support of its claim for prior continuous use of its trade mark to overcome an examiner's objection to registration of the mark. This declaration was from Justin Senescall, acting in his capacity as legal representative for the applicant. In this regard, I note that Regulation 21.19(1) reads:

**21.19 Registrar may use information available**

(1) If:

(a) information that is available to the Registrar is relevant to proceedings before the Registrar; and

(b) the Registrar has reason to believe that the information is not known to a party to the proceedings; and

(c) the Registrar proposes to take the information into account in making a decision in the proceedings;

before making the decision the Registrar must:

(d) provide the information to the party; and

(e) give the party a reasonable opportunity to make representations about the information.

11. In the present case, I am satisfied that both parties had access to the Senescall declaration – the applicant, because it had been submitted by the applicant's representative; and the opponent, because it has requested that I consider it. As I do accept that it is relevant to this matter, I intend to take note of this material in making my decision.

12. In addition, in deciding whether or not materials can be considered in relation to a decision by a hearing officer in the Trade Marks Office, the formal rules of evidence of the court system are not binding. There are distinct advantages in considering available information without the need to involve the Federal Court, if possible, provided of course, that both parties are afforded procedural fairness.

### **Grounds of Opposition**

13. The notice of opposition listed grounds under the Act in terms of ss. 41, 42(b), 43, 44, 58, 59, 60 and 62(b). At the hearing, the opponent indicated that it would not pursue the grounds under ss. 41, 42(b), 43, 59 and 60. For the sake of completeness I find that these five grounds have not been made out.

### **Submissions, the Law and Comments**

#### ***(a) Section 44***

14. Here, the legislation allows:

#### **Identical etc. trade marks**

**44.(1)** Subject to subsections (3) and (4), an application for the registration of a trade mark (*applicant's trade mark*) in respect of goods (*applicant's goods*) must be rejected if:

(a) the applicant's trade mark is substantially identical with, or deceptively similar to:

(i) a trade mark registered by another person in respect of similar goods or closely related services; or

(ii) a trade mark whose registration in respect of similar goods or closely related services is being sought by another person; and

(b) the priority date for the registration of the applicant's trade mark in respect of the applicant's goods is not earlier than the priority date for the registration of the other trade mark in respect of the similar goods or closely related services.

Note 1: For *deceptively similar* see section 10.

Note 2: For *similar goods* see subsection 14(1).

Note 3: For *priority date* see section 12.

**(2)** Subject to subsections (3) and (4), an application for the registration of a trade mark (*applicant's trade mark*) in respect of services (*applicant's services*) must be rejected if:

(a) it is substantially identical with, or deceptively similar to:

- (i) a trade mark registered by another person in respect of similar services or closely related goods; or
  - (ii) a trade mark whose registration in respect of similar services or closely related goods is being sought by another person; and
- (b) the priority date for the registration of the applicant's trade mark in respect of the applicant's services is not earlier than the priority date for the registration of the other trade mark in respect of the similar services or closely related goods.

Note 1: For *deceptively similar* see section 10.

Note 2: For *similar services* see subsection 14(2).

Note 3: For *priority date* see section 12.

**(3)** If the Registrar in either case is satisfied:

- (a) that there has been honest concurrent use of the 2 trade marks; or
- (b) that, because of other circumstances, it is proper to do so;

the Registrar may accept the application for the registration of the applicant's trade mark subject to any conditions or limitations that the Registrar thinks fit to impose. If the applicant's trade mark has been used only in a particular area, the limitations may include that the use of the trade mark is to be restricted to that particular area.

Note: For *limitations* see section 6.

**(4)** If the Registrar in either case is satisfied that the applicant, or the applicant and the predecessor in title of the applicant, have continuously used the applicant's trade mark for a period:

- (a) beginning before the priority date for the registration of the other trade mark in respect of:
    - (i) the similar goods or closely related services; or
    - (ii) the similar services or closely related goods; and
  - (b) ending on the priority date for the registration of the applicant's trade mark;
- the Registrar may not reject the application because of the existence of the other trade mark.

Note 1: An authorised use of the trade mark by a person is taken to be a use of the trade mark by the owner of the trade mark (see subsection 7(3)).

Note 2: For *predecessor in title* see section 6.

Note 3: For *priority date* see section 12.

15. To trigger this section the opponent would need to direct me to a trade mark which fulfils the requirements to block the application. Mr. Murray specified the opponent's PITM for SILVER RAIN, number 976927. Clearly, as agreed by the parties the respective marks are substantially identical as required by s. 44(1)(a).
16. In addition, the goods of 976927 include class 3 items, "soaps; perfumery; essential oils, cosmetics, deodorants and anti-perspirants for personal use". The goods of the present application include: "make-up, skincare, hair care and cosmetics products,

perfumes” also in class 3. Some of these goods items are coincident. Thus, a second requirement – that the goods be similar in terms of s. 44(1)(a)(i) has also been shown.

17. The opponent’s trade mark, 976927, has a priority date of 21 May 2003 whereas the present application claims 28 May 2003. This fulfils the final requirement under s. 44 to provide a trade mark that will block an application in terms of s. 44(1)(b).
18. This application was accepted for registration and that acceptance was revoked before it was accepted for a second time under the provisions of s. 44(4) of the Act. The provisions of s. 44(4) refer to the prior and continuous use of the trade mark by the applicant from a time before the date of an earlier right to registration that a conflicting trade mark enjoys and can be used by the applicant to override s. 44(1).
19. Both the Senescall and the Brockden-Stock declarations claim some use of the mark that is designed to enable the provisions of s. 44(4) to be applied. The Senescall declaration claims under a heading of USE OF THE MARK,

“5. The Mark was first used by the Applicant in February 2002 for the Services.

6. The Applicant has also conducted a workshop in relation to the Services on 6 August 2003 on the Gold Coast, Queensland;

7. Since that date, the Applicant has engaged in the active promotion of the Goods and Services in conjunction with the mark in Australia. ... ”

20. The Stockden-Brock declaration claims that the applicant commenced **planning** for the makeover and skincare business and for the creation of a range of new skincare products from about February 2002 (emphasis mine). Only on 5 March 2002 did the applicant decide to use the SILVER RAIN mark. Ms. Stockden-Brock also claims that “exhibit 1” to her declaration is the first draft of a promotional document prepared in August 2002. This document is not dated in the evidence. It offers the applicant’s services involving makeovers without a direct reference to an offer to sell the goods, save a comment that the price of the makeover includes “training and all makeup products used”. It is not clear that any SILVER RAIN branded goods were involved in this offer. There is also no indication that this document was ever distributed, and if it had been, at what time and to whom. “Exhibit 2” to the Stockden-Brock declaration

is also a planning document constructed sometime between February 2003 and May 2003. No material before me here clearly shows use of the trade mark 'in the course of trade' prior to May 2003.

21. I also note that the Senescall declaration is at some variance with the later claims made by the applicant, but given the circumstances I do not believe that this amounts to a deliberate effort to mislead. Whereas Mr. Senescall claims use of the mark in relation to services from February 2002, Ms. Stockden-Brock clarifies this claim by stating that this date was actually the date that planning for the business commenced and the mark was not selected until 5 March 2002. The Senescall declaration was sworn some two years after those dates, in response to an objection from this Office. It may well have been made with Ms. Stockden-Brock thinking that her initial planning constituted use of her makeover services without clearly thinking about actual use of the trade mark involved. However, following the filing of a notice of opposition in the matter, and the need to substantiate any claims from the applicant that had been made to trigger the provisions of s. 44(4), a greater onus falls on the applicant than has been discharged here. Where it is obvious that the opponent has challenged the applicant's claims of use of the mark such items as dated invoices and/or sales docketts or dated diary entries or some such similar material need to be provided to counter the opponent's allegations. Certainly, there are claims made by the applicant on use of the mark, but none appear to show use of the mark on goods prior to 21 May 2003 and none specifically link use of the mark SILVER RAIN with makeovers done prior to that same date.
22. On the material before me, I find that the opponent has succeeded in its opposition under s. 44.

***(b) Section 58***

23. Here, the legislation allows:

**Applicant not owner of trade mark**

**58.** 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.

24. Four aspects are to be considered in relation to ownership of a trade mark for an opposition in respect of s.58. These are:

(1) in applications for registration rights are to be determined as at the date of application (*Southern Cross Refrigerating Co v Toowoomba Foundry Pty Ltd* (1954) 91 CLR 592 at 594);

(2) ownership rights in a trade mark resides in either the first use in trade in Australia on the relevant goods (*Settef S.p.A. v Riv-Oland Marble Co. (Vic) Pty Ltd* 10 IPR 402 at 413), or the making of the application to register (*Shell Co (Aust) Ltd v Rohm & Haas Co* (1948) 78 CLR 601 at 625 to 628);

(3) a determination whether or not the respective goods or services are “the same kind of thing” (Re: *Hicks’s Trade Mark* (1897) 22 VLR 636); and

(4) a determination whether or not the respective trade marks of the parties are substantially identical (*Carnival Cruise Lines Inc. v Sitmar Cruises Ltd* (1994) 31 IPR 375 (FC)).

25. On the first of these considerations, the date of the present application is 28 May 2003.

26. On the second factor the opponent claims no date of use in Australia. The applicant does claim some use but as I have already decided, in relation to s. 44, that the applicant has not shown use of the mark prior to the application date.

27. The opponent has argued here that by virtue of the earlier date of its application, being 21 May 2003 that it has a prior right in terms of s. 58. However, the right that is under consideration for s. 58 is the common law right. That right is discussed by Justice McGarvie at 413-414 of *Settef S.p.A. v Riv-Oland Marble Co. (Vic) Pty Ltd*, supra, in the words:

In considering who, within s 40(1) of the Act, was at the time of Settef’s application for registration the proprietor of the trade mark, one considers who at common law was the proprietor in Australia: *The Shell Co of Australia Ltd v Rohm & Haas Co* (1949) 78 CLR 601 at 625 and 627. Settef claims to be the

first person to have used the trade mark in Australia and to have been proprietor at common law in Australia.

28. Ownership, as a ground of opposition under the 1955 Act, was listed at s. 40 and corresponds to s. 58 of the present Act. Thus, in terms of s. 58, the contest for the ownership of the mark is between first actual use of the trade mark in the course of trade by either party, and the date of the application that is under consideration. The opponent's date of another application is not a factor that has a bearing in determining any common law rights in the matter.
29. *Shell Co (Aust) Ltd v Rohm & Haas Co*, supra, provided a justification for the reason that the actual date of application of the application that is under opposition should be considered as equivalent to a common law claim. Ownership of a trade mark, prior to 1880, had traditionally been dependent on commercial use. However, the statutory framework set up by the first Act in the U. K., *Trade-Mark Registration Act (1875)*, produced a logical inconsistency for proprietorship or ownership issues. This concerned the making of an application by a party of an as yet unused trade mark. (Obvious advantages exist for an applicant to be able to make an application before actual use of a trade mark is required. The applicant could find out, before committing any resources to a trade mark, whether or not another trader is already using it.) However, under that Act, such an applicant was open to the challenge that it was not the owner or proprietor of the mark because it had not yet used it to gain common law ownership status. Lord Justice Cotton sought to remove this anomaly in *Re Hudson's Trade Marks* (1886) 3 RPC 155, where he said, at 159:

The main point that was argued, ..... is this :- whether the Act of 1875 enabled anything to be registered as a trade mark which had not already been used; and there is very considerable difficulty on that point, because the very essence of a trade mark, independently of the Act, was use.

30. It was in discussing this issue that Cotton LJ found, at 160, that the application to register that application was equivalent to public use (and, thus common law ownership) for the purpose of establishing an applicant's overall ownership rights with the words:

Then we come to this, "but subject as aforesaid the registration of a trade mark shall be deemed to be equivalent to public use of such mark."

31. Any application made by another party was not part of this argument.
32. Dixon J. discussed this same case of Lord Justice Cotton at 626 to 628 of *Shell Co (Aust) Ltd v Rohm & Haas Co*, supra, in relation to the registration of an application under the *Trade Marks Act 1905* with the comment:

For a time the provision that application was equivalent to prior user necessarily embodied in statutory form the conclusion that the applying for registration completed title to the unused mark, where the other elements existed. But the principle had been already adopted by Cotton L.J. in re *Hudson's Trade Mark*.

33. Precedent aside, the construction of the present Act also points to the same conclusion – that the date of an application made by the opponent is immaterial to a finding under s. 58.
34. The logic here is that an applicant may gain acceptance of their application under the provisions of s. 44(3), by evidence of their honest concurrent use of their mark, all of which may occur post-application date of the opponent's trade mark (see *Granada Trade Mark* [1979] RPC 303). If the opponent could use its date of application as a valid consideration under s. 58 then it would always be able to overturn an acceptance under s. 44(3) where the honest concurrent use had been built up after that date. The provisions of s. 44(3) would, thus, lose their force – because if the honest concurrent use pre-dated the opponent's priority date the applicant could use the provisions of s. 44(4) whereas if such honest concurrent use post-dated the opponent's priority the provisions of s. 44(3) could always be overturned by s. 58. In either of those circumstances s. 44(3) would be rendered all but superfluous. This provides a further reason for taking no note of the application date of an opponent's application when considering s. 58.
35. Given that the opponent has not claimed use of its mark prior to the date of the present application (and that the opponent's own application date is not considered under s. 58 for the reasons outlined above) I find that the ground of opposition under s. 58 is not made out.

*(c) Section 62(b)*

36. In terms of this section the relevant legislation reads:

**Application etc. defective etc.**

**62.** The registration of a trade mark may be opposed on any of the following grounds:

(a) ....;

(b) that the Registrar accepted the application for registration on the basis of evidence or representations that were false in material particulars.

37. Mr. Murray argued that at the time that this trade mark was accepted, the basis on which the acceptance was offered was not valid because the Senescall declaration had provided material that was “false in material particulars”.

38. I have already discussed this issue in relation to s. 44 above. I do not believe that the information was dishonestly intended – merely that, on reflection, the details on timing quoted in the Senescall declaration were inaccurate and the Stockden-Brock declaration in the evidence, post-acceptance, sought to clarify the dates. However, the wording of s. 62(b) makes clear that whether or not the information has been deliberately framed to mislead or not is immaterial. The question to be answered is whether or not the trade mark application had been accepted on the basis of information that is, itself, “false in material particulars”.

39. Given that the Senescall declaration, pre-acceptance, claimed use of the mark from February 2002 and the later Stockden-Brock declaration amended this claim to a later date, I find that this amounts to a representation false in material particulars and that the opponent has been successful under this ground of opposition.

**Decision**

40. From the foregoing I have found that the opponent has succeeded under two grounds of opposition in this matter, those under ss. 44 and 62(b) of the Act.

41. As a delegate of the Registrar I refuse registration of this trade mark application.

**Costs**

42. The opponent has requested its costs in the matter. There is nothing before me to show that costs should not follow the event and I direct that the applicant pay the costs of the opponent according to Schedule 8 of the Regulations to the Act.

Don Nancarrow  
Hearing Officer  
Trade Marks Hearings  
21 December 2005