

TRADE MARKS ACT 1995



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

Re: Opposition by Pierre Fabre Dermo-Cosmetique to registration of trade mark application 980194, 980195(3, 35) - **AFENE** - filed in the name of Senator Automation Pty Ltd.

DELEGATE:	Jock McDonagh
REPRESENTATION:	Opponent: Carmen Champion of counsel, instructed by F.B. Rice & Co Applicant: Lyncoln Chee of Rutland's Law Firm
DECISION:	Section 52 opposition - grounds under sections 42(b), 44 & 60 not established – registration allowed. Costs awarded against the opponent.

Background

1. The applicant, Senator Automation Pty Ltd, applied to register the following trade marks:

Application Number:	980194	980195
Priority date:	1.12.2003	1.12.2003
Trade Mark:		
Goods and Services:	Class: 3 Bleaching preparations and other substances for laundry use; cleaning, polishing, scouring and abrasive preparations; soaps; perfumery, essential oils; cosmetics, hair lotions; dentifrices Class: 35 Advertising; business management; business administration; office functions	As for 980194
Advertised:	20.05.2004	10.06.2004

2. The opponent, Pierre Fabre Dermo-Cosmetique, filed notices of opposition to the trade marks' registrations on 17 November 2004. The notices listed effectively all

of the available grounds of opposition provided in the *Trade Marks Act* 1995 ("the Act").

3. The parties duly served and filed evidence in support and evidence in answer.
4. The matter came to a hearing before Mr Nathan Sinclair, a delegate of the Registrar of Trade Marks, in Sydney on 13 March 2006. Ms Carmen Champion of counsel, instructed by F.B. Rice & Co, Attorneys, represented the opponent. Mr Lincoln Chee of Rutland's Law Firm, represented the applicant.
5. Since the hearing, Mr Sinclair has left the Trade Marks Office. With the consent of the parties, the matter was referred to me to determine based on the transcript of the hearing and the written submissions handed up by the parties' representatives.

Evidence

6. The evidence relating to the opposition consists of the following declarations:

Declarant	Date declared	Exhibits	Known As
<i>Evidence in Support</i>			
Chris van Niekirk	13.07.05	A to E	Van Niekirk
<i>Evidence in Answer</i>			
Tom Wen-Tung Lin	13.10.05	TL-1 to TL-10	Lin

7. The van Niekirk declaration is made by the general manager of the Australian company that distributes the opponents goods in Australia under the following trade mark:

Registration Number: 592970
 Priority date: 21 December 1992

Goods: Class 3: Soaps, cosmetics, hair lotions, shampoos, make up, make up removers, shaving and after-shave preparations, sun-tan preparations and all other goods in this class

Trade Mark:



8. The van Niekirk declaration details the history of the opponent's goods in Australia since 1999 and provides details of the wholesale and retail value of goods sold in the period 2001 to July 2005 under the EAU THERMALE AVÈNE trade mark. It also exhibits sample packaging, invoices and sales orders, promotional materials, brochures and catalogues.

9. The Lin declaration is made by a director and secretary of the applicant. He has been a director since 1992, and secretary since 2003. Much of the declaration is in effect submissions in which Mr Lin compares the opposed marks. He exhibits sample brochures used in trade in China. Mr Lin states that 'limited numbers' of goods bearing the trade mark have been distributed through duty free stores located in Chinatown and Darling Harbour, Sydney. The intended market is Chinese consumers.

Grounds of Opposition

10. Although the opponent had pleaded numerous grounds of opposition in its notice, it relied on three of them at the hearing: those under sections 42(b), 44 and 60 of the Act. The opponent also alleged adoption of the subject trade marks by the applicant in bad faith, which it submitted was relevant to the sections 42(b) and 60 grounds.
11. I dismiss the grounds not relied upon.
12. The issue common to the section 44 and 60 grounds relied upon was whether or not applications 980194 and 980195 are deceptively similar to registration 592970. It was common ground that the opposed marks were not substantially identical.
13. The considerations of deception and confusion are also relevant when considering the section 42(b) ground of opposition.
14. The issue of deceptive similarity raises the question whether the applicant's marks or either of them so nearly resemble the opponents EAU THERMALE AVÈNE trade mark that they/it is likely to deceive or cause confusion: section 10 of the Act.
15. The question whether there is a likelihood of confusion is to be answered by reference to use to which the marks can properly be put if registration is obtained. The issue is whether that use would give rise to a real danger of confusion: *Registrar of Trade Marks v Woolworths* [1999] FCA 1020. Mere confusion is not sufficient: *Southern Cross Refrigerating Co. v Toowoomba Foundry Pty Limited* (1954) 91 CLR 592.

16. In considering the issue of deception all the surrounding circumstances must be taken into consideration. The factors to be considered include the circumstances in which the marks will be used, the circumstances in which the goods will be bought and sold and the character of the probable purchaser of the goods.
17. In support of the submission of the marks being deceptively similar to the opponent's trade mark EAU THERMALE AVÈNE, the opponent relied on the following:
 - The market for the product is the same, the relevant consumer being women generally. These include women who have purchased the EAU THERMALE AVÈNE products or who have heard them praised or discussed by third parties.
 - The EAU THERMALE AVÈNE mark has a significant reputation in Australia amongst the relevant class of consumers. That reputation is enhanced by the products association with France and the use of natural thermal spa water in the manufacture.
 - The personal-care product industry is one in which brand extension is common. Under these conditions, it would be reasonable to expect consumers to assume the relationship between trade marks, as being part of an extended product range.
 - The essential feature of the applicant's marks is the word AFENE, which shares the same first letter "A" and the suffix "-ene" with the opponent's AVÈNE element of the mark.
 - There is no real connotative distinction between the words.
 - The Chinese script and letter "A" in application 980194 provide no specific information that would act as distinguishing features.
 - The opposed marks essentially look and sound the same, with a net impression of two invented and meaningless words with a significant visual and aural similarity.
18. The applicant denied all of the opponent's submissions relating to deceptive similarity and submitted that there were distinct visual and connotative differences between the marks.

19. There was, however, no material difference regarding the legal principles to be applied when comparing trade marks.
20. I find I cannot agree with the opponent's submission that the marks "essentially look and sound the same, with a net impression of two invented and meaningless words with a significant visual and aural similarity".
21. The opponent's trade mark consists of three words, which have a clear meaning in French in that they mean "Avène thermal spring water". The fact sheet exhibited as Exhibit E to the van Niekirk declaration states that "In 1736, a spring was discovered in Avène, southern France ... In 1874, France declared the Avène Thermal Spring to be of public benefit in dermatology."
22. While the words EAU THERMALE are descriptive, it would be unrealistic to ignore the effect they are likely to have, in combination with AVÈNE, on a prospective purchaser. In my opinion, they leave a net impression connotative of a connection with France or with French products and thus quality in the cosmetics industry, as well as being descriptive to persons familiar with the French language.
23. Likewise, in application 980194, it is unrealistic to ignore the Chinese characters, which apparently transliterates from Mandarin Chinese as "afene", and pronounced in Mandarin as "ai fu ni", with an English meaning of "girls who love hibiscus".
24. I am not satisfied that a consumer, even with imperfect recollection, is likely to associate the application 980194 device mark and registration 592970 EAU THERMALE AVÈNE with the same source.
25. Application 980195 does not have any feature that connotes a connection with Chinese culture apart from its phonetic transliteration, which would not be readily apparent to many consumers.
26. Phonetically, "v" and "f" are similar, and it is quite possible that some version of the pronunciation of AVÈNE will sound like some pronunciation of AFENE. However, that really is the only area of similarity. The opponent's mark is based

on a French locality, while the applicant's is effectively a made up word for consumers not fluent in Mandarin Chinese.

27. In my opinion, there are distinct visual and connotative differences between the AFENE and EAU THERMALE AVÈNE trade marks. These differences are such that it is unlikely that one mark will bring to mind the other in the memory of consumers.
28. Additionally, the products are displayed for personal inspection and careful selection. Such circumstances reduce the risk of deception or confusion.
29. I am not satisfied that either 980194 or 980195 is substantially identical with, or deceptively similar to, registration 592970 EAU THERMALE AVÈNE.
30. Therefore, neither the section 44 nor section 60 grounds can be made out. Furthermore, the test for deceptive similarity under the Act involves consideration of a lower threshold than the deception or misrepresentation to be found in passing-off or contravention of the *Trade Practices Act 1974*. Therefore, the section 42(b) ground cannot be made out either.

Decision

31. The opponent has not established its grounds of opposition. Therefore, the applicant's trade mark 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 decided or discontinued.

Costs

32. The applicant sought its costs. I see no reason why costs should not follow the general rule. I award costs against the opponent and direct that the opponent pay the costs of the applicant in accordance with the Official Scale (Schedule 8 of the *Trade Marks Regulations 1995*).

Jock McDonagh
Hearing Officer
Trade Marks Hearings
28 July 2006