



TRADE MARKS ACT 1995

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

Re: Opposition by McWILLIAMS WINES PTY LIMITED to registration of trade mark application 979397(35, 41) - LOVEDALE .. THE HEART OF THE HUNTER AND DEVICE - filed in the name of LOVEDALE CHAMBER OF COMMERCE.

DELEGATE:	Don Nancarrow
REPRESENTATION:	Opponent: Michael Green, of Counsel, instructed by Shelston IP Lawyers, Sydney Applicant: Mark Vincent, Solicitor, Truman Hoyle Lawyers, Sydney
DECISION:	s. 52 Opposition: s. 58 – mark previously used by LVA not substantially identical, s. 44 – opponent’s registered goods not closely related to applicant’s services, s. 60 – opponent’s mark in use neither substantially identical nor deceptively similar, s. 43 – connotation does not produce deception or confusion, s. 42(b) – use of applicant’s mark not contrary to law – opposition not established. Costs – awarded against opponent.

Background

1. The Lovedale Chamber of Commerce, ('LCC' or 'the applicant'), filed application 979397 for the composite trade mark depicted below on 20 November 2003.



2. The application was accepted for possible registration with a specification in respect of services that fall in two classes of the *International ('NICE') Classification of Goods and Services* and advertised as accepted in the *Australian Trade Marks Office Journal* ('the Journal') of 6 May 2004. McWilliams Wines Pty Limited, ('McWilliams' or 'the opponent'), filed a Notice of Opposition to registration of the trade mark on 5 August 2004 and the parties filed evidence in support, evidence in

answer and evidence in reply in accordance with the *Trade Marks Act 1995* ('the Act') and the *Trade Mark Regulations 1995* ('the Regulations').

3. The services nominated by the applicant are set out in the table below.

Class	Services
35	Commercial, promotional and administrative services; non wine product marketing and sales.
41	Event management services relating to tourism and recreation

4. The evidence filed and served is as shown.

Declarant	Date	Exhibits	Known As
<i>Evidence in Support</i>			
Philip Skinner	14.01.05	PS-1 to PS-9	Skinner 1
Malcolm John Farr	17.01.05	MJF-1 to MJF-7	Farr
<i>Evidence in Answer</i>			
Alexander Stuart	04.08.05	AS-1 to AS-11	Stuart 1
Alexander Stuart	04.11.05	AS2-1 to AS2-8	Stuart 2
<i>Evidence in Reply</i>			
Francis James Halliday	22.06.06	1 and 2	Halliday
Bruce Tyrell	27.06.06	1	Tyrell
Len Evans	28.06.06	1	Evans
Trevor Drayton	04.07.06		T. Drayton
Maxwell Keith Drayton	04.07.06		M. K. Drayton
Philip Skinner	06.07.06	1 to 6	Skinner 2
Rebekah Gay	06.07.06	1 to 10	Gay
Phillip Ryan	07.07.06	1 to 9	Ryan

5. The evidence of both parties provides an insight into the history of not only the present trade mark, but of the area in the Hunter Valley now known as Lovedale, of the opponent's vineyard also known as Lovedale and of the opponent's LOVEDALE trade mark which has enjoyed registration in Australia from 1956.
6. The historic background for the word Lovedale is not in dispute although some minor variations in the detail have been provided by the parties. In 1865 Mr. Patrick Love purchased land in the Hunter Valley that came to be known as Love's Flat. By 1910 this land was in the hands of his descendants, three brothers with the surname Love. One of these brothers sold land to Mr. Reginald Bancroft and Mr. Rupert Cousins sometime between 1923 and 1927, and later, as the then sole owner, Mr. Bancroft named his property Lovedale by combining the name of the earlier owner with the

word 'dale' as a reminder of the features of his beloved birthplace in Yorkshire. This naming occurred at some time between 1923 and 1928. From a negotiated purchase in 1939, which was not completed until 1946, the McWilliam family purchased land adjoining the Lovedale property (Ryan at ¶8), which housed the Mount Pleasant Winery, from the O'Shea family, and retained Mr. Maurice O'Shea as chief wine-maker. In 1945 a vineyard was planted on this land and named Lovedale – and it is this vineyard that now produces the single vineyard McWilliams Mount Pleasant Lovedale Semillon.

7. At the same time, the word Lovedale continued to have some application to the region to the east of the road adjoining the McWilliams property, so that in February 1979 the Greater Cessnock City Council recommended that the name Lovedale be formally designated as a locality on the Geographical Names Register. This was approved by the Geographical Names Board of N. S. W. (the 'GNB') in April 1979. McWilliams Lovedale vineyard is not within the boundary of the region that has been gazetted as Lovedale by the GNB but lies within Pokolbin.
8. The evidence shows that McWilliams used the Lovedale trade mark on the 1950 Semillon vintage (which was marketed as Riesling) and also registered the word 'Lovedale' as a trade mark for 'fermented and spirituous liquors' in 1956. The actual first sales of this vintage occurred in the mid-1950's. The wine continued to be marketed as a Riesling until the 1979 vintage when the wine was more accurately labelled Semillon. The 1980 to 1983 vintages were not considered to be sufficiently outstanding for release. From 1995 wine from the Lovedale vineyard has been marketed as McWilliams Mount Pleasant Lovedale Semillon. This release was the 1984 vintage. It is from 1995 until the present time that the opponent particularly claims a reputation in its trade mark. However, it is the dual usage of the word Lovedale in the same area that is at the core of this trade mark dispute.
9. The opposition matter came before me, as the Registrar's delegate, in Sydney on 19 October 2006.

Grounds of Opposition

10. The Notice of Opposition set out grounds under sections 41, 42, 43, 44, 58, 59, 60, 61 and 62. At the hearing the opponent only pressed those grounds under sections 42, 43,

44, 58 and 60. Thus, I find that the opposition grounds under sections 41, 59, 61 and 62 have not been established.

Submissions, the Law and Comments

11. For the purposes of this decision it is convenient to treat the grounds in the same order that the opponent presented its argument as some matters that were raised have some relevance to more than one ground of opposition.

(a) Section 58

12. The legislation here allows:

Applicant not owner of trade mark

58. The registration of a trade mark may be opposed on the ground that the applicant is not the owner of the trade mark.

13. Mr. Michael Green, Counsel representing the opponent, argued that the present trade mark is not owned by the applicant. This claim is made on the basis that the separate elements of the trade mark were allegedly used by other entities long before the applicant claimed to be the owner. Mr. Green directed me to Stuart 1 at ¶14 and ¶18 where, in part, Mr. Stuart states “The Lovedale Vignerons Association started using the Lovebirds [part of the device in the applicant’s trade mark] in 1995 and the trade mark, as in the application, has evolved from that”, and “Production of brochures showing the Lovebirds sitting on a grape bunch used in conjunction with the words ‘Lovedale’ and ‘Hunter Valley’ commenced in 1994 and has been used yearly since then.”
14. The trade mark that the opponent directed me to under this ground is as shown below.



15. This trade mark was used from 1994, in connection with ‘The Lovedale Long Lunch’ although no evidence has been provided clearly identifying the user. The Lovedale Vignerons Association (the ‘LVA’) now runs this event but it was not incorporated until 1997. The ‘Lovedale Long Lunch’ is an event that takes place over the third weekend in May each year and features a festival of wine, food, music and art. The

festival is designed to introduce the general public to tourism and recreational facilities in the area and to facilitate sales of products from the region. One factor is, however, apparent in relation to the trade mark that the opponent directed me to consider – that the first user could not be the present applicant – because the applicant did not come into existence until 1999 (Stuart 1). The user may have been the Lovedale Region Vignerons Association (the ‘LRVA’) as this unincorporated organisation was taken over by the LVA in 1997. (Skinner 2 at exhibit ‘PS-5’ and Stuart 2 at ¶12).

16. It is now well established law that, in order to succeed under this ground of opposition the opponent must establish three factors. These are:

- (i) that the respective trade marks of applicant and opponent be either identical or substantially identical (*Carnival Cruise Lines Inc. v Sitmar Cruises Limited* (1994) 31 IPR 375, (1994) AIPC ¶91-049, (1994) 120 ALR 495)
- (ii) that the respective goods or services of the parties be the ‘same kind of thing’ (*Re: Hicks’s Trade Mark* (1897) 22 VLR 636, 3 ALR 75), and
- (iii) that a person other than the applicant has the earlier claim to ownership based on use prior to both the present application to register and actual use of the trade mark by the applicant (*Settef SpA v Riv-Oland Marble Co (Vic.) Pty Limited* 10 IPR 402 at 413 and *Re: Hicks’s Trade Mark*, supra, at 639).

17. Gummow J outlines the first of these necessary factors, concerning the possible conflicting trade marks themselves, in *Carnival Cruise Lines Inc. v Sitmar Cruises Limited*, supra, with the words:

When the decision is understood in this way, it does not supply any general authority for the proposition that in the case of disputed claims to proprietorship under the present statute anything less than substantial identity between the two marks will suffice.

18. The accepted test for substantial identity of competing trade marks is set out by Windeyer J in *Shell Co. (Aust) Ltd v Esso Standard Oil (Aust) Ltd*, (1961) 109 CLR 407 at 414.

In considering whether marks are substantially identical they should, I think, be compared side by side, their similarities and differences noted and the

importance of these assessed having regard to the essential features of the registered mark and the total impression of resemblance or dissimilarity that emerges from the comparison.

19. To decide whether two trade marks are substantially identical the comparison is side-by-side, there is no scope to consider the idea of an ‘imperfect recollection’ of one trade mark in the face of another – generally, of course, a major factor in a determination of deceptively similar trade marks. For this comparison I have duplicated these trade marks below.



20. The device element in the applicant’s trade mark here is its major feature. The eye is drawn to that element and then moves to the words LOVEDALE .. THE HEART OF THE HUNTER. The word LOVEDALE is also rendered here in non-standard stylised lettering with the consonants L, V, D and L based on one horizontal level and the vowels in the word based on another horizontal level – a factor that gives the trade mark a more ‘home made’ feel in comparison to the bold standard lettering in the trade mark which was apparently used by the LRVA in relation to the ‘Lovedale Long Lunch’ from 1994. The lettering in the LOVEDALE HUNTER VALLEY trade mark has a more ‘formal’ atmosphere than the subject trade mark. The difference in backgrounds between the trade marks is also a characteristic that would be likely to differentiate them. Although there are common elements of the ‘lovebirds’ device and the word LOVEDALE in the trade marks even those two elements have significant differences in size, shading and lettering. Given these differences and the fact that both trade marks contain additional words not found in the other, I find that these trade marks are not substantially identical.
21. Having found that this challenge has stumbled at the first hurdle, I am not required to evaluate the other two factors (whether the services are the ‘same kind of thing’ and

the earliest date of use) for the respective trade marks, depicted above, that the opponent directed me to consider.

22. The opponent also raised the issue of the history of the present application as shown in Stuart 1. Mr. Green pointed out (from exhibit 'AS-5' of Stuart 1) that the trade mark for which the applicant sought registration had apparently been agreed upon in a meeting of 10 November 2003, and that this was not the same as the one for which application had actually been made. I note that all of the features are the same but the device element in the actual application is proportionately much larger than the device element in the version that had been initially agreed. The two trade marks involved here – the trade mark initially agreed and that on the opposed application are, however, substantially identical and I make nothing of this issue. Whatever preliminary discussions or arrangements had been made by the individuals comprising the applicant do not directly affect the decision that I must make – my role is to consider the trade mark on the application that the applicant ultimately made, not pilot versions or initially agreed details.
23. The opponent sought to show that the present trade mark is not owned by the applicant because elements of the trade mark have been used by other entities. The evidence that the opponent seeks to highlight here concerns use by the LVA (or, before 1997, possibly the LRVA). However, although the exact nature is not clearly explained by the applicant, it is obvious that some relationship does exist between the applicant and the LVA. This comes through in such statements as 'The Lovedale Vignerons Association started using the Lovebirds in 1995 and the trade mark, as in the application, has evolved from that' (Stuart 1). From my reading of the evidence it appears that the LVA has given at least tacit approval for LCC's application. The evolution of the trade mark is not in evidence and it is not totally clear how the applicant and the LVA have combined in developing the trade mark, although it is obvious that some cooperative link exists from such statements as 'All members of the LVA are members of the LCC' (Stuart 1 at ¶3). Further circumstantial evidence for such a link can also be found in that the LVA has apparently used the present trade mark for the LOVEDALE LONG LUNCH *after* the LCC has made the application.
24. This is an entirely different situation from the original circumstances of *Catanese v Malibu Boats West Inc*, 41 IPR 658, and later, on appeal, *Malibu Boats West Inc v*

Catanese, 51 IPR 134, cited by the opponent, where a third party, quite independent of both the applicant and the opponent, became involved in the ownership issue. In the present circumstances, the opponent seeks to rely on a third party that appears to have, prima facie, a cooperative link to the applicant and has apparently made use of the trade mark in the present application only after the date of application by the LCC.

25. Additionally, the opponent criticised the applicant's lack of use of the trade mark and also the lack of evidence of even an intention to use the trade mark. I note that the opponent has not pressed the ground of opposition under section 59 that the applicant does not intend to use the trade mark but that it sought to direct my attention to actual use of the trade mark being in the hands of the LVA as supporting the contention that the applicant does not own the trade mark.
26. Mr. Green directed me to *Jones v Dunkel and another*, (1959) 101 CLR 298, a case which found further application in a decision of the Registrar of Trade Marks, *Chris-Telle Pty Ltd v Australian Swimming Inc.*, [2004] ATMO 60, of 29 October 2004. The opponent claimed that these precedents gave authority for the proposition that I could infer a lack of intent to actually use the trade mark because the applicant had not led evidence explaining its intentions. The present opposition matter, of course, does not include section 59 and I am not required to decide anything concerning a lack of intention to use the trade mark.
27. Additionally, whatever use has been made of this trade mark by the LVA has occurred post-application date and is not an issue for the ownership of the trade mark (the prior use by the LVA being for a trade mark that is not substantially identical with the present trade mark as I have decided above). The LCC's ownership claim is not overturned by such use by the LVA. I also note that Stuart 1 appears to support the idea that the use of the trade mark by the LVA, post application date, is authorised use at ¶15.
28. From the foregoing I find that the ground of opposition under section 58 has not been established.

(b) Section 44

29. The legislation relevant to the opponent's claim reads:

Identical etc. trade marks

44.(1) ...

(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) .. 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.

30. Mr. Green took me to exhibit 'PS-3' (Skinner 1) for details of the registered mark that he said conflicted with the present application. The table below provides a ready comparison with details for the present trade mark.

Registered trade mark number	129432
Priority date	3 October 1956
Trade mark	LOVEDALE
Class	33
Goods	Fermented and spirituous liquors

31. To establish its opposition under section 44 the opponent must show all of the following:

- a trade mark, either registered or pending registration, in the name of a person other than the applicant, and in relation to which the applied-for trade mark is either substantially identical or deceptively similar;
- the trade mark in the name of the other person must be in respect of similar services or closely related goods; and
- the priority date of the trade mark of the other person be the earlier.

32. The services for which the present application has been accepted for registration are:

Class	Services
35	Commercial, promotional and administrative services; non wine product marketing and sales.
41	Event management services relating to tourism and recreation

33. The second of the tests outlined above concerns whether the opponent's goods (fermented and spirituous liquors) are 'closely related' to the applicant's services described in the above table. I must make a comparison, in relation to section 44, of the goods as registered by the opponent and the services for which application has been made in classes 35 and 41. It is the statutory rights of use that forms the test – rather than the respective actual modes of use.

34. The expression 'closely related goods and services' finds no definition in the Act in the way that 'similar goods' and 'similar services' are defined in section 14. However, previously decided cases do provide a measure of direction. French J in *Registrar of Trade Marks v Woolworths Limited*, 45 IPR 411 commented at 424:

The term "closely related" recognises that goods and services are different things. ... So there must be some other form of relationship between the services covered by one mark and the goods covered by another to enable the goods or services in question to be described as "closely related".

35. He then adds, also at 424:

The relationships may, and perhaps in most cases will, be defined by the function of the service with respect to the goods. Services which provide for the installation, operation, maintenance or repair of goods are likely to be treated as closely related to them. A trade mark used by a television repair service which resembles (to use the language of s 10) the trade mark used on a prominent brand of television sets could be deceptively similar for suggesting an association between the provider of the service and the manufacturer of the sets.

36. The need for some form of relationship between the respective goods and services and how this might be appraised was discussed, in detail, at an earlier time by Hearing Officer Thompson in *Re: Aussat Pty Limited*, 27 IPR 309, at 311 and 312. Some of the issues raised, relevant to the present consideration are:

(1) the applicant's 'commercial, promotional and administrative services' and 'event management services' may be performed without the opponent's 'fermented and spirituous liquor' goods, (2) the applicant's services require a quite different set of technical skills with entirely different technical training needs for the service delivery in comparison with the technical skills and training needs required in relation to the opponent's goods, (3) the ordinary person would have no expectation that the personnel who provide the applicant's 'commercial, promotional and administrative services' and 'event

management services' have essential expertise in common with the personnel involved in liquor production and (4) neither the applicant's services, nor the opponent's goods, would cease to exist without the other.

37. I have only taken a sample of the checks or tests suggested by the delegate but all quite strongly indicate that the respective goods and services here are not 'closely related'. None of the other tests listed by the delegate persuade me against this view.
38. The opponent also strongly argued that the Lovedale Long Lunch (the event at which the LVA apparently is now using the present trade mark) operated with the use of various alcoholic beverages as a significant part of the event. On this basis, Mr. Green submitted, the applicant provides services by means of the opponent's goods – and that this provides the link that the respective goods and services are 'closely related'. Mr. Vincent, for the applicant, contended that 'The LCC services are not performed using wine goods'. This particular application is for services in classes 35 and 41. The provision of drink, along with take-away food services and restaurant services, is found in class 43 and is not part of the present application – but it is on the present application that I must decide here. I also note, that even had this been the case, that the application did include such services, in *Winton Shire Council and another v Lomas*, 56 IPR 72, Spender J said, at 85:

The question is not without difficulty but, on balance, I am not satisfied that the operational outlets for the supply and provision of meals and refreshments should be considered as being "closely related" to the registered goods, namely beverages.

39. The 'beverages' that Spender J referred to in this judgement (for registered trade mark number 228232) include 'wines'.
40. From the foregoing I have found that the applicant's services and the opponent's goods are not closely related and, therefore, that this ground of opposition has not been established.

(c) Section 60

41. The legislation here allows:

Trade mark similar to trade mark that has acquired a reputation in Australia

60. The registration of a trade mark in respect of particular goods or services may be opposed on the ground that:

- (a) it is substantially identical with, or deceptively similar to, a trade mark that, before the priority date for the registration of the first-mentioned trade mark in respect of those goods or services, had acquired a reputation in Australia; and
- (b) because of the reputation of that other trade mark, the use of the first-mentioned trade mark would be likely to deceive or cause confusion.

42. One of the factors that an opponent must provide, for a successful opposition under section 60, is a pre-existing trade mark that it alleges conflicts with the trade mark in the application. This pre-existing trade mark must also have acquired a sufficient reputation such that use of the present application would be likely to cause deception or confusion (see *McDonalds Corporation v Bowditch* 48 IPR 433 at 439).
43. A rather unusual circumstance has occurred in relation to this particular opposition matter. Generally, where an opponent seeks to rely on grounds under sections 58, 44 and 60, as is the case here, the comparison for substantial identity and deceptive similarity involves the same alleged conflicting trade mark or trade marks. In the present matter, each of the three sections involves its own possible conflicting trade mark. For section 58 the opponent directed me to a trade mark previously used (apparently by the LVA) for substantial identity with the present trade mark; for section 44 the opponent directed me to its own registered LOVEDALE word trade mark; and for section 60 yet another comparison is to be made.
44. Under the section 60 ground of opposition, the opponent claimed a formidable reputation in its own LOVEDALE trade mark used on wine (initially labelled Riesling but from around 1980 correctly labelled Semillon) from as early as the 1950's.
45. In relation to reputation Kenny J states in *McCormick & Co Inc. v McCormick*, 51 IPR 102, at 128:

In *ConAgra Inc v McCain Foods (Aust) Pty Ltd* (1992) 33 FCR 302 at 343; 23 IPR 193 at 234, Lockhart J said:

[R]eputation within the jurisdiction may be proved by a variety of means including advertisements on television or radio, or in magazines and newspapers within the forum.

46. Kenny J continues at 129 with the words:

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: ...

47. The opponent's evidence in support and evidence in reply centred on a claim for reputation in a trade mark used on its Semillon wine. This wine has apparently been sourced from a single vineyard – the McWilliams owned Lovedale vineyard. The evidence describing this trade mark in use can be found at ¶10 (1950 vintage) and ¶13 to ¶17 (vintages from 1984 to 2005) of Ryan. I note that the latter mentioned paragraphs direct the reader to exhibits 'PR-3' to 'PR-6', inclusive, to verify use of the mark. These exhibits include independent commentaries by wine experts, newspaper articles and an information booklet printed for distribution by the opponent. Halliday at ¶11 to ¶15 and Skinner 1 at ¶6 to ¶18 (including exhibits 'PS-4' to 'PS-8') also discuss this reputation by similar means. In virtually all of these references the Semillon in question, sourced from McWilliams Lovedale vineyard, is described as either 'McWilliams Mount Pleasant Lovedale Semillon' or 'Mount Pleasant Lovedale Semillon'. The wine labels themselves, over the years, have been printed in like manner. In addition, the actual labels also have either a coat-of-arms or a badge containing a coat-of-arms. There are many statements from the opponent's evidence (declarations Evans, Tyrell, Skinner 2, T Drayton, M K Drayton and Ryan) that use the term 'Lovedale Semillon' in describing the trade mark for which McWilliams claim a reputation but the exhibits attached to various declarations to show use in the market-place ('PR-3' to 'PR-6' inclusive of Ryan, 'PS-4' and 'PS-6' of Skinner 1, 'PS-6' of Skinner 2 and 'JH-1' to Halliday) almost exclusively use the terms 'McWilliams Mount Pleasant Lovedale Semillon' and 'Mount Pleasant Lovedale Semillon'.
48. Applying the principles discussed by Kenny J to the opponent's evidence leads me to conclude that the opponent's reputation is, at least, moderate in the relevant Semillon wine market and is to be found in the two composite trade marks, 'McWilliams Mount Pleasant Lovedale Semillon' and 'Mount Pleasant Lovedale Semillon' with their respective coats-of-arms devices. This moderate reputation has been shown, particularly from 1995 onwards (without a clear picture of actual sales in monetary terms), and it is these trade marks that must be compared with the present application for conflict in terms of section 60.

49. By means of a side-by side comparison I do not accept that either of these two trade marks could be considered substantially identical with the present application for LOVEDALE .. THE HEART OF THE HUNTER.

50. In relation to deceptive similarity of two competing trade marks (*Shell v Esso*, supra, at 415) Windeyer J commented:

On the question of deceptive similarity a different comparison must be made from that which is necessary when substantial identity is in question. The marks are not now to be looked at side by side. The issue is not abstract similarity, but deceptive similarity. Therefore the comparison is the familiar one of trade mark law. It is between, on the one hand, the impression based on recollection of the plaintiff's mark that persons of ordinary intelligence and memory would have; and, on the other hand, the impressions that such persons would get from the defendant's television exhibitions.

51. I am of the opinion that the trade mark presently applied-for, 'LOVEDALE .. THE HEART OF THE HUNTER', together with the device of 'two birds atop a bunch of grapes' cannot be considered to be 'deceptively similar to' either of the two trade marks for which the opponent has established its reputation, namely, 'McWILLIAMS MOUNT PLEASANT LOVEDALE SEMILLON' and 'MOUNT PLEASANT LOVEDALE SEMILLON' for Semillon wine. The additional words 'McWILLIAMS' and 'MOUNT PLEASANT' in these trade marks provide trade mark material that clearly differentiates the opponent's trade marks from 'LOVEDALE .. THE HEART OF THE HUNTER'. The respective devices further separate these trade marks.

52. From the foregoing I have found that this ground of opposition has not been made out because the marks relied upon by the opponent, in terms of section 60, are neither substantially identical with, nor deceptively similar to, the present trade mark.

(d) Section 43

53. Under this opposition ground the legislation states:

Trade mark likely to deceive or cause confusion

43. An application for the registration of a trade mark in respect of particular goods or services must be rejected if, because of some connotation that the trade mark or a sign contained in the trade mark has, the use of the trade mark in relation to those goods or services would be likely to deceive or cause confusion.

54. Mr. Green provided the authority of *Big Country Developments Pty Limited v TGI Friday's Inc and another* (2000) 48 IPR 513 at 521 to clearly point out that the connotation, or secondary meaning, envisaged here must exist within the trade mark under consideration and not by comparison with another trade mark. Mr. Vincent was in agreement with this assessment and added Spender J's comments in *Winton v Lomas*, 56 IPR 72, supra, at 77 in support.
55. The word Lovedale is used in two ways in the Hunter Valley. One is for a particular vineyard owned by the opponent and the other for the region that has been gazetted by the GNB. A consideration of this trade mark leads me to the view, in agreement with Mr. Vincent's submissions, that the general public could have some expectation that this trade mark had reference to goods or services that either were provided from, or were provided at venues within, the Lovedale vicinity of the Hunter Valley. I have formulated this view, rather than that it would connote the Lovedale vineyard, particularly because the words THE HEART OF THE HUNTER in the trade mark imply a geographical sense more readily applicable to the region than the name of the particular vineyard on McWilliams property. The applicant provided material that showed some 10,000 people attend 'The Lovedale Long Lunch' annually in the Hunter Valley (Stuart 2 at ¶12), in order to support the concept that the general public would be likely to see the trade mark LOVEDALE .. THE HEART OF THE HUNTER as suggesting the geographic region of Lovedale. From some time around the mid-1990's until 2003 the trade mark LOVEDALE HUNTER VALLEY, as depicted under the discussion for (a) **Section 58**, was used for the Lovedale Long Lunch. The 10,000 people who attended were, therefore, exposed to the concept that 'Lovedale' represented the geographical area of the Hunter Valley in which the festival was held. So, despite the fact that the present trade mark was not used until after the present application date, public recognition of the connotative meaning that 'Lovedale' is linked to the GNB gazetted area is assisted to a degree by this evidence. It is still the case, of course, that I must determine the rights as at the date of application (*Southern Cross Refrigerating Co. v Toowoomba Foundry Pty Ltd* (1954) 91 CLR 592 at 595) and that actual use of the present trade mark at the Lovedale Long Lunch (by the LVA) after the present date of application does not assist my finding concerning the connotative meaning.

56. Further, the opponent contended that a prospective purchaser seeing this trade mark may have some expectation that the services offered involve wines in view of the grapes in the device element, and pointed to the Lovedale Long Lunch as a clear example of such use that could cause confusion. The applicant's services (found in classes 35 and 41) may be delivered without providing alcoholic beverages at all – and I do not accept that the existence of a bunch of grapes in the device provides a connotation that the applicant must do so or the general public would be deceived or confused. Taken overall, the only connotation that is of substance here is that purchasers may view the words LOVEDALE .. THE HEART OF THE HUNTER as indicating the geographic region in the Hunter Valley. I am of the opinion that such a possible connotation would not result in deception or confusion for the general public when applied to the applicant's services.
57. The opponent also argued, under this ground of opposition, that the trade mark is in use (apparently by the LVA from the applicant's own evidence) in two different ways that could mislead, confuse or deceive. The first, Mr Green submitted, is that some participating businesses that form part of the LVA's 'long lunch' festival lie outside the local area that has been gazetted as 'Lovedale' by the GNB. The second is that the actual festival event has some venues that lie outside this gazetted area.
58. In relation to this claim, I intend to also consider the opponent's arguments that were submitted for this opposition ground under sub-paragraph 42(b) below. The opponent alleges that the applicant has breached legislation of the State of New South Wales, in relation to use of this trade mark, and this claim falls more directly under that the heading that 'its use would be contrary to law'.
59. However, in relation to section 43, I do not believe that the general public so scrupulously apply a gazetted local boundary to expect total geographical conformity by words in a trade mark such as LOVEDALE .. THE HEART OF THE HUNTER. It is often the case, in Australia, that the population only needs to have a general idea of boundaries of local areas because identical laws apply in the surrounding local areas and nothing turns on a minor misunderstanding of such boundaries. This may not be the case for boundaries of states and territories where it is important to be exact because of the operation of different laws.

60. In relation to the present section 43 matter, some questions come to mind – how likely is it that the general public would expect all of the applicant’s services to originate in the local gazetted area of Lovedale from their perception that the word Lovedale in the mark provides such a connotation? How many of these people also know where the local boundary lies with such accuracy that they will be likely to suffer any deception or confusion? In addition, of those who do accurately know where the boundary falls and might also expect that the services originate in the gazetted area, in what way will they be deceived or confused if those services are offered outside the gazetted local boundary? It must also be noted that this application is in respect of services – so that if the services are offered within the local Lovedale boundary by means of some goods that originate inside the local boundary and some goods that originate outside the local boundary, as is generally apparently the case here, would the general public be deceived or confused by the word Lovedale in the mark? Would the general public expect the word Lovedale in this trade mark to represent anything more than that it indicated the centre of operations of the applicant? That is, by comparison, would the general public expect Fitzroy Electrical Services to restrict its business operations to only that single suburb? Or would most persons merely assume that it indicated the centre of the business operations?
61. In practical terms, I do not believe that actual deception or confusion is likely to result from use of the trade mark on the specified services as a result of any perceived connotation that this trade mark possesses.
62. From the foregoing, I find that this ground of opposition has not been established.

(e) Section 42

63. The legislation allows:

Trade mark scandalous or its use contrary to law

42. An application for the registration of a trade mark must be rejected if:

- (a) the trade mark contains or consists of scandalous matter; or
- (b) its use would be contrary to law.

64. The opponent sought to rely on legislation passed by the New South Wales parliament in relation to sub-paragraph 42(b). The law that has been cited is the *Geographical Names Act 1966* (GNA). Section 15 of that Act relevantly reads:

15 Names in geographical manuscripts, tourist publications, maps and other publications.

(1) No person shall publish or cause to be published in any geographical or other scientific manuscript or publication, or in any guide-book, handbook, pamphlet, road-map, or other publication intended for the use of travellers or tourists generally, or on any map in such manuscript or publication, or in such guide-book, handbook, pamphlet or other publication, any name purporting to be the name of any place which has a geographical name unless the name so published is the geographical name of that place or it is stated in or on the manuscript, publication, guide-book, handbook, pamphlet, road-map or other publication, or on the map, that the name is not a geographical name under this Act.

(2) Every person who acts in contravention of the provisions of this section shall be guilty of an offence against this section and shall be liable to a penalty not exceeding 5 penalty units.

(3) Proceedings for an offence against this section are to be dealt with summarily before a Local Court constituted by a Magistrate sitting alone.

(4) Proceedings for an offence against this section shall not be commenced except with the approval in writing of the Minister.

(5) In this section:

“published” includes published in electronic form.

65. Following the judgement of Madgwick J in *Advantage Rent-A-Car Inc. v Advantage Car Rental Pty Ltd* (2001) 52 IPR 24 at 30 to 32, it is now incumbent upon delegates of the Registrar to form an opinion in relation to this ground of opposition, where an opponent relies on laws and legislation other than the present Act. I also note that Madgwick J, after acknowledging that this obligation may at times be onerous, commented, at 32:

However, the registrar has the comfort that the criterion is that the use “would” not “could” be contrary to law.

66. Thus, the contrariety to law would need to be positively established (rather than simply be possible) by the actual use of the trade mark in order for this ground to be made out.

67. Both parties provided evidence of the actual area of Lovedale for which the GNB had set the boundaries (exhibit ‘AS-2’ to Stuart 1 and exhibit ‘RG-9’ to Gay). These separate maps appear to conform. The applicant also provided a map of the area on

which a shaded heart-shape was drawn and the name Lovedale was imposed (within exhibit 'AS-2' to Stuart 1). The opponent pointed out that some roads in this heart-shaped shaded area are not within the officially gazetted area by the GNB for Lovedale. These roads include Talga Road, Wilderness Road and Major's Lane. Talga Road and Wilderness Road lie within the GNB gazetted area of Rothbury and Major's Lane lies within Keinbah.

68. Where an opponent does seek to rely on legislation other than the *Trade Marks Act 1995* to trigger sub-paragraph 42(b), it is still the case that it must show that it is actual use of the trade mark that produces the effect of being 'contrary to law'. It is, of course, possible that an applicant may be in contravention of other legislation by its conduct or dealings without such contravention being caused by use of its trade mark in relation to the goods or services claimed in the application.
69. The opponent has alleged that the applicant has produced a map or brochure that would contravene sub-section 15(1) of the GNA. Were I to accept this position, the question still must be answered – in what way is use of the trade mark LOVEDALE .. THE HEART OF THE HUNTER in relation to the specified services in classes 35 and 41 contrary to law?
70. To deliver the services involved for this application namely, 'commercial, promotional and administrative services; non wine product marketing and sales' in class 35 and 'event management services relating to tourism and recreation' in class 41, under the trade mark for which the application has been made, does not require the applicant to produce maps (or any publications listed in sub-section 15(1) of the GNA) – and thus the opponent's allegation is not a relevant consideration.
71. Thus, I find that this leg of the sub-paragraph 42(b) opposition has not been made out.
72. The opponent also made a second submission in relation to sub-paragraph 42(b). This concerned the allegation that the applicant does not own the copyright in the trade mark and that this goes toward showing both that the applicant is not the owner of the trade mark and that use of the trade mark is contrary to law.
73. None of the evidence from either party clearly explains the history of the creation of this trade mark or clearly identifies the owner of copyright in the device element.

74. Sub-section 115(1) of the *Copyright Act 1968* allows:

115 Actions for Infringement

(1) Subject to this Act, the owner of a copyright may bring an action for an infringement of the copyright.

75. The opponent challenged the applicant's status as the owner of the copyright in this trade mark. However, it did not provide evidence of an alternative owner. Without such identification I do not believe that the issue of copyright infringement can proceed. Thus, I find that this leg of the sub-paragraph 42(b) opposition has also not been established.

Decision

76. I have found that no ground of opposition relied upon by the opponent has been established. My decision, in terms of section 55 of the Act, is that this trade mark application, numbered 979397 for the trade mark LOVEDALE .. THE HEART OF THE HUNTER, and device, may proceed to registration one month from the date of this decision. If the Registrar has been served with a notice of appeal before that time, I direct that registration shall not occur until the appeal has been discontinued, or in the event of a decision from the Court, that the application be subject to that order.

Costs

77. Both parties requested costs in the matter. As the applicant has been the successful party and there is nothing before me to suggest that I do not apply the general rule, I award costs against the opponent in accord with the Official scale as set out in Schedule 8 of the Regulations to the Act.

Don Nancarrow
Hearing Officer
Trade Marks Hearings
7 February 2007