TRADE MARKS ACT 1995

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

Re: Opposition by Vitasoy International Holdings Ltd to registration of the following trade mark applications filed in the name of Green Spot Company Limited:

963272(32) – **VITAMILK and device**
1037128(32) - **V-SOY**
1037348(32) **– V device**
1037366(32) **- VITAMILK**.

DELEGATE:	**Alison Windsor**
REPRESENTATION:	**Opponent:** Ed Heerey of counsel, instructed by Minter Ellison Lawyers of Melbourne **Applicant:** Ben Fitzpatrick of counsel, instructed by Griffith Hack, Patent and Trade Mark Attorneys of Melbourne
DECISION:	**2008 ATMO 45** **Section 52 proceedings:** grounds under sections 42, 44 and 60 in relation to all oppositions; opposition successful under section 44 in respect of 963272 and 1037366; opposition unsuccessful in respect of 1037128 and 1037348; no costs order.

Background

1. Green Spot Company Limited ("the applicant")[1] applied to register four trade marks, current details of which appear below:

Application No:	963272
Filing date:	24 July 2003
Goods claim:	**Class 32:** Soya bean based non-carbonated non-alcoholic beverage
Trade Mark:	

[1] The applicant was previously known as Green Spot (Thailand) Limited.

Application No:	1037128
Filing date:	12 January 2005
Goods claim:	**<u>Class 32:</u>** Soya bean based non-carbonated non-alcoholic beverage
Trade Mark:	V-SOY

Application No:	1037348
Filing date:	12 January 2005
Goods claim:	**<u>Class 32:</u>** Soya bean based non-carbonated non-alcoholic beverage
Trade Mark:	

Application No:	1037366
Filing date:	12 January 2005
Goods claim:	**<u>Class 32:</u>** Soya bean based non-carbonated non-alcoholic beverage
Trade Mark:	VITAMILK

2. The applications were examined as required by section 31 of the *Trade Marks Act 1995* ("the Act") and were advertised as accepted for possible registration in the *Australian Official Journal of Trade Marks*.

3. Vitasoy International Holdings Ltd ("the opponent" or "VIHL") filed notices of opposition to the proposed registrations, as provided for by section 52 of the Act. The evidentiary stages of the various oppositions were finally completed by the middle of May 2007. VIHL requested a hearing in respect of all four oppositions, and requested the matters be heard concurrently. The matters came before me, as a delegate of the Registrar, in Melbourne on 4 March 2008. The opponent was represented by Ed Heerey of counsel, instructed by Minter Ellison Lawyers of Melbourne. Ben Fitzpatrick, also of counsel and instructed by Griffith Hack, patent and trade mark attorneys of Melbourne, represented the applicant.

4. While the grounds of opposition for all the applications were wide ranging, at the hearing the opponent only pursued grounds under sections 44 and 60, and subsection

42(b). For completeness I decide that none of the remaining grounds set out on the notices of opposition have been made out.

Evidence provided

5. The declarations comprising the evidence for the four applications are set out in the table attached to this decision as Annexure 1. The evidence is substantial in quantity but there is a great deal of overlap in the evidence filed by both parties in respect of each of the four oppositions. In dealing with this volume of material, I will briefly set out the factual backgrounds to the development and use of the respective trade marks that are included in the evidence of use provided by both parties. I will refer to other material, including the submissions given by both representatives at the hearing as required during my discussions later in these reasons.

Evidence in support – factual background to the opponent's trade marks

6. The leading declarations for the opponent's evidence in support for all four applications are those of Tong Ah Hing, company secretary of VIHL. These declarations give a history of the opponent company, and the development of its range of goods using the word VITA as at least a part of the relevant trade marks.

7. VIHL was incorporated in Hong Kong in 1940 and has been manufacturing and selling milk drinks made from soya beans since that time[2]. It has carried on its business under the trade names VITAMILK and 維他奶[3] since 1940. In 1953 VIHL adopted the word VITASOY to promote its soya milk products. The word was registered as a trade mark in Hong Kong in about 1955.

8. The opponent claims that its soya bean milk drinks were the first, and for many years the only, soya bean milk drinks marketed and sold in Hong Kong. The drinks, which are referred to in the declaration collectively as "the VITASOY drinks", still dominate the particular market in Hong Kong, and the opponent claims a market share of over 80%.

9. In the mid to late 1970's, VIHL began introducing other drink products including fruit juice drinks, tea and herbal tea drinks, coffee and cocoa drinks, carbonated sodas as well as mix syrups for those sodas, and various milk drinks, both cow's milk and soya

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[2] These milk drinks are called either "soya milk" or "soy milk". The terms are interchangeable.
[3] These characters may be transliterated as WEI TA LAI, and translated into English as VITAMILK.

bean milks. All these other drink products have been marketed and sold by reference to the word VITA or the characters 維他 (WEI TA) in Hong Kong and other parts of the world including Australia and New Zealand. In 1992 the company began sales of distilled water in a variety of container sizes again using the word VITA. The opponent states that all its new products are invariably labeled and endorsed under the trade marks VITASOY and 維他奶 in the case of soya bean milk and related drinks, and under the trade marks VITA and 維他 in the case of its other drinks.

10. The opponent's sales figures in Hong Kong for the years 1995/1996 to 2004/2005 inclusive, given in Hong Kong dollars, amount to many millions of dollars per year. When roughly converted to Australian dollars, the figures are in excess of ten million dollars annually. From at least as early as 1977, the range of soya bean milk and other drinks has expanded out into the global market, being sold in many countries across the world including Australia. The global sales figures are an order of magnitude larger than those for the Hong Kong market.

11. In 2001, the opponent opened its first production plant in Australia, located at Wodonga in northern Victoria. The plant is part of Vitasoy Australia Products Pty Ltd ("VAPPL") and is a joint venture between the opponent and an Australian company, National Foods Limited. Sales figures for Australia since the building of the local production plant amount to several millions of dollars per year.

12. The opponent has spent substantial amounts of time and money applying for trade mark registrations in various classes in Hong Kong, Australia and other countries. Exhibits PT-9 and PT-10 give details of various applications and registrations the opponent had filed and registered in many countries throughout the world. In Australia, its relevant registrations referred to in the evidence are shown in the following table[4]:

[4] The declaration and exhibits refer also to trade mark numbers 552414, 659964 and 659965. These numbers are "linked registrations", as provided for by section 243 of the Act, and their particulars are included in numbers 552413, 659962 and 659963 respectively.

Number; Priority date; Status	Trade mark	Goods/services
552413 20/03/1991 Registered	維他奶	**Class: 29** Soya bean milk in solid form; soya bean based food products in this class and all other goods in this class **Class: 32** Soya bean milk in liquid form, soya bean based carbonated and non-carbonated non-alcoholic drinks and beverages; syrups, powders, extracts and concentrates all in this class for making carbonated and non-carbonated non-alcoholic beverages; fruit juices; soft drinks; and all other goods in this class
552415 20/03/1991 Registered	VITASOY	**Class: 29** Soya bean milk in solid form, soya bean based food products in this class
563060 04/09/1991 Registered	VITASOY	**Class: 32** Soya bean based carbonated and non-carbonated non-alcoholic drinks and beverages; soya bean milk; syrups, powders, extracts and concentrates all in this class for making carbonated and non-carbonated non-alcoholic beverages; fruit juices and soft drinks
659962 27/04/1995 Registered	維他 VITA The applicant has advised that the Chinese characters appearing in the trade mark may be transliterated as WEI-TA and translated into English as VITA.	**Class: 29** Milk and milk substitutes and food products in liquid and solid forms based on soya beans and the ingredients therefore **Class: 30** Tea including non-medicinal herbal teas, chrysanthemum tea, lemon tea and milk tea, coffee, cocoa, ice and ice cream **Class: 32** Fruit and vegetable juices, juice drinks, mineral water, distilled water, aerated water and spring water
659963 27/04/1995 Registered	維他 The applicant has advised that the Chinese characters appearing in the trade mark may be transliterated as WEI-TA and translated into English as VITA.	**Class: 29** Milk and milk substitutes and food products in liquid and solid forms based on soya beans and the ingredients therefore **Class: 30** Tea including non-medicinal herbal teas, chrysanthemum tea, lemon tea and milk tea, coffee, cocoa, ice and ice cream **Class: 32** Fruit and vegetable juices, juice drinks, mineral water, distilled water, aerated water and spring water
820388 18/01/2000 Registered	VITASOY	**Class: 29** Soy milk, milk drinks and tofu, soya bean milk in liquid and solid form, soya bean-based food products **Class: 32** Soya bean based carbonated and non-carbonated non-alcoholic drinks and beverages, syrups, powders, extracts and concentrates for making carbonated and non-carbonated non-alcoholic beverages, fruit and vegetable juices of all kinds, soft drinks, soya bean-based extracts, drinks and beverages

13. Additional trade marks claimed as relevant and mentioned in the opponent's submissions are shown in the next table:

998712 21/04/2004 Registered	Vitasoy The Soy Experts	**Class: 29** Soy milk, milk drinks and tofu, soya bean milk in liquid and solid form, soya bean-based food products including sausage, cheese and yogurt **Class: 30** Tea drinks; soya bean-based food products, namely salad dressings, mayonnaise, ice cream and seasonings, puddings and desserts **Class: 32** Soya bean based carbonated and non-carbonated non-alcoholic drinks and beverages, including rice and fruit drinks; non-soya bean based carbonated and non-carbonated non-alcoholic drinks and beverages, including rice and fruit drinks; syrups, powders, soya bean-based extracts and concentrates for making carbonated and non-carbonated drinks and beverages; non-soya bean based extracts and concentrates for making carbonated and non-carbonated non-alcoholic beverages, fruit and vegetable juices of all kinds, soft drinks
998713 21/04/2004 Registered	Vitasoy	**Class: 29** Soy milk, milk drinks and tofu, soya bean milk in liquid and solid form, soya bean-based food products including sausage, cheese and yogurt **Class: 30** Tea drinks; soya bean-based food products, namely salad dressings, mayonnaise, ice cream and seasonings, puddings and desserts **Class: 32** Soya bean based carbonated and non-carbonated non-alcoholic drinks and beverages, including rice and fruit drinks; non-soya bean based carbonated and non-carbonated non-alcoholic drinks and beverages, including rice and fruit drinks; syrups, powders, soya bean-based extracts and concentrates for making carbonated and non-carbonated drinks and beverages; non-soya bean based extracts and concentrates for making carbonated and non-carbonated non-alcoholic beverages, fruit and vegetable juices of all kinds, soft drinks
988800 12/02/2004 Opposed	VITA LIGHT	**Class: 32** Soya bean-based extracts and beverages

14. Advertising figures for the global market amount to many millions of dollars, either in $AUD or $HK. Advertising figures for Australia are very large, given the relatively small size of the local market.

15. The overall picture Mr Tong Ah Hing gives via his declaration is of a group of trade marks based around the word VITA in use on a range of drinks including those made from soy beans which are widely sold across the world, and which have a significant market within Australia. The Australian market is supplied via a manufacturing plant established in Wodonga making soya milk drinks.

Evidence in Answer – factual background to the applicant's trade marks

The VITAMILK group of marks

16. The applicant's leading declarations are those of Chote Sophonpanich, the company's executive chairman. Mr Sophonpanich states that the company was established in 1953 to produce a non-carbonated orange beverage called GREEN SPOT. He says this drink is the most well known orange soft drink in Thailand. The company introduced Thailand's first brands of soy milk in 1956 under the trade marks VITAMILK, a V in circle device and a mark consisting of a combination of these two elements as shown below:

17. In 1993, that trade mark representation was updated to its current form, shown in paragraph 1 as trade mark application 963272.

18. The applicant says that soy milk branded with its VITAMILK trade marks holds at least a 65% share of the soy milk market in Thailand, and the applicant company has become a leading producer and marketer of soy milk in Asia. The goods are available to consumers in many Asian, African and Middle Eastern markets, and goods bearing the trade marks are also available in stores in Australia, America and Europe as well. The applicant has registrations and applications for its trade marks in many countries, including various countries in Europe, Africa, the Middle East and Asia, as well as Australia and New Zealand.

19. Worldwide sales figures for goods marketed under the applicant's VITAMILK group of brands are substantial but are considerably smaller than the sales claimed by the opponent for its own global market. Sales in Australia since the introduction of the goods to the market in late 2002 are slight in comparison with the opponent's claimed sales, amounting to thousands, rather than millions of dollars. Similarly, advertising figures are only a fraction of that expended by the opponent. The goods are imported into Australia by approved distributors and are generally sold through Asian supermarkets and wholesalers, with the proposed market being, in the main, Asian people. However, since 2003 there has been some expansion into independent supermarkets in various states which serve a wider customer base.

The V-SOY trade mark

20. The company began using the trade mark V-SOY on soy milk in Thailand in 2002, though it had applied for registration of the sign as a trade mark in Thailand as early as 1993. Soy milk sold under this brand has been available to consumers in many Asian, African and Middle Eastern countries since that time. Goods under the trade mark entered the Australian market in September 2004, imported by authorized distributors. The V-SOY mark is now the applicant's second largest brand. Overall sales and advertising figures are, however, relatively small, both worldwide and in Australia.

21. The overall picture Mr Chote Sophonpanich gives is of a group of trade marks including VITAMILK, V-SOY and the V device which are very well known within his home country of Thailand and appear to have a healthy following in the broader Asian market. Goods displaying the trade marks have fairly recently become available in the Australian market, and have yet to develop a strong following.

Comments in respect of confusion between the trade marks

22. Tong Ah Hing gives his opinion that the applicant's VITAMILK trade mark is likely to be mistaken as being part of the opponent's family of trade marks as "a natural or anticipative diversification from VITASOY or VITA". In respect of the V-SOY trade mark, he stated the following[5]:

> There is every possibility for the Proposed Mark to be mistaken as being part of VIHL's family of marks and a natural or anticipative diversification from "VITASOY". The Proposed Mark comprises the elements "V", "-" and "SOY", with the first and last elements being the most prominent. The first letter "V" in the Proposed Mark being the distinguishing feature could equally stand for "VITA" given the reputation established in relation to the VIHL trade marks in Hong Kong. The consumer public will readily and easily associate the Proposed Mark with the VIHL trade marks especially "VITASOY". VIHL is actively pursuing diversification of its products and developing a family of trade marks using the word "VITA" in combination with other descriptive elements such as "Vitaland", "VITA Lemon Tea", "VITA Guava Juice", "VITA Malted Milk" and "VITA SOYA BEAN MILK".

23. He says that there is actual confusion occurring in the marketplace. In the Australian market, VIHL was notified by its Australian distributor in early 2004 that the

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[5] Declaration in respect of 1037128, paragraphs 26 and 27. The trade mark is that shown in paragraph 1 previously.

applicant's products were appearing in stores and that some consumers were confused as to their source.

24. Tong Ah Hing's declarations state that the applicant and opponent companies have had a history of co-operation going back to as early as April 1949, when the opponent was appointed as the authorized distributor for the "Green Spot" beverages in Hong Kong and Macau.[6] This relationship between the companies continued for almost 8 years. During the length of the relationship, he considers the applicant company would have been made well aware of VIHL's trade marks and their business interests.

25. Mr Sophonpanich, on the other hand, says he is not aware of any confusion having arisen in Australia or elsewhere in the world between his company's VITAMILK trade marks and those belonging to VIHL. He says his products are commonly known to come from Thailand, whilst the opponent's products are known to come from Hong Kong and China. He also refers to other trade marks for soy bean milk products available in Australia, including VITALIFE, SO GOOD and SO NATURAL.[7]

26. The overall picture in respect of the possible confusion between the trade marks is of two parties with diametrically opposing opinions. Mr Tong Ah Hing and the declarations filed as part of his evidence in support and reply attest to already existing confusion. He also refers to the possibility of further confusion in the future because, he says, there are few trade marks already in the market for soy milk and therefore the reputation of VIHL's VITA-based trade marks will be likely to result in confusion about the trade source for the applicant's goods marketed under their trade marks.

27. Mr Sophonpanich and the other declarations forming the evidence in answer say that both products are available in the market side by side, and there is no confusion apparent. The applicant's evidence suggests that there are a significant number of relevant trade marks beginning with the word element VITA already on the Australian trade marks register and that people will be able to distinguish between the applicant's and opponent's trade marks.

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[6] I note that this claim appears to conflict with Mr Sophonpanich's declaration which states the "Green Spot" beverages were not available until after 1953.

[7] This comment appears to be made in response to Tong Ah Hing's statement in his declarations that there are not many soya bean milk products in either the Australian or international market, and therefore the trade marks in use on those goods are few.

Discussion

28. Under the Act, the onus lies with the opponent to establish at least one ground of opposition pursued. The grounds pursued, as mentioned earlier, are those under sections 44 and 60 and subsection 42(b) of the Act. Section 44 and section 60, in the embodiment relevant to this action, have an element in common – that is, the trade marks in conflict must be at least deceptively similar. This is a threshold test – if I find the trade marks in question are neither deceptively similar nor substantially identical, then I need not proceed to consider the factors specified by these provisions.

29. The opponent submitted that it was not pressing an allegation that any of the respective trade marks are substantially identical. On considering the usual tests for this matter, I am in total agreement with this comment. Therefore, my considerations will be whether any of the applicant's trade marks are deceptively similar to any of the opponent's relevant trade marks.

Deceptive similarity

30. The term "deceptively similar" is defined by section 10 of the Act in the following words:

> For the purposes of this Act, a trade mark is taken to be deceptively similar to another trade mark if it so nearly resembles that other trade mark that it is likely to deceive or cause confusion.

31. There are a set of generally accepted "rules of comparison" used in determining this matter. Some of these rules may be found in the words of Parker J in *Pianotist Co's Appn*[8]*:*

> You must take the two words. You must judge of them, both by their look and by their sound. You must consider the goods to which they are to be applied. You must consider the nature and kind of customer who would be likely to buy those goods. In fact, you must consider all the surrounding circumstances; and you must further consider what is likely to happen if each of those trade marks is used in a normal way as a trade mark, for the goods of the respective owners of the marks. If, considering all those circumstances, you come to the conclusion that there will be a confusion – that is to say, not necessarily that one man will be injured and the other will gain illicit benefit, but that there will be a confusion in the mind of the public which will lead to a confusion in the goods – then you may refuse the registration, or rather you must refuse the registration in that case.

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[8] (1906) 23 RPC 774

32. Dixon and McTiernan JJ, in *Australian Woollen Mills Ltd v F S Walton & Co Ltd*[9], when considering two trade marks each comprising a device with words, said:

> In deciding this question, the marks ought not, of course, to be compared side by side. An attempt should be made to estimate the effect or impression produced on the mind of potential customers by the mark or device for which the protection of an injunction is sought. The impression or recollection which is carried away and retained is necessarily the basis of any mistaken belief that the challenged mark or device is the same. The effect of spoken description must be considered. If a mark is in fact or from its nature likely to be the source of some name or verbal description by which buyers will express their desire to have the goods, then similarities both of sound and of meaning may play an important part. The usual manner in which ordinary people behave must be the test of what confusion or deception may be expected. Potential buyers of goods are not to be credited with any high perception or habitual caution. On the other hand, exceptional carelessness or stupidity may be disregarded. The course of business and the way in which the particular class of goods are sold gives, it may be said, the setting, and the habits and observation of men considered in the mass affords the standard. Evidence of actual cases of deception, if forthcoming, is of great weight.

33. Taking into account the provisions of the 1995 Act, and the presumption of registrability which underpins the legislation, French J adopted and restated the principles in the *Woolworths Metro*[10] case:

> In *Southern Cross Refrigerating Co v Toowoomba Foundry Pty Ltd* (1954) 91 CLR 592 at 594–5, 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.
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> It may be interpolated that this is another way of expressing the proposition that the trade mark is likely to cause confusion if there is a real likelihood that some people will wonder or be left in doubt about

[9] (1937) 58 CLR 641
[10] *Registrar of Trade Marks v Woolworths Ltd* 45 IPR 411 at 428

> whether the two sets of products or the products and services in question come from the same source.
>
> (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.
>
> (iv) The rights of the parties are to be determined as at the date of the application.
>
> (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.
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> In respect of the last proposition, Mason J observed in *Berlei Hestia Industries Ltd v Bali Co Inc* (1973) 129 CLR 353 at 362 ; 1 ALR 443 at 450:
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> > … the question whether there is a likelihood of confusion is to be answered, not by reference to the manner in which the respondent has used its mark in the past, but by reference to the use to which it can properly put the mark. The issue is whether that use would give rise to a real danger of confusion.

34. The goods involved here, that is, a range of soy products including soy milk drinks sold in various containers including Tetra Pak® cartons and glass bottles, are low priced items. The applicant stated that in 2006 its goods retailed in Australia at between 60 cents and $1.30 for glass bottles, and between 60 to 70 cents for UHT cartons.[11] The opponent has not attested to the prices of its goods but a search of a major supermarket website reveals that one litre cartons of various of the opponent's VITASOY drinks currently retail between $2 and $3.

35. In respect of all four trade marks, the opponent submitted, *inter alia*, the following:

    - the rights of the parties are to be determined as at the relevant filing date of each application;
    - "imperfect recollection" is the appropriate standard for comparison;
    - the test is that there must be confusion as to the origin of the goods;
    - the respective trade marks must be compared both visually and aurally;
    - the first letter and/or syllable of each trade mark is, as a rule, by far the most important for the purpose of distinction or confusion;

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[11] From the information in the evidence, these prices seem to relate to small, single drink cartons and bottles, possibly about 300 ml in size.

- the "idea" of the mark is an important consideration;
- an applicant's mark may be deceptively similar to one of the opponent's marks if the two trade marks share an essential or distinguishing feature;
- the inherent distinctiveness of the common part must be considered;
- the full extent of the goods specified in the applications must be taken into account;
- all surrounding circumstances must be taken into consideration, including circumstances of use and purchase and the character of probable purchasers;
- where a non-distinctive element or one which occurs in other marks in the same market is reproduced in marks owned by different proprietors, then purchasers tend to pay more attention to the other features contained in the marks;
- the competing marks may be deceptively similar even though the confusion is "*unlikely to persist up to the point of, and be a factor in, inducing actual sale*"[12];
- a likelihood of confusion may be established without evidence of actual confusion.

36. The applicant submitted that:

- the probability of deception and confusion must be finite and non-trivial;
- there must be a "real tangible danger" of deception or confusion occurring - a mere theoretical risk is not sufficient
- there is a requirement that the number of people affected by confusion must be substantial;
- it is difficult to establish deceptive similarity based on indicia that lack inherent distinctiveness – where a person uses descriptive words in its trade name, small differences in a competitor's trade name will be sufficient to distinguish between the two;
- the absence of any credible evidence of confusion in light of the long-standing concurrent use of the marks throughout the world, including Australia, is relevant in the assessment of whether or not the marks are deceptively similar.

Comparing the trade marks – 1037348 -

37. The circumstances surrounding the use of the above trade mark are that goods bearing it are likely to be sold in the same shops to the same customers as the opponent's goods, that is, those people who wish to consume a soy-based "milk" drink rather than a milk drink consisting of cow's milk. It is likely that many of the customers will be of Asian origin. The goods are not expensive, and as suggested by Dixon and McTiernan JJ in *Australian Woollen Mills*, *supra*, the purchasers may not take a great deal of care in choosing the goods.

[12] *Southern Cross Refrigerating Co v Toowoomba Foundry Pty Ltd* (1954) 91 CLR 592 at 595

38. The above facts notwithstanding, I consider there is no real tangible danger of confusing this trade mark with any of the opponent's trade marks. This trade mark may be seen as the letter V but it could as easily be seen as a "fancy" representation of a person. But however it is seen, it bears no resemblance to the opponent's trade marks. I am satisfied this trade mark is not deceptively similar to any of the opponent's trade marks, and therefore neither the ground under section 44 nor that under section 60 can be made out.

Comparing the trade marks – 1037366 - **VITAMILK**

39. This trade mark is a word trade mark represented in bolded upper case letters. The application claims this specific rendition of the word, rather than a variable rendition, as would be possible in some other circumstances.[13] The circumstances surrounding the sale of goods bearing the trade mark are the same as those set out for the previous trade mark.

40. In considering deceptive similarity, consideration needs to be given to the matter of "imperfect recollection". The purchaser is not assumed to be comparing the trade marks side by side, but to be relying on a recollection of one of the trade marks, when faced with goods bearing the other. Given that a good proportion of the potential purchasers of both the applicant's and the opponent's goods are likely to be of Asian origin, and in the case of the opponent's goods, specifically Chinese origin, the matter of the opponent's Chinese script trade marks assumes greater importance.

41. The opponent's evidence, and its submissions at the hearing, go into some detail about the opponent's use of its character trade mark, written as either 維他奶 ("old" characters) or 維他奶 ("new" characters), the latter version being registered in Australia since 1991 as trade mark number 552413. These characters may be transliterated as WEI TA LAI in the Cantonese dialect or as VI TA LAI in the Shanghai dialect. Paragraph 4 of Tong Ah Hing's declaration states that they may be translated into English as "VITAMILK".

[13] In general, an application filed with the word represented in plain upper case is taken to mean an application for the word rendered in any fashion that meets the requirements of subsection 7(1) of the Act.

42. I must also consider all the circumstances surrounding the likely use of these trade marks, including the customer base, the likely places the goods will be sold and the likely degree of care taken in the purchase. Considering all these, I have come to the conclusion there is a real tangible danger of confusion between the applicant's VITAMILK trade mark, and the opponent's registration 552413. I have come to this conclusion because a significant part of the market for these goods is likely to be people of Asian origin with an understanding of the Chinese language and Chinese script. The goods are low priced items, and the amount of care taken in the purchase is consequently likely to be less than it would be for goods with a higher price. The applicant's trade mark is apparently an English translation of the opponent's character trade mark. To my mind there is a likelihood of the applicant's trade mark being seen as an extension of the opponent's stable of trade marks and that it is likely to be seen by the general Asian buyer as one specifically aimed at English speakers in the Australian market. These factors all point to a strong possibility of confusion between the trade marks.

43. In addition to the preceding, the opponent has provided a number of letters which are designed to demonstrate occurrences of confusion which have already occurred in the market. The applicant has challenged the credibility of these letters. I do not consider them to be the best examples of evidence supporting already existing confusion, and I have not given them a lot of weight. However, given that it is not essential in this exercise for actual deception or confusion to be established[14], these examples, weighted according to their level of credibility, support my conclusion in the previous paragraph. I am therefore satisfied that this trade mark is deceptively similar to the opponent's registration 552413.

44. Similarly, I am satisfied that the applicant's VITAMILK trade mark is deceptively similar to the opponent's various VITASOY trade marks. My satisfaction here is based on the various trade marks being used for the same goods, namely a milk-like drink made from soy beans and commonly known as "soy-milk".

45. The opponent submitted that Chinese-literate customers did not draw a distinction between the suffixes –SOY and –MILK, largely because the Chinese conception of a

[14] See *Saville Perfumery Ltd v June Perfect Ltd* (1941) 58 RPC 147; *Sydneywide Distributors Pty Ltd v Red Bull (Aust) Pty Ltd* (2001) 55 IPR 354

"milk drink" is that made from soy beans. In Australia, the various soy based drinks are, from my own knowledge, generally referred to as "milks". It is only a short step from these facts to a situation of imperfect recollection resulting in confusion between the VITASOY and VITAMILK trade marks. I consider it likely that a significant portion of the wider market for these goods would be likely to be caused to wonder as to the trade source of the goods.

Comparing the trade marks – 963272 - VITAMILK

46. This trade mark is a composite trade mark, containing two elements – the "V" device considered previously, and the word VITAMILK, also considered previously. The circumstances surrounding the sale of goods bearing the mark are the same as those set out for the previous trade marks.

47. Because the circumstances of sale are the same, I consider similar possibilities of confusion arise between this mark, and the opponent's Chinese character registration 552413, as well as its registered trade marks including the word VITASOY. I do not consider that the V device will be sufficient to negate these possibilities of confusion in the markets referred to. I am of the opinion that the word portion of the trade mark is more likely to be remembered than is either the whole mark, or the device portion, and in this case, it will make little difference whether the word is written in Chinese script or in Roman letters. In the words of Lord Radcliffe in *de Cordova v Vick Chemical Co* (1951) 68 RPC 103:

> … in most persons the eye is not an accurate recorder of visual detail and marks are remembered rather by general impression or by some significant detail than by any photographic recollection of the whole.

48. I consider the trade mark subject of application 963272 to be deceptively similar to the opponent's VITASOY trade marks, namely registrations 552415, 563060 and 820388 and to the Chinese character trade mark subject of registration 552413.

Comparing the trade marks – 1037128 - V-SOY

49. The opponent made reference, in respect of this trade mark, to a decision from the New Zealand Commissioner of Trade Marks, namely decision 2007/21, in respect of

the same issue I am considering here. The opponent submitted that while the decision from New Zealand is not binding on a delegate of the Australian Registrar of Trade Marks, it is a "compelling analysis by an independent and authoritative decision maker who was required to apply comparable legal principles to comparable evidence".

50. The Commissioner of Trade Marks found that VIHL was successful under, *inter alia*, the provisions of section 25 of the New Zealand *Trade Marks Act 2002*. Section 25 of that Act, as well as considering aspects similar to those covered by section 44 of the Australian Act, incorporates some of the features of section 60 of the Australia Act, particularly in subsection 25(1)(c). Section 25 reads as follows:

> (1) The Commissioner must not register a trade mark (trade mark A) in respect of any goods or services if---
>
> (a) it is identical to a trade mark (trade mark B) that belongs to a different owner and that is registered, or has priority under section 34, in respect of the same goods or services; or
>
> (b) it is similar to a trade mark (trade mark C) that belongs to a different owner and that is registered, or has priority under section 34, in respect of the same goods or services or goods or services that are similar to those goods or services, and its use is likely to deceive or confuse; or
>
> (c) it is, or an essential element of it is, identical or similar to, or a translation of, a trade mark that is well known in New Zealand (trademark D), whether through advertising or otherwise, in respect of those goods or services or similar goods or services or any other goods or services if the use of trade mark A would be taken as indicating a connection in the course of trade between those other goods or services and the owner of trademark D, and would be likely to prejudice the interests of the owner.

51. It is important to note that the basis of section 25 of the New Zealand Act is whether trade marks are identical or "similar", rather than "deceptively similar" as required by the Australian Act. To the best of my knowledge, the word "similar" is not defined in the relevant Act. The meanings of "similar" and "deceptively similar" do not necessarily correspond. This fact allows for an immediate possibility of differences in treatments of the same issue under the two sets of legislation.

52. In addition, under the Australian Act the issue of the reputation of a trade mark resides in section 60 and, as that section stood at the time this opposition was filed, the conflicting trade marks must be at least deceptively similar before the issue can be

considered.[15] Deceptive similarity is a threshold question for the application of section 60 – without deceptive similarity, a ground of opposition under section 60 cannot be established.

53. It is likely therefore, that different results could be found for the same issue in New Zealand and in Australia, at least for those oppositions proceeding in Australia under section 60 as it was prior to its amendment by the *Trade Marks Amendment Act 2006.* This is the case here – I must find the trade marks to be at least deceptively similar before giving consideration to any likely confusion stemming from a reputation demonstrated in any of the opponent's trade marks.

54. The appropriate question to consider is the likelihood of a substantial portion of the relevant market being confused by the coexistence of the opponent's various VITASOY and VITA trademarks, and the applicant's V-SOY trade mark, absent consideration of any reputation residing in the opponent's trade marks. The opponent put significant weight on its contention that people would see the letter V as an abbreviation of the opponent's VITA marks, or VITA prefix. I am not satisfied that is a particularly likely occurrence.

55. Firstly, there are differences between the likely pronunciations of the two marks when considered aurally – VEESOY vs VYTASOY[16]. Secondly, the appearances of the words are quite different – the opponent's consisting of four letters attached to the descriptive word SOY; the applicant's consisting of a single upper case letter, a hyphen, and the descriptive word SOY.

56. In considering the importance of the first word, syllable or letter when comparing trade marks such as these, *Shanahan*, 3rd edition[17] at ¶7.115 says the following:

> In *London Lubricants (1920) Ltd's Appn* Sargant LJ observed that the "tendency of persons using the English language to slur the termination of words … has the effect necessarily that the beginning of words is [sic] accentuated in comparison, and … the first syllable of a word is, as a rule, far the most important for the purpose of distinction". But there will be cases where emphasis is placed on some other syllable, the ending is not

[15] See *Apple Computer Inc v Todaytech Group Ltd* (2007) ATMO 40 ("*Macron*")

[16] I am cognisant of the difficulties and dangers in relying too much on particular pronunciations in a multicultural society. However, the nominated pronunciation of VITA is the one I consider to be most likely in the broader Australian society.

[17] *Shanahan's Australian Law of Trade Marks and Passing Off*, 3rd Edition at page 208

> slurred, the tendency is to slur some syllable other than the last or it is the latter part of the word that is the more unusual and distinctive.

57. In this case, the beginnings of both words are quite different in appearance and likely pronunciation, and the ending of both words is a description of the contents of the container. This strongly suggests to me that the likelihood of confusion between these trade marks is minimal.

58. The opponent also argued that its range of VITA trade marks meant that people familiar with the range would be likely to see V-SOY as a natural extension of that range. The applicant countered this argument by providing the results of a number of searches of the Trade Marks Register demonstrating that the word VITA was not uncommon in the classes relevant to both the applicant and the opponent.[18] The contention here is that people are well used to seeing the word VITA on foods and drinks, and are less likely therefore to consider it belongs to the opponent alone. Given the number of instances of trade marks beginning with the word VITA which appear on the register, I am inclined to agree with this contention. I do not consider that the opponent's range of VITA goods is such that the relevant market will automatically assume the letter V is a brand extension. All in all, I do not find the applicant's V-SOY trade mark to be deceptively similar to any of the opponent's trade marks.

59. I will now move on to the various grounds of opposition pursued by the opponent at the hearing.

Grounds of opposition

Section 44 – identical etc trade marks

60. For the opponent to establish grounds under section 44 of the Act, it must point to trade marks which are at least deceptively similar, are for the same or similar goods and which have earlier priority dates. I noted before that the goods for all the conflicting trade marks are the same, being or including various soy milk drinks.

61. In respect of the similarity of the trade marks I have decided the following:

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[18] These searches form exhibits to the various Makrigiorgos declarations in the applicant's evidence.

- Application 963272 VITAMILK is deceptively similar to the opponent's earlier dated trade marks numbers 552413, 552415, 563060 and 820388
- Application 1037366 VITAMILK is deceptively similar to the above trade marks, as well as to numbers 998712 and 998713.[19]

62. The opponent has therefore established grounds of opposition under section 44 in respect of the above two applications, and is successful in its opposition to registration. There is thus is no requirement for me to consider any of the other grounds of opposition raised in respect of these applications.

Section 42 – use contrary to law

63. I have determined that applications 1037128 and 1037348 are not deceptively similar to any of the opponent's nominated registrations and applications. The opponent is therefore unable to establish grounds of opposition to these applications under the provisions of section 60. However, given that the opponent also pursued grounds under section 42, and there are assumptions regarding reputation required for that section, at least some consideration of the opponent's reputation in its trade marks is necessary.

64. The matter of reputation was discussed by Kenny J in *McCormick & Company Inc v McCormick* [2000] FCA 1335 at paragraph 81:

> What is intended by the word "reputation" in s 60? The word is defined in *The Macquarie Dictionary* as follows:
>
> reputation ... 1. the estimation in which a person or thing is held, esp. by the community or the public generally; repute ... 2. favourable repute; good name ... 3. A favourable and publicly recognised name or standing for merit, achievement, etc. ... 4. The estimation or name of being, having done, etc, something specified.

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[19] The decision in respect of these two applications may appear to be counter to the usual Office practice articulated in the Examiner's Manual, Part 26 at paragraph 10 "Trade marks in a foreign language". However, in the particular circumstances of these applications, I am satisfied my decision is justified. Paragraph 10 says, in part "the usual tests for comparing word trade marks are applied when deciding whether words rendered in a foreign language are deceptively similar to trade marks already on the Register, and whether there is a reason for rejection under section 44. … Most importantly, an assessment should be made of the likelihood that the ordinary purchasers of the goods or services will understand the meaning of the foreign words constituting the trade mark. This will vary with the nature of the particular goods or services … "

> Cf. *The Oxford English Dictionary*. In s 60, the word is, I think, apt to refer to "the recognition of the McCormick & Co marks by the public generally".
>
> Does the evidence establish that in Australia before 9 March 1992 the McCormick & Co marks were recognised by the public generally and, because of that, the use by Mary McCormick of her marks would be likely to cause the public confusion, as for example, by the public's mistakenly attributing a business connection between the two or attributing her product to the company?

65. Her Honour observed:

> In practice, it is commonplace to infer reputation from a high volume of sales, together with substantial advertising expenditures and other promotions, without any direct evidence of consumer appreciation of the mark, as opposed to the product.

66. The opponent has provided evidence of very substantial sales receipts and similarly significant advertising expenditure within Australia, at least in respect of soy milk drinks. The VITASOY marks represented in Roman script are widely available in the largest supermarket chains throughout Australia, as well as in many smaller stores. I am satisfied that the opponent has established a reputation for these trade marks within the Australian market.

67. The picture for the Chinese character marks is not quite as clear. However, within the specialist market aimed at the Asian population, I am satisfied the opponent's trade marks also have a reputation.

68. The opponent submitted that "it is now well established that section 42(b) provides a ground of opposition to trade marks the use of which would amount to passing off or misleading or deceptive conduct in breach of sections 52 or 53 of the *Trade Practices Act 1974* (TPA)". The matter was established by the decision in *Advantage Rent-a-Car*[20] where Madgwick J found that subsection 42(b) might refer to any law, and thus it is incumbent on the Registrar to consider legislation such as the TPA if the matter is brought into the picture.

69. I am satisfied that the opponent's trade marks have a reputation within the relevant Australian markets. What I need to determine now is not whether use of the applicant's trade mark in the face of the opponent's own marks **could** be contrary to

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[20] *Advantage Rent-a-Car Inc v Advantage Car Rental Pty Ltd*(2001) 52 IPR 24

the nominated provisions of the TPA, but whether such use **would** be contrary to the law.

70. In respect of section 52, the relevant standard to be applied is that there must be a "real or not remote chance or possibility" of a substantial number of people being misled or deceived per *Equity Access Pty Ltd v Westpac Banking Corp* (1989) 16 IPR 431.

71. In *Shanahan, supra,* what constitutes "misleading conduct" is explained at p 598 as follows:

> Misleading conduct does not merely cause confusion; **it actually directs a person towards the wrong choice**. (My emphasis.)

72. The information before me does not satisfy me that use of the applicant's trade mark is likely to do any more than possibly cause a degree of confusion within the market. While I have found some of the opponent's trade marks to be deceptively similar, and that the opponent does have a reputation in its trade marks, I am unable to say definitively that use of the applicant's trade marks will actually direct people into making the wrong choice. Nor am I able to say that the applicant has or had the intention, by virtue of use of its trade mark in the Australian market, to pass of its goods as those of the opponent, or to falsely represent its goods in any of the manners articulated in section 53 of the TPA. I am therefore not satisfied that any of this use **would** be contrary to the provisions of sections 52 or 53 of the TPA.

73. The ground under section 42 is thus not established in respect of any of the applications.

Conclusion

74. Section 55 of the Act provides:

> **Decision**
>
> 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.

75. The opponent has established grounds under section 44 in relation to applications 963272 and 1037366. I have refused to register these trade marks.

76. In respect of applications 1037128 and 1037348, no grounds have been established. These applications may proceed to registration after one month from the date of this decision. If the Registrar has been served with a notice of appeal before that time, and the appeal is not withdrawn, I direct that the disposition of the applications be in accordance with the Court's direction or order.

Costs

77. Both parties requested their costs in the event of success in these oppositions. As both have had what could be seen as a measure of success, I make no order as to costs.

Alison Windsor
Hearing Officer
Trade Marks Hearings
10 June 2008

Annex 1

Declarations provided as evidence

Application 963272 VITAMILK

Evidence Stage	Declarant	Date Made	Exhibits
Evidence in support (Opponent)	Tong ah Hing	3 March 2005	PT-1 to PT-14A
Evidence in Answer (Applicant)	Anne Makrigiorgos	30 November 2005	AM-1
	Chote Sophonpanich	1 December 2005	1 to 6
	David Lam	21 February 2006	
Evidence in Reply (Opponent)	Tong Ah Hing	23 May 2006	PT-15 to PT-20
	Tony Chung	26 May 2006	
Further Evidence (Applicant)	Anne Makrigiorgos	1 September 2006	AM-1
	Victor Chen	21 September 2006	
	Thomas Kong	21 September 2006	
Evidence in Response (Opponent)	Stephanie Lam	27 November 2006	A to F
	Linda Chin	27 November 2006	
	Thanh Trung Ly	4 January 2007	
	Stephanie Lam	17 January 2007	

1037128 V-SOY

Evidence Stage	Declarant	Date Made	Exhibits
Evidence in support (Opponent)	Tong ah Hing	28 July 2006	PT-1 to PT-22
	Tony Chung	3 August 2006	TC-1
Evidence in Answer (Applicant)	Chote Sophonpanich	7 February 2007	1 to 6
	Thomas Kong	6 February 2007	
	David Lam	21 February 2006	DL-1
Evidence in Reply	Tong Ah Hing	11 May 2007	

(Opponent)			

1037348

Evidence Stage	**Declarant**	**Date Made**	**Exhibits**
Evidence in support (Opponent)	Tong ah Hing	28 July 2006	PT-1 to PT-16
Evidence in Answer (Applicant)	Chote Sophonpanich	4 May 2006	1 to 8
	Anne Makrigiorgos	26 May 2006	AM-1
	David Lam	15 August 2006	DL-1
	Anne Makrigiorgos	23 October 2006	AM-1 to AM-2
	Anne Makrigiorgos	2 November 2006	AM-1
Evidence in Reply (Opponent)	Tong Ah Hing	13 February 2007	
	Stephanie Lam	19 February 2007	A to H
	Linda Chin	20 February 2007	
	Tranh Trung Ly	22 February 2007	

1037366 VITAMILK

Evidence Stage	**Declarant**	**Date Made**	**Exhibits**
Evidence in support (Opponent)	Tong Ah Hing	28 July 2006	PT-1 to PT-23
	Tony Chung	26 June 2006	TC-1
Evidence in Answer (Applicant)	Chote Sophonpanich	6 October 2006	1 to 8
	Anne Makrigiorgos	7 September 2006	AM-1
	David Lam	15 August 2006	DL-1
	Victor Chen	21 September 2006	
	Thomas Kong	21 September 2006	
	Anne Makrigiorgos	2 November 2006	AM-1
	Chote Sophonpanich	13 November 2006	Annexure 1
Evidence in Reply (Opponent)	Stephanie Lam	15 February 2007	A to G
	Linda Chin	20 February 2007	
	Tranh Trung Ly	22 February 2007	