

TRADE MARKS ACT 1995

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

Re: Opposition by Capitol Clothing Pty Ltd to registration of trade mark applications 981219(25, 35) – **GREEN WITH ENVY** and 981573 (25, 35) – **ENVY AVENUE** - filed in the name of Hush Fashions Pty Ltd.

DELEGATE:	Alison Windsor
REPRESENTATION:	Opponent: Julia Baird of counsel, instructed by Cowley Hearne Lawyers Applicant: Russell Waters of Phillips Ormonde & Fitzpatrick Patent & Trade Mark Attorneys
DECISION:	S52: grounds under s 44, 60 and 62(b) not established. Opposition dismissed. Costs awarded against opponent.

Background

1. Hush Fashions Pty Ltd (“Hush Fashions”) applied to register two trade marks, current details of which are shown below:

Application number: **981219**
Filing date: 8 December 2003
Acceptance advertised: 8 April 2004
Goods/services claim: **Class 25:** Clothing, footwear, headgear
Class 35: Retail services relating to clothing, footwear and headgear
Trademark: **GREEN WITH ENVY**

Application number: **981573**
Filing date: 09 December 2003
Acceptance advertised: 8 April 2004
Goods/services claim: **Class 25:** Clothing, footwear, headgear
Class 35: Retail services relating to clothing, footwear and headgear
Trademark: **ENVY AVENUE**

2. Capitol Clothing Pty Ltd (“Capitol”) filed notices of opposition (“the notices”) to registration of the applications on 8 July 2004. Effectively, six of the allowable grounds were raised, being those under sections 41, 43, 44, 58, 60 and 62(b) of the *Trade Marks Act 1995* (“the Act”).

3. The usual evidence stages followed, with evidence in support, in answer and in reply completed by 13 December 2005. On that same date, Capitol requested to be heard. Hush Fashions subsequently notified the office of an objection to the evidence in reply being allowed into proceedings. After some correspondence between the office and the two parties, the evidence was allowed into the record, but not without protest from Hush Fashions. The matter finally came to a hearing before me, as the delegate of the registrar, in Canberra on 15 June 2006. Hush Fashions' representative, Russell Waters of Phillips Ormonde Fitzpatrick, patent and trade mark attorneys, attended in person. Julia Baird of counsel, instructed by Cowley Hearne lawyers represented Capitol via telephone conference
4. The day before the hearing, Capitol filed with the office and served on Hush Fashions a request to amend the notices of opposition. The proposed amendment consisted of the addition of a second trade mark number¹ to the ground relating to section 44. Because the matter was notified so close to the hearing, I elected to hear submissions in respect of it before proceeding to the substantive matter.
5. Capitol submitted that the trade mark number had been omitted from the notices in error, and as Hush Fashions was aware of its existence, and had been aware of it for over two years, there was nothing new being raised. Hush Fashions admitted it was aware of the trade mark, but since it was not included in the notices, it considered it was prejudiced by this request so close to the hearing. Mr Waters submitted that if I decided to allow the amendment to be made, he would request the hearing be adjourned in order for his client to conduct further research and consider possible courses of action in relation to the additional registration.
6. On the day, I decided the amendment should be allowed, and the hearing would not be adjourned. As Hush Fashions was well aware of the existence of the trade mark, raising it, even at this late state, should not have been a surprise. It would have been prudent for Hush Fashions to consider Capitol's whole stable of trade marks when preparing its evidence for this action, despite only one having been specified on the notice. As suggested by Ms Baird, the existence of the registration was on the public record, and the registrar would be likely to have regard to the trade marks register in the course of making her decision. The registration is relevant to this action, and in

the words of Finkelstein J in *Malibu Boats West Inc v Catanese* (2001) 51 IPR 134, at 142, “Generally speaking, it would not be proper or fair for an administrative decision maker to ignore relevant material while discharging his or her statutory duty”, though obviously, due attention is required to procedural fairness.

Evidence

Evidence in support

7. The evidence in support for each application is identical. It consists of two statutory declarations. The first is made by Doreen Anna Jacenko, company director of Capitol. Ms Jacenko states she is the owner of a registered trade mark, details of which appear below:

Application number: **600159**
 Registered from: 14 April 1993
 Goods/services claim: **Class 25:** All goods included in this class

Trademark:



Endorsement: Registration gives no right to the exclusive use of the letter E.

8. Ms Jacenko gives a brief history of her company, claiming use for some 15 years, selling, particularly, clothing for women under the trade mark ENVY. Annexed to her declaration are examples of use of the word “envy” alone in various advertisements, all of which post date the filing date of Hush Fashions’ applications. Sales of her clothing are via authorized distributors in various states, rather than directly from Capitol.
9. The second declaration is made by John Tripolitus, a company director of Jamaica Clothing Co, who states he has been aware of Capitol for approximately 15 years. Mr Tripolitus states he has “vast experience in all areas of clothing retail and wholesale over the past 25 years” and is very familiar with all the leading brands of clothing, including Capitol’s ENVY brand.

¹ 635328, the word ENVY in class 42 for “retailing and wholesaling of clothing and accessories”.

Evidence in Answer

10. Hush Fashions supplied a single set of evidence in answer for both applications. It consists of a declaration made by Irene Nicholas, director of the company, and four declarations from persons in the clothing trade attesting to recognition of the GREEN WITH ENVY² trade mark.
11. Ms Nicholas says her shop, trading under the name “Envy Wear”, stocked over 50 different brands of Australian clothing and she became aware of Capitol’s label towards the end of 2002. She began to purchase Capitol’s clothing from its Victorian distributors for sale in her shop. Attached to the declaration as exhibits are copies of invoices from the distributor, Pickworth Agencies, for some 67 garments. There is no indication whether this is the sum total of dealings with the agent.
12. In paragraph 5 of her declaration, Ms Nicholas refers to letters of demand from Capitol in respect of use of the word “Envy”. She describes the event as follows:

In October 2003, Hush Fashions received a letter from solicitors acting on behalf of the opponents, demanding that Hush Fashions immediately cease use of any name containing the word “Envy”, provide various undertakings regarding future use of this word and pay legal costs. Whilst it was decided not to comply with these demands, it was decided to adopt and register a trade mark containing the word ‘Envy’ which was further removed from the opponent’s registered mark 6001459 (E ENVY & Device). Subsequently, the marks GREEN WITH ENVY (Application 981219) and ENVY AVENUE (Application 981573) were chosen and applied for.

13. Shortly after applying for the trade marks referred to above, Ms Nicholas says, her company ceased using the name ENVY WEAR and began trading under the GREEN WITH ENVY trade mark. Promotion of the business continued under the new name as it had under the previous one. She states the company now has a mailing list of over 6000 customers, and over 3500 customers enter the store each week. Use of the mark has now extended to several television programs, and advertisements also appeared in the *Herald Sun* in 2004.

² Neither party has made any significant reference to the ENVY AVENUE trade mark. I do not consider this has any material effect on my decision, and my discussions later should make this clear.

14. The four trade declarations are from persons involved in the clothing trade in Australia, all of whom claim many years experience in the trade. All attest to knowledge of Hush Fashions and its products.

Evidence in reply

15. The evidence in reply was due to be served by 10 September 2005. Both parties were advised by letter dated 7 November 2005 that, as neither had requested a hearing, the matter would be directed to a delegate of the registrar for a decision on the written record. However, on 13 December 2005 Capitol requested an extension of time to serve evidence in reply. The request was accompanied by the material proposed as evidence. Hush Fashions objected to allowance of the extension, but after consideration of all information provided by both parties, the extension was allowed and the evidence entered into the record.
16. The evidence consists of a statutory declaration made by Peter Laurence Le Guay of Cowley Hearne Lawyers. The declaration refers to paragraphs 5 and 6 of the Nicholas declaration, and annexes copies of the correspondence between legal representatives of the two parties to this action following the letter of demand mentioned above in paragraph 12. Attached also is a status report for Capitol's registered trade mark 635628 in class 42. This is the trade mark subject of the belated request to amend the notices.

Submissions and discussion

Grounds of opposition

17. Capitol advised at the hearing that they would not be pressing grounds under sections 41, 43 and 58 of the Act. For completeness, I note these grounds have not been established.
18. The grounds Capitol did intend to argue were those in respect of section 44, paragraph 62(b) and what Ms Baird described as "section 60 slash 42". I note here that section 42 itself is not specified as a ground of opposition, despite Ms Baird considering it to

be covered by ground 2 on the notices³, and having provided detailed submissions in respect of it during the hearing.

Section 62 – acceptance because of evidence or representations false in material particulars


19. For this ground of opposition to be established, there must have been some kind of false evidence or representations made to the registrar (and thus to her delegate, the examiner who examined the application) resulting in an inappropriate acceptance for registration.
20. The information put before the examiner, as pointed out by Mr Waters at the Hearing, consisted of the trade mark applications themselves, as well as an application form and a Statutory Declaration to support a request for expedited examination. No representations regarding ownership are required by the registrar at the time of filing an application. The applications were in order at the time they were filed, as was the application for expedited examination. The application was examined, and the examiner did not find any grounds for rejection. There was thus no requirement for Hush Fashions to provide any evidence of use or other circumstances to support its case for acceptance. The correspondence comprising the further evidence, which Ms Baird claimed was relevant to this matter, has no bearing on the status of the applications at the time they were filed, examined and accepted. I am satisfied there was nothing false in material particulars before the examiner at the time the applications were accepted for possible registration. The ground under paragraph 62(b) has thus not been established.

Substantial identity and deceptive similarity

21. Both sections 44 and 60 rely on the trade marks under consideration being at least deceptively similar. It seems appropriate to deal with this issue first, as much of what is likely to follow depends on this matter.

³ Ground 2 consists of a modified quotation of the section 60 ground as set out in the Act.

22. The trade marks to be compared for this purpose are shown in the following table:

Capitol's trade marks		
600159 (Priority date: 14/4/1993)	Class 25: All goods included in this class	
635628 (Priority date: 22/7/1994)	Class 42: Retailing and wholesaling of clothing and accessories	ENVY
Hush Fashions' trade marks		
981219 (Priority date: 8/12/2003)	Class 25: clothing, footwear, headgear Class 35: Retail services relating to clothing, footwear and headgear	GREEN WITH ENVY
981573 (Priority date: 9/12/2003)	Class 25: clothing, footwear, headgear Class 35: Retail services relating to clothing, footwear and headgear	ENVY AVENUE

23. The usual tests for substantial identity and deceptive similarity are those set out by Windeyer J in *Shell Co. (Aust) Ltd v Esso Standard Oil (Aust) Ltd* ((1961) 109 CLR 407 at 414-415:

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....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.

24. On a side by side comparison, despite the presence in all four marks of the word "envy", there are sufficient differences between the trade marks for them to be clearly identified, one from another. They are therefore not substantially identical.

25. “Deceptively similar” is defined in section 10 of the Act as follows:

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

26. As mentioned before, all trade marks under consideration contain the word “envy”. The word “envy” is an ordinary dictionary word, defined in the on-line *Macquarie Dictionary* thus:

noun (plural **envies**)

1. a feeling of discontent or mortification, usually with ill will, at seeing another's superiority, advantages, or success.
2. desire for some advantage possessed by another.
3. an object of envious feeling.

verb (*t*) (**envied, envying**)

4. to regard with envy; be envious of.

27. The same dictionary defines the expression “green with envy” as meaning “jealous”. This phrase is used commonly enough in normal Australian language, often as an exaggerated reference to something desirable - as for example in the following exclamation: “You’re having a holiday in Bali! – I am green with envy!”

28. “Envy Avenue”, on the other hand, is not a dictionary term, and appears to be a coined expression, with no known or relevant meaning. There is a suggestion of an address or street name via the use of the word “Avenue”.

29. For a trade mark to “so nearly resemble that other trade mark that it is likely to deceive or cause confusion” there would need to be some perceived connection between the two trade marks in the mind of the purchaser. The mere presence in two trade marks of the same word is not sufficient for this to happen. The perception of a connection is more likely to occur when the target word is accompanied by words or images that allude to the trade marks being a family of trade marks owned by the same organization. A simplistic example here would be “ENVY Women” and “ENVY Men”, both in use on a range of clothing.

30. However, where the additional words are not relevant to the trade, or where well known phrases are used, this perception is less likely to be the case. I consider this is the situation here. Capitol certainly owns two trade marks involving the word ENVY. One of them, 600159, consists of more than just the word. It includes a letter E in a

circle, appearing as a letter E in a balloon on a string rising up from the word ENVY. The second trade mark, 635328, is the plain word ENVY.

31. In my view, Hush Fashions' two trade marks, GREEN WITH ENVY and ENVY AVENUE, have no obvious connection with Capitol's trade marks. GREEN WITH ENVY is a well known expression, and is most likely to be seen as just that – a phrase used in the language to suggest feelings of jealousy. I do not consider it is likely to be seen as part of Capitol's family of trade marks.
32. ENVY AVENUE, the second trade mark under consideration, is a meaningless phrase, with suggestions that it might be an address or street name somewhere. There is again no suggestion here of Capitol's trade mark, no obvious connection to be made in the minds of the buying public. I am unable to see anything within either of the trade marks that points to a possible relationship between Capitol's goods and services and those of Hush Fashions. This being the case, the resemblance between the trade marks is not such that there would be a real tangible danger of deception and confusion in the minds of the buying public. I am satisfied the trade marks are not deceptively similar.
33. As both sections 44 and 60 rely on the trade marks being at least deceptively similar, Capitol has not established either of these grounds.
34. However, if I am wrong in my reading of the trade marks, I should point out that Capitol did not provide sufficient evidence to support a claim for a reputation as envisaged by section 60. The few examples it provided of its trade marks in use are all after the relevant dates (the filing dates of the two applications under opposition). In addition, Capitol has not provided any sales or advertising figures, or any information whatsoever which can give an idea of the size of its business, any knowledge of it on the part of retail and/or wholesale customers within the trade (except for the Tripolitus declaration) or anything else likely to support its claim for a reputation in the relevant market. Given the paucity of information before me, even had I found the trade marks to be deceptively similar, this ground would not have been established.
35. I note here also, that the section 60 ground not having been established, it is not necessary for me to consider any issues under section 42. Despite the opponent's

submissions in respect of the matter, the ground was not one nominated on the notices of opposition.

Decision

36. Capitol has not established any of its grounds of opposition for either of trade mark applications 981219 and 981573. The trade mark applications may therefore both 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

37. Hush Fashions has requested its costs, and having been successful in this action, is entitled to them. I therefore award costs against Capitol in accordance with the scale set out in the Regulations. These costs will be taxed as per the decision in *Hume Industries (Malaysia) Berhard v James Hardie & Coy Pty Ltd* [2001] ATMO 78 (23 August 2001).

Alison Windsor
Hearing Officer
Trade Marks Hearings
25 September 2006