

TRADE MARKS ACT 1995

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

Re: Trade Mark Application 971171(9) – **VISION ALERT** - in the name of Electronic Controls Company and opposition thereto by Auto Electrical Imports Pty Ltd.

DELEGATE:	Debrett Lyons
REPRESENTATION:	Applicant: Mr Gary Nock of Cullen & Co., Patent & Trade Mark Attorneys
	Opponent: Mr Andrew Crowe SC, instructed by Nicholsons, Solicitors
DECISION:	2009 ATMO 3
	s. 52 opposition: section 44 established . Opposition succeeds.
	Costs: Applicant to pay opponents' costs.

Background

1. In January 1994 a British company, Vision Alert Automotive Ltd ('VAA'), was formed and began manufacturing certain class 11 goods under the trade mark VISION ALERT.
2. In October 1994, it entered into the first of a number of written agreements with an Australian company, Auto Electrical Imports Pty Ltd ('the opponent'), in consequence of which the opponent started selling VAA's goods in Australia and New Zealand.
3. On 29 July 1996, the opponent filed trade mark application number 713763 for a stylized VISION ALERT logo in class 12 for "vehicles; apparatus for locomotion by land air or water".
4. During 1998, Electronic Controls Company ('the applicant'), a US company, acquired a majority interest in VAA.
5. On 15 October 1998, the opponent filed trade mark application number 775668 for the same stylized trade mark, this time in classes 9 and 35.
6. On 22 October 1998, the opponent withdrew application number 713763.
7. On 16 February 1999, trade mark application number 775668 was accepted for registration and later became registered.
8. On 19 September 2003, the applicant filed trade mark application number 971171 in class 9, current details of which are:

Goods specification: **Class 9** : Alarms, including electrically-operated backup alarms for mobile construction, mining and industrial equipment; signalling and warning devices in this class, particularly for vehicles

Trade mark: VISION ALERT

Endorsements: Provisions of s44(3)(b) applied

9. The trade mark was accepted for possible registration and advertised for opposition purposes. The opponent filed a Notice of Opposition under section 52 of the *Trade Mark Act 1995* ('the Act'), resting on the following grounds:

- trade mark not distinguishing applicant's goods or services – s.41;
- trade mark inherently likely to deceive or cause confusion – s.43;
- trade mark substantially identical to trade mark registration 775668 – s. 44;
- applicant not the owner of the trade mark – s.58;
- trade mark similar to trade mark with a reputation in Australia - s.60;
- application defective – s.62.

10. The parties served and filed evidence in accordance with the *Trade Mark Regulations 1995* ('the Regulations') and described as necessary later in this decision. The parties then asked to be heard and the matter came before me, Debrett Lyons, as a delegate of the Registrar of Trade Marks, in Brisbane on 4 September, 2008. The applicant was represented by Gary Nock of Cullen & Co., Patent and Trade Mark Attorneys and the opponent was represented by Andrew Crowe SC, instructed by Nicholsons, Solicitors.

11. At the hearing the opponent pressed all grounds bar section 43 which I treat as having been abandoned.

Submissions and Reasoning

12. Little of the evidence is in dispute, however there was lively disagreement as to what was established by that evidence as a matter of law. It was no surprise that the parties' principal submissions were concerned with section 58 which states that "*the registration of a trade mark may be opposed on the ground that the applicant is not the owner of the trade mark.*" Nonetheless, since the opponent need only establish one ground of opposition in order to prevail, I think it fair to both parties that I should assess the less controversial grounds first. In view of the opponent's prior registration 775668, section 44 seems to me to be the logical starting point.

13. Section 44 states:

Identical etc. trade marks

- (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.

Note 4: The regulations may provide that an application must also be rejected if the trade mark is substantially identical with, or deceptively similar to, a protected international trade mark or a trade mark for which there is a request to extend international registration to Australia: see Part 17A.

- (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.

Note 4: The regulations may provide that an application must also be rejected if the trade mark is substantially identical with, or deceptively similar to, a protected international trade mark or a trade mark for which there is a request to extend international registration to Australia: see Part 17A.

- (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.

14. To establish this ground the opponent must show to my satisfaction that it owns a registered or pending trade mark which:

- has an earlier priority date than the application;
- is substantially identical or deceptively similar to the application; and which
- has a specification of goods or services which are similar or closely related to that of the application.

15. Registration 775668 filed on 15 October 1998 was registered in respect of “electric, optical and signalling apparatus/instruments and apparatus/instruments for transmission of sound or images” in class 9 and “supply of electric, optical and signalling apparatus/instruments and apparatus/instruments for transmission of sound or images” in class 35.

The trade mark is



16. The priority date of the registration pre-dates the application and in my opinion the two trade marks, compared side by side, are substantially identical¹. The class 9 goods of the registration generically describe the applicant's goods - alarms - and so the two sets of goods are similar, if not identical. The necessary finding is that the opponent has prevailed, subject only to the applicant's submission² that section 44(3) should still permit me to register the trade mark.
17. The applicant is not specific as to whether it relies on section 44(3)(a) or (b) and so I must assume it relies on either or both.

Section 44(3)(b)

18. The trade mark examiner accepted the application on the basis of section 44(3)(b) which is described as circumstances other than honest concurrent use. Those circumstances were laid out in the Statutory Declaration of Edward Zimmer dated 30 March 2005. That declaration was not served and filed in these opposition proceedings by the applicant and in the normal course its contents would be inadmissible. The statement by Mr Zimmer in his 4 April Statutory Declaration (being evidence-in-answer) that his 30 March 2005 declaration is "incorporated by reference" into his later evidence is not adequate and does not represent the proper process for the filing of evidence under the Regulations. Nevertheless, the opponent has itself obtained a copy of Mr Zimmer's 30 March 2005 declaration which it has exhibited to its evidence-in-support and for that reason I am free to consider it.
19. Mr Zimmer is the President and CEO of the applicant. He states that "the applicant first coined the trade mark VISION ALERT" and that "trade mark has been used continuously in Australia in relation to the goods since October 1994 by the applicant, and/or under licence from the applicant".
20. Those statements are not strictly true. On the evidence, VAA coined the trade mark³. The applicant later came to acquire a controlling interest in VAA by way of share acquisition, not asset purchase. On the basis of those and other statements and conclusions drawn from them, the examiner accepted the application. On the

¹ *Shell Co. (Aust) Ltd v Esso Standard Oil (Aust) Ltd*, (1963) 109 CLR 407 at 414 ; *Carnival Cruise Lines Inc. v Sitmar Cruises Limited* (1994) 31 IPR 375.

² In relation to the section 44 ground of opposition, the applicant simply said: *We respectfully submit that should the opponent fail to establish its ground of opposition on the proprietorship issue, the applicant is entitled to reply on the benefits of section 44(3).*

³ There is evidence of a UK trade mark application for the stylised mark from as early as 22 October 1994.

evidence now before me, the application should not have been accepted on the basis of section 44(3)(b).

Section 44(3)(a)

21. The requirements for so-called ‘honest concurrent use’ were affirmed in *McCormick & Co Inc v McCormick* (2000) 51 IPR 102, which held that in exercising the discretion given to the Registrar under section 44(3)(a), the principal guidelines for determining whether registration should be permitted were:
- (1) the honesty of the concurrent use;
 - (2) the extent of the use in terms of time, geographic area and volume of sales;
 - (3) the degree of confusion likely to ensue between the marks in question;
 - (4) whether any instances of confusion have been proved; and
 - (5) the relevant inconvenience that would ensue to the parties if registration were to be permitted.
22. The opponent contends that the applicant has done nothing whatsoever by its evidence to address those matters and for that reason alone its section 44(3)(a) argument fails⁴. I am inclined to agree, but also of relevance here is the finding in *McCormick* that section 44(3) does not provide an exception to section 60. Accordingly if the opponent can point to a reputation in the trade mark before 19 September 2003 then neither of sections 44(3) or (4) can assist the applicant.
23. The evidence suggests that the first use of the trade mark by VAA was in respect of class 11 goods, in particular, lighting devices for vehicles. In my assessment of the evidence, it was not until 2000 that the use of the trade mark was in connection with class 9 goods⁵ however section 60 requires evidence of a reputation in Australia such that use of the opposed trade mark would be likely to lead to deception or confusion - unlike section 44, it does not require the respective goods to have any special relationship to one another.
24. The evidence is of very significant sales and advertising of goods bearing the trade mark before the filing date of the application in a manner such that the Australian

⁴ Whilst the opponent bears the general onus of proof, that onus shifts to the applicant should it argue matters which would mitigate against a *prima facie* finding in the opponent’s favour.

⁵ At about which time the trade mark was used in relation to so-called “lightbars”, described in the evidence as accessories “which contains lights, beacons and/or alarms all connected to a frame which is then fitted to a vehicle. An example of a lightbar would be the range of lights and a siren attached to the roof of a police car.”

consumer would expect a connection between the trade mark and the opponent and so I find that the opponent had a pre-existing reputation in the trade mark by 19 September 2003.

25. For these reasons I find that section 44(3) is of no assistance to the applicant. Accordingly, the opponent has established its ground of opposition under section 44.

Decision and Costs

26. I remain conscious that there was much debate at the hearing about the nature and proper legal characterisation of the use of the trade mark in Australia from 1994 onwards, however it seems to me that the applicant's appropriate course of redress is in relation to registration 775668 and under section 88 of the Act and, for that reason, would need to be pursued in another forum.
27. The opposition succeeds since a ground of opposition has been established. I therefore refuse to register the trade mark.
28. I order that the applicant pay the opponent's costs at the scale set out in the Regulations.

Debrett Lyons
Hearing Officer
Trade Marks Hearings
21 January 2009