

TRADE MARKS ACT 1995

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

Re: Application 976114 in the name Ag-id Pty Ltd.

DATE OF DECISION:	8 November 2005
DELEGATE:	Ian Thompson
REPRESENTATION:	Applicant Peter Caporn of Wray & Associates
DECISION:	A generic term overseas but not in Australia gives rise to grounds for rejection in terms of section 41(6): no evidence of acquired distinctiveness in fact: trade mark refused registration..

Background

1. The details of trade mark application 976114 are as follows:

Appn Number: 976114
Owner: Ag-id Pty Ltd ('the owner')
Priority Date: 28 October 2003
Goods: **Class: 10** Assay, titre or sample trays and slides for use in holding, testing and analysing of biological and genetic materials; including those formed of polycarbonate or other plastics materials
Trade Mark: REPORTERPLATE

2. The application has been the subject of three adverse examination reports on the dates set out below:

16 March 2004;

28 April 2005;

22 July 2005.

3. In the third examination report, the Examiner maintained the objection that (and I paraphrase) the trade mark REPORTERPLATE is merely an elision of the generic term REPORTER PLATE used in relation to certain biological assay equipment.

4. In the wake of the third examination report, the owner exercised its right to be heard pursuant to sub-section 33(4) of the *Trade Marks Act 1995* (Cth) ("the Act"). The

hearing was before me, as a delegate of the Registrar of Trade Marks, in Perth on 18 August 2005. The owner was represented by Peter Caporn of Wray & Associates.

5. There is no evidence lodged in relation to the application.

Observations

6. I think that it is fair to observe that Mr Caporn's submissions swing on the pivotal question of whether the examiner's research result that the term is used overseas as a generic term should give rise to grounds for rejection within Australia. There are other issues, but this issue is central to the submissions.

Submissions

7. Mr Caporn submitted that to be prima facie registrable, a trade mark must be capable of distinguishing the goods in respect of which registration is sought, in terms of section 41 of the Trade Marks Act 1995. Section 41 provides, in part:

41 (2) An application for the registration of a trade mark must be rejected if the trade mark is not capable of distinguishing the Applicant's goods or services in respect of which the trade mark is sought to be registered (designated goods or services) from the goods or services of other persons.

8. In *Blount Inc v Registrar of Trade Marks* (1998) 40 IPR 498 Branson J discussed the application of section 41. Her Honour observed at page 504 that, in deciding whether a trade mark is capable of distinguishing under section 41, the Registrar has three options. The Registrar may conclude:

- (a) that the trade mark is inherently adapted to distinguish the designated goods or services from the goods or services of other persons and capable, on that basis alone, of so distinguishing the designated goods or services; or
- (b) that the trade mark is to some extent inherently adapted to distinguish the designated goods or services from the goods or services of other persons, but there is uncertainty on that basis alone, that the trade mark is actually capable of distinguishing the designated goods or services; or

- (c) that the trade mark is not to any extent inherently adapted to distinguish the designated goods or services from the goods or services of other persons.

9. The criteria on which a judgment of inherent adaptation to distinguish should be made are set out at length by Kitto J in *Clarke Equipment Co v Registrar of Trade Marks* (1964) 111 CLR 511 at 513. In *FH Faulding & Son Ltd v Imperial Chemical Industries of Australia & New Zealand Ltd* (1965) 112 CLR 527 at 555, Kitto J summarises those criteria as:

"The question to be asked in order to test whether a word is adapted to distinguish one trader's goods from the goods of all others is whether the word is one which other traders are likely in the ordinary course of their business and without any improper motive, to desire to use upon or in connection with their goods."

10. Accordingly, said Mr Caporn, the relevant question in the present circumstance is whether the word mark REPORTERPLATE is one which other traders are likely, in the ordinary course of their business IN AUSTRALIA (his stress) and without any improper motive, to desire to use in connection with their goods or services.

11. Mr Caporn went on to submit as follows:

For the reasons referred to previously, it is our strenuous position that it cannot be reasonably determined on the strength of the material relied upon by the examiner that the present mark is one that other traders are likely to desire to use in connection with their goods or services IN AUSTRALIA.

The Internet searches relied upon by the examiner are somewhat artificial in that they take the present trade mark, break it into parts and conduct a combined word search on the part words. This is a clear case of hindsight.

The question of whether or not a trade mark is to be taken for the purposes of section 41 (2) as capable or not capable of distinguishing the designated goods or services from the goods or services of other persons is governed entirely by the remaining subsections of section 41. Refer to the decision in *Genesys Telecommunications Laboratory Inc* [2001] A TMO 71 (10 August 2001) on this question.

In the same case it is noted that where the Act requires the Registrar to be "satisfied" of any matter, it is to be understood as requiring that he or she be persuaded of the matter according to the balance of probabilities: *Rejtek v McElroy* (1965) 112 CLR 517 at page 521. We can not agree that it "is more probable than not" that other traders IN AUSTRALIA are likely in their

course of their business and without improper motive to desire to use the mark REPORTERPLATE.

We further note that the mark REPORTERPLATE is not a term that occurs in any Dictionary of which we are aware and the examiner has not been able to point to the occurrence of any such Dictionary definition.

We submit that *Powell v Glow Zone Products Pty Ltd* 39 IPR 506 is relevant as, rather than being decided on the question of whether the mark had become generic in Australia under s. 56 of the '55 Act this arm of the enquiry, at least at the full FCA level, was not pursued or considered. Rather, the case was in effect a vanilla flavoured consideration of whether a mark was capable of distinguishing in Australia, very much in accordance with *Clark Equipment*.

Our submissions to date have been focused on the passage in the decision bridging pages 517 and 518, in which Lehane J states as follows:

" ... In a case where goods of a particular kind are described generically, overseas, by a particular word, where a limited number of goods have been imported into Australia bearing that description and where the overseas use has become known to Australian traders likely to wish to sell similar products in Australia (some of them likely to be imported from the place where the description has become established), there is, in my view, no error in a decision that "the mark, considered quite apart from the effects of registration" is not such "that by its use the Applicant is likely to attain his object of thereby distinguishing his goods from the goods of others". The evidence accepted by the trial judge demonstrated that, apart from registration, the Applicant was not likely to achieve that object for the mark CAPS THE GAME. The reason that this was so, is no doubt, that Australian traders in the relevant class of goods knew of the overseas usage and were likely (as in fact on the evidence they have done) to distribute goods described in accordance with it".

Lehane J goes on to immediately state as follows:

"The "ultimate question" is not to be answered in favour of an Applicant or Proprietor simply because words comprising a mark have not yet become part of the common heritage in Australia, generally signifying in Australia goods of the particular kind in question. The judgment in *Clark Equipment* should not, in my view, be given any such restrictive effect, nor is support for such an approach to be found in the judgment of Lockhart J, in a different context, in *Johnson & Johnson Australia Pty Ltd v Sterling Pharmaceuticals Pty Ltd* (1991) 30 FCR 326 at 337; 21 IPR 1: in determining whether a mark is apt to distinguish the goods of a particular trader, weight must be given to overseas use of a word forming the mark, or part of it, where the use has become known to Australian traders who deal in goods of that general kind and are likely to put goods of the particular kind on the market in Australia. That, as I read the trial judge's reasons, is the basis on which he decided against the appellant on validity, and I respectfully agree with it. It follows that his Honour's decision that the mark was wrongly entered in the Register and should be expunged, should be upheld."

Our submissions in relation to *Powell v Glow Zone* in the various responses made may be summarised as follows: whilst the Full Court in this decision concluded that evidence from overseas was relevant in that case, we submit that this conclusion was specific to the circumstances of that case. It was only the use of a term in the US together with the awareness of that use of the term by a number of Australian traders (supported by evidence) together with the importation of a number of goods bearing the mark into Australia (again supported by evidence) that rendered the mark incapable of distinguishing in Australia.

12. I will digress here to observe that Burchett J said, in the same judgment:

The key issue in the case seems to be whether a special American meaning of the word "caps", as a descriptive word, which is not a natural meaning to an Australian ear, is relevant to the well known test of distinctiveness adopted by Kitto J in *Clark Equipment Company v Registrar of Trade Marks* (1964) 111 CLR 511 at 514 from Lord Parker of Waddington: "whether other traders are likely, in the ordinary course of their businesses and without any improper motive, to desire to use the same mark, or some mark nearly resembling it, upon or in connexion with their own goods". Where a trader has tried to appropriate a word signifying a quality of his goods, as Kitto J made clear, the desire of other traders to which Lord Parker referred may spring from the purposes served by the common stock of words available to all. In the past, when many fewer people were aware of usages overseas, and any new meaning travelled slowly if at all, it would have been appropriate, for relevant purposes, to ignore a meaning as yet unfamiliar here. Cf. the somewhat different problems dealt with in *The Seven Up Company v O.T. Limited* (1947) 75 CLR 203 at 211, 215, 216-217; *Conagra Inc v McCain Foods (Aust) Pty Ltd* (1992) 33 FCR 302. But in a world in which television daily brings the languages of other countries into Australian living-rooms, and travel continually renews and extends our acquaintance with foreign ways, the logic of Lord Parker's test requires it to be given a wider application. At least where, as here, the foreign usage has been seeded in some areas of our language, with every sign of a spreading crop, the test must be applied with a recognition that traders will desire to adopt the imported sense of the word as well as the imported idea of the product. Therefore, although I do not think this conclusion would have been favoured formerly, I agree that the use of the American meaning in Australia proved here, slight though it was, was sufficient, given the likelihood that its acceptance would extend, to prevent the mark being distinctive.

13. Mr Caporn also observed that:

The ability of the Trade Marks Office to apply Internet use of a term, outside Australia, as evidence of a likelihood that Australian traders will wish to use this term to describe their goods and services invites comparison with a number of relatively recent cases in which it has been demonstrated that the appearance of a term on the Internet does not necessarily constitute use of that trade mark in any jurisdiction from which you may access the Internet.

See for example the conclusions in the decision of *Ward Group Pty Ltd v Brodie & Stone Pic* [2005] FCA 471 (22 April 2005). There is a very high onus on the person attempting to demonstrate that the mark has been used in Australia in such circumstances requiring "a specific intention that the particular goods in question were being marketed to consumers in Australia". The fact that there may be "potential consumers" in Australia was not sufficient to constitute use of the mark in Australia. Applying this sound principle to the circumstances of the present case, albeit in an acknowledged different context, as no use of the mark in Australia has been proffered by the examiner we submit that the mark should be accepted.

We wish to draw to the Hearing Officer's attention the decisions in the United Kingdom of *1-800 Flowers Inc v Phonenames Ltd* [2000] ETMR 369 (12 December 1999) and *Euro Market Designs Inc v Peters & Anor* (25 July 2000) L TL 21 August 2000. In the *Flowers* decision Jacob J stated that use on the Internet did not necessarily amount to use in the United Kingdom:

"For Trade Marks Laws to intrude where a website owner was not intending to address the whole world but only a local clientele and where anyone seeing the site would so understand him was absurd. The mere fact that websites can be accessed anywhere in the world, does not mean, for trade mark purposes, that the law should regard them as being used everywhere in the world. It all depends on the circumstances, particularly the intention of the website owner and what the reader will understand if he access the site."

This decision is entirely in line with the decision of *Ward Group v Brodie & Stone*, supra.

In the *Euro Market* decision Jacob J approved his earlier ruling in *1-800 Flowers Inc* and held that a registered UK trade mark was not infringed by an advertisement in a United Kingdom magazine and on a website where the defendant's target market was in Eire rather than the United Kingdom. It was held that the defendants had not actively sought trade in the United Kingdom because, according to the determination of Court, the website related to a shop in Ireland. While it was acknowledged that the trade mark was used on a website accessible from the United Kingdom, that was not enough because it was held that it is relevant to inquire what the purpose and effect of the use is.

We submit that guidance from these cases is relevant in light of the findings of the *Powell v Glow Zone Products* case in that it requires, inter alia, as submitted hereinabove, use of the term in Australia. These cases provide guidance on this point. That is, simply floating the term on the Internet is not sufficient and does not constitute use of the term in Australia. Similarly, the traditional 'use of a trade mark' cases are equally relevant here, for example *Moorgate Tobacco Co Ltd v Phillip Morris* 3 I PR 545.

Reasons

14. The scheme of the operation of section 41 is set out, by Branson J in *Blount*, above, and, in terms of subsection 41(2), the trade mark must be rejected if the trade mark is

not capable of distinguishing the applicant's goods or services in respect of which the trade mark is sought to be registered.

15. I do not consider that there is any essential difference between the terms REPORTER PLATE and REPORTERPLATE: the terms are, in essence, substantially identical (in terms of *The Shell Company of Australia Ltd v Esso Standard Oil (Australia) Ltd* (1963) 109 CLR 407 at 414 per Windeyer J.) and the same considerations should apply to either of them.
16. Neither do I think that the term does not appear in a technical dictionary assist the applicant greatly: the term CAPS, as the Court observed, did not then appear in a dictionary as having that meaning in relation to toys or playthings.
17. At the outset, I would stress that what I am to consider here is the inherent fitness of the trade mark for registration rather than, as Mr Caporn would seemingly have me consider, the ownership of the trade mark (which is not here under challenge). The cases that he relies on as regards ownership of trade marks (on the Internet) appear to me to have very little relevance where what I am to consider is the inherent qualities of the trade mark. This distinction can be illustrated by two examples. Firstly, in *Burger King Corp. v Registrar of Trade Marks* (1973) 128 CLR 417, the ownership of the trade mark by the Burger King Corporation was not in doubt – it was, however, found by the High Court that the trade mark lacked any inherent distinctiveness. Secondly, the fact that a term might only exist or arise overseas from Australia may not detract from a finding that the term lacks any inherent distinctiveness within Australia, as in *Clark Equipment Co. v. Registrar Of Trade Marks* (1964) 111 CLR 511 (the trade mark MICHIGAN). It is thus, I believe, an error to conflate issues of use of a term (as regards ownership) and questions concerning the term's meaning and inherent qualities.

18. Further, in *Glow Zone*, the Full Bench of the Federal Court made no formal finding as to the degree that the term CAPS lacked distinctiveness but appears to have agreed that the term was generic in the United States and that it had also been used in Australia and was thus not distinctive. The Court did not consider whether the trade mark, failing any use as a generic term in Australia, would have had any capacity to become distinctive or lacked inherent capacity to become distinctive. I do not see *Glow Zone*, in these circumstances, as being of great assistance in the situation of this application.

19. In *Eutectic Corporation v Registrar of Trade Marks* (1980) 1A IPR 550 ("Eutectic") at 558, Rodgers J said:

Whilstsoever there remains a need and use for that word by other traders in an honest description of their goods and the word retains its primary and technical meaning, it should remain free in the public domain.

20. In *Clark Equipment*, above, at paragraph 7, Kitto J said:

The fact that this is the test is the basic reason for the frequent refusal, exemplified in this Court by the case of *Thomson v. B. Seppelt & Sons Ltd.* (1925) 37 CLR 305, to register as a trade mark a word of prima facie geographical signification. It is well settled that a geographical name, when used as a trade mark for a particular category of goods, may be saved by the nature of the goods or by some other circumstance from carrying its prima facie geographical signification, and that for that reason it may be held to be adapted to distinguish the applicant's goods. Where that is so it is because to an honest competitor the idea of using that name in relation to such goods or in such circumstances would simply not occur: see per Lord Simonds in the *Yorkshire Copper Works Case* (1953) 71 RPC 150, at p 154. This is the case, for example, where the word as applied to the relevant goods is in effect a fancy name, such as "North Pole" in connexion with bananas: *A. Bailey & Co. Ltd. v. Clark, Son & Morland Ltd.* (the Glastonbury Case (1938) AC 557, at p 562; (1938) 55 RPC 253, at p 257) (see also the *Livron Case* (1937) 54 RPC 327, at p 339), or where by reason of user or other circumstances it has come to possess, when used in respect of the relevant goods, a distinctiveness in fact which eclipses its primary signification. Cf. in the case of a descriptive word: *Dunlop Rubber Co.'s Application* (1942) 59 RPC 134 But the probability that some competitor, without impropriety, may want to use the name of a place on his goods must ordinarily increase in proportion to the likelihood that goods of the relevant kind will in fact emanate from that place. *A descriptive word is in like case*: the more apt a word is to describe the goods, the less inherently apt it is to distinguish them as the goods of a particular

manufacturer. This may seem at first blush a paradox, as Lord Simonds and Lord Asquith suggested in the *Yorkshire Copper Works Case* (1954) 71 RPC 150, at pp 154, 156, but surely not when Lord Parker's exposition of the subject is borne in mind. (*Stress added*).

21. It would appear to me that traders in other parts of the world who have products which are known by generic names have as much (if not more) need to refer to those generic names as they do to the place of origin of the goods.
22. The examiner's research shows that the term REPORTER PLATE is used in bioassay and/or DNA analysis and appears in articles by, for example, the *American Society for Microbiology*, on the Internet site cellscience.com; also in an article *Insulin modulates the expression levels of dopamine b hydroxylase and phenylethanolamine N-methyltransferase within PC12 cells* by Rhodri J. Walters^Y, Manou V. Brandt^Y, Aristotelis Nastos^Y, Naoki Hiroi^Y, Holger S. Willenberg^{§Y}, Marina K. Oeff^{*}, Werner A. Scherbaum^{§Y}, Stefan R. Bornstein^{§Y} from the ^YDepartment of Endocrinology, Heinrich-Heine University Clinic Düsseldorf, Moorenstraße 5, the [§]German Diabetes Research Institute, University of Düsseldorf, Auf'm Hennekamp 65, D-40225, Düsseldorf, ^{*}Present address: Department of Dermatology, University Medical Center Benjamin Franklin, The Free University of Berlin, Berlin, Germany; also on the website of Applied Biosystems (a South Korean Company); also on a Russian website in the printout provided to the applicant by the examiner.
23. The search thus shows that the term REPORTER PLATE, in the context of the applied for goods, is not confined to one foreign country and is a widespread technical term, although one not appearing on Australian Internet sites accessible by the Google search engine. The countries are all ones which trade with Australia.
24. I would conclude that that the trade mark is not inherently adapted to distinguish the designated goods from the goods of other persons and capable, on that basis alone, of

so distinguishing the designated goods. The term appears to be a necessary description of certain bioassay equipment in the field of genetics.

25. Burchett J in his judgment in *Glow Zone* acknowledged that the world has become a smaller place as relates to mass communications. What should additionally be drawn from his judgment is that the tests posited in *Clark* and elsewhere must be applied in the light of the prevailing terms of trade and mass communication, rather than remain tests which are frozen in time and of no applicability to our current circumstances.
26. The Internet has, since the decision in *Glow Zone*, become pervasive and the names of new products and processes may now spread to Australia instantaneously. It should be observed that the terms of trade have also changed – foreign traders have a more ready and immediate access to trade in Australia via mechanisms such as GATT and Free Trade Agreements. Australian companies and individuals also have a much more ready access to the names of new products and processes and should be free to use normal and accepted descriptions of such products and processes. In such a climate, I consider the trade mark falls within those contemplated as coming within the purview of subsection 41(6) of the Act.
27. As I have previously observed, the applicant has not filed evidence of distinctiveness in fact.

Decision

28. Accordingly, in terms of subsection 41(2) I reject application 976114.

Ian Thompson
Hearing Officer

21 November 2005