

TRADEMARK LAW CASES

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WHAT IS A TM?

- A sign used as a badge of origin, to distinguish the goods/services of one trader from those of another.

Coca-Cola v All-Fect (2000)


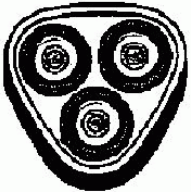
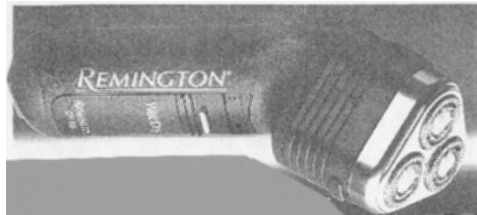
- CC registered contour drawings of the glass Coca-Cola bottle for use on/in connection with drinks and syrups. All-fect distributed foreign-made cola-flavoured lollies in Aus to wholesalers that were bottle-shaped.
- CC alleged that the silhouette and shape of the lollies resembled the Coca-Cola registered drawing TM.
- Held at 1st instance: All-fect's lolly was not used 'as a TM' as required by s120(1) and CC's TM was **not infringed**. CC appealed.

CC's registered TM = contour drawn glass bottle	All-fect's confectionary
	

- ISSUE**: Can the cola bottle lolly itself be a TM?
- HELD**: Yes
 - Whether a product shape is used as a TM is determined separately from infringement.
 - So the question is whether the shape is used to indicate origin in itself, not whether the shape is used to indicate that the product origin is the registered TM owner.
 - The use of 3 descriptive features (the silhouette of the bottle, the fluting of the bottle and the label band) was use as a TM because these features distinguished the goods from others.
- PRINCIPLE**: When a consumer is led to conclude that the shape of goods suggests a link between the goods and the manufacturer of those goods, the shape is a registrable TM.

Koninklijke Philips v Remington (2000)

- Philips sought to prevent the marketing by Remington of an electric shaver with three shaving heads arranged in the an equilateral triangle configuration similar in appearance to Philips' well-known triple headed rotary shaver.
- Philips alleged that the Remington triple headed configuration infringed its registered 2D and 3D device marks.

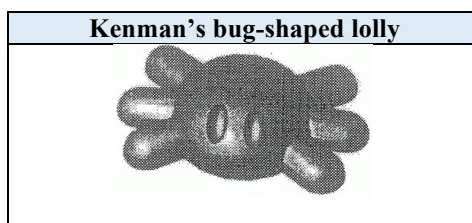
Philips registered TM's		Remington's shaver
The 2D mark	The 3D mark	
		

- ISSUE**: Did Remington use the shaver head shape as a TM?
- HELD**: No – R did not use the shape as a badge of origin.
 - The message of R's triple headed configuration was not one indicating 'commercial origin' but rather one indicating the kind/attributes of the shaver. The configuration was one of the best designs for a rotary shaver, so it was functional, not a badge of origin.
 - The shape of goods may be registrable, as long as the goods remain 'distinct from the mark' – i.e. cannot be purely functional.
 - A shape mark requires something 'extra' added to the inherent form of the goods as something distinct that can indicate origin.
 - 'A mark remains something extra added to distinguish the products of one trader from those of another, a function that plainly cannot be performed by a mark consisting of either a word or shape other traders may legitimately want to use'

REGISTRATION

Kenman Kandy (1999) – registrable sign, inherently adapted to distinguish

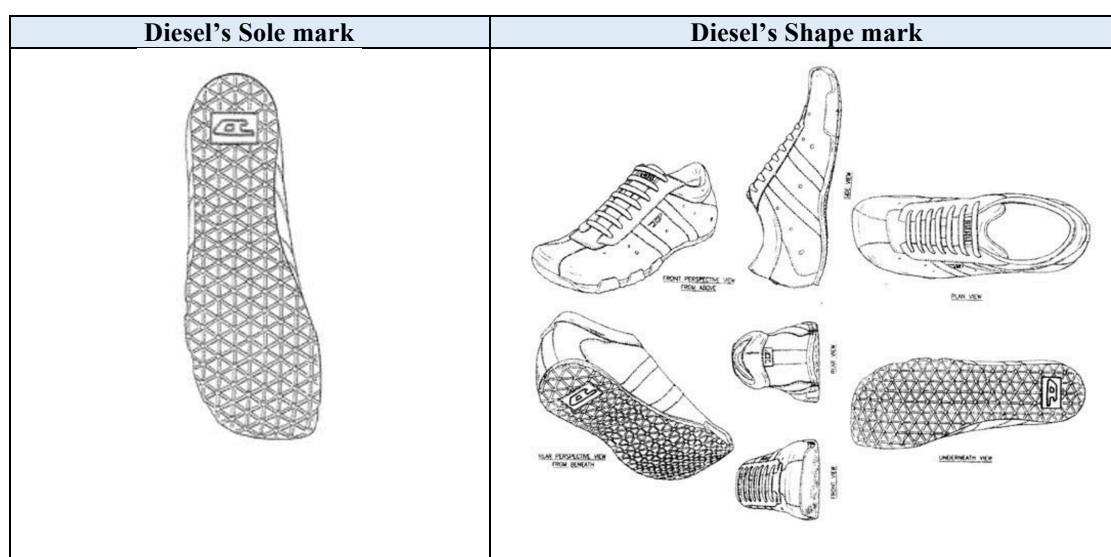
- Kenman sought registration for the 3D shape of its bug-shaped lolly with 6 legs and big eyes.
- Reg of TM rejected registrability – despite finding bug shape was an ‘invented’ and ‘stylised six-legged creature’ that ‘strikes the eye as distinguishable from other shapes’. K appealed.



- ISSUE:** Was the bug shape a registrable sign?
- HELD:** Yes (2:1) – because it was **non-functional**.
 - A sign may include the entire shape of the product itself.
 - But a shape dictated by the nature of the goods or by a particular technical result to be obtained cannot function as a TM.
 - The bug shape had no functional significance, thus was a registrable sign.
 - Policy reason: TM's should not be used to create monopolies over functional features or innovations.
- ISSUE:** Was the bug shaped inherently adapted to distinguish K's goods?
- HELD:** Yes – registration granted
 - Court considered; were **other** confectionary manufacturers **likely**, in the ordinary course of their business and without improper motive, to desire to use the bug shape or a mark nearly resembling it, upon or in connection with their goods?
 - Stone J:** while bug shape suggestive of insect life, it was not the shape of any specific insect/bug. Registration would not give K a monopoly over all bug or insect shapes – only this particular shape + sub identical/deceptively similar shapes.
 - French J:** the bugs distinctive symmetrical disposition of its legs and eyes enjoyed the benefit of the presumption of registrability under the Act.

Global Brand v YD Pty (2008) – registrable sign, inherently adapted to distinguish

- Diesel is registered owner of 2 TMs; the ‘sole mark’ and the ‘shape mark’ for footwear.
- GB claimed infringement by YD, YD cross-claimed that both marks should be removed from the register as they did not comply with **s41**.



- ISSUE:** Did the TM's comply with **s41**?
- HELD:** Yes – per **s41** – registration must be rejected if TM not capable of distinguishing applicant's goods/services from those of other persons.

- Shape mark: the combination of the stylised "D" on rear and outer side, the shoe shape, the crosshatched sole pattern with a rectangle containing the stylised "D" and two oblique stripes on sides and one vertical stripe on the rear were sufficient to render the Shape Mark inherently distinctive.
- Sole mark: the diamond shape pattern and stylised 'D' on the sole was sufficient to distinguish it from other shoes.
- **ISSUE: Were the shape marks 'used as a TM'?**
- **HELD: Yes**
 - There is a 'spectrum' of shapes capable of being used as a TM; at one end – shapes that are purely functional, at the other – shapes that are non-descriptive and non-functional. The facts here were considered to fall in the middle.
 - Diesel's 2 shape marks were capable of use as a TM because the particular combination of features was likely to achieve the purpose of distinguishing Diesel's shoes from those of other traders.
 - Further, other traders in these types of shoes were unlikely to want to use such a combination.
- Court summarized **principles of use of a shape as a TM**:
 - A special shape which forms the whole or part of goods may serve as a badge of origin. However, the shape must have a feature that is 'extra' and distinct from the inherent form of the particular goods.
 - Non-descriptive features of a shape make it more likely that such features are used for a TM purpose. Features that are striking will also typically lead to a conclusion that the shape is used for a TM purpose (for example, features that make the goods more interesting in appearance).
 - "Descriptive" features, like descriptive words, make it more difficult to establish that those features distinguish the product, and therefore, function as a TM.
 - If a shape is "concocted" compared to the inherent form of the shaped goods, it is unlikely to be a shape having any functional element. This points towards the shape being used as a TM.

Mark Foy's v Davies Coop (1956) – inherently adapted to distinguish

- MF registered/used the mark 'TUB HAPPY' in connection with clothing; clothes that when washed would not shrink. D used the mark in connection with their clothing. MF claimed infringement, which was dismissed on grounds that D's use of the words were descriptive of the goods' character.
- On appeal, D challenged validity of MF's TM on grounds that the mark directly referred to the character or quality of MF's clothing, thus not to any extent adapted to distinguish.
- **ISSUE: Inherently adapted to distinguish?**
- **HELD: Yes – because the words were not descriptive of the characteristics/qualities of the goods.**
 - Considering the effect on the ordinary consumer, words 'Tub Happy' made no direct reference to quality/characteristic of washability, nor was such a reference supported by known usage of the words.
 - 'Tub Happy' could be considered to 'create an impression' of quality of washability but failed to convey any meaning/idea sufficiently tangible to amount to a direct reference to the quality of the goods.
- **Kitto J (dissent): 'Tub Happy' was a direct reference to the quality of the goods.**
 - Considered the significance of the word to the intended public; held that most people would immediately and directly perceive 'Tub Happy' in connection with garments as meaning the garment was washable.
 - 'Tub' in relation to garments obviously refers to a wash-tub, and 'Happy' as applied to garments and in relation to the wash-tub would readily convey to anyone that washing suits the garments well.

Clark Equipment v Reg of TM (1964) – NOT inherently adapted to distinguish

- Clark has registered TM in the US for 'Michigan' in connection with its heavy machinery. C applied for registration of same mark in Aus for similar goods. Registration refused on grounds of geographical significance of the mark 'Michigan'.
- **ISSUE: Is the use of the mark alone sufficient to conclude that mark constituting a geographical reference is adapted to distinguish goods from those of another trader?**
- **HELD: Not inherently adapted to distinguish**
 - Because Michigan is a geographical reference to that state of Michigan from which the goods originated.
 - A geographical reference is unlikely to be adapted to distinguish if there is a reasonable belief that the goods would come from that location. At the time, Michigan had a reputation for being industrial.
 - NB: 'North Pole bananas' might be adapted to distinguish.
- **Kitto J test:**
 - Whether a mark is adapted to distinguish is to be tested by the likelihood that other persons, trading in goods of the relevant kind and actuated by proper motives, will think of the word and want to use it in connection with similar goods.
 - 'The more apt a word is to describe the goods, the less inherently apt it is to distinguish them as goods of a particular manufacturer'.

Blount v Reg of TM (1998) – Distinctive in fact – extensive prior use per s41(3)

- Application for the word ‘Oregon’ in respect of chainsaws and other hand tools, equipment and accessories rejected. Evidence submitted as to the substantial promotion, advertising and sales of Oregon power and hand tool products in Australia since 1960 in a variety of media. Evidence from consumers, wholesalers, retailers in support of the recognition of the mark as indicating the applicants power and hand tools.
- **ISSUE:** Does the mark ‘Oregon’ distinguish the applicants tools as being from the applicant by reason of the extent to which the applicant used the mark in sales and advertising in Australia before filing date of application?
- **HELD:** Can register despite geographical significance - acquired distinctiveness
 - Blount had established that, because of the extent to which it has used the TM before the filing date, the TM did distinguish certain goods of Blount from goods of other persons.
 - The evidence suggests that the applicant had undertaken considerable promotion and use of the mark ‘Oregon’ in the power/hand tool market.
 - Persons concerned with small-scale power cutting equipment, such as chainsaws, circular saws, lawnmowers etc, associate the word ‘Oregon’ in relation to such equipment with a particular range of chainsaws.

Ocean Spray Cranberries v Reg of TM (2000) – NOT distinctive in fact per s41(3)

- OS sought registration of words ‘Cranberry Classic’ for fruit juices. The expression had been used extensively by OS since the mid-1990’s, but always accompanied by OS’s registered TM ‘Ocean Spray’ appearing above it.
- Application **rejected** – lacked any inherent distinctiveness, failed both **s41** and **s41(4)**. Registrar referred to dictionary definition of ‘Classic’ as being of the highest rank or importance; ‘Cranberry’ denoting the fruit from which the juice is made. OS appealed.
- **ISSUE:** Use ‘as a TM’
- **HELD:** No
 - The mark must be intended to proclaim a connection with a particular trader.
 - The evidence does not establish the words ‘Cranberry Classic’ had acquired a discernible connection with Ocean Spray.
 - OSC had spent a lot of money on advertising its products, including Cranberry Classic, but range always promoted under the name ‘Ocean Spray’. Given this and presence of ‘Ocean Spray’ on labels, likely that any association in the public mind between this product and OSC would be from use of ‘Ocean Spray’ and not ‘Cranberry Classic’.
- **ISSUE:** Distinctive in fact under **s41(3)**?
- **HELD:** No – descriptive of the goods
 - An application is to be rejected if the mark is not capable of distinguishing the applicant’s goods or services from those of others.
 - The test is whether it is likely that other persons trading in goods of the relevant kind and actuated by proper motives will think of the word/s in the mark and want to use it in connection with their goods.
 - Ocean Spray argued that the alliteration was unusual, as was the use of a noun followed by an adjective.
 - His honour returned to the ‘proper test’ and said that ‘Cranberry Classic’ are words that other cranberry drink manufacturers might wish to use in the future because of their significance; namely that the juice is cranberry and is of the highest standard.
- Additional point
 - OS adduced evidence of other marks on the register that contain or consist of the word ‘CLASSIC’.
 - Wilcox J disregarded the evidence, saying that the state of the Register is irrelevant because the state of the market is not known nor is a variable that led the Registrar to put marks on the Register.
 - **NB:** Take careful note of the type of ‘use’ required for **s41(3)** – it must be use ‘as a TM’, cannot simply point to extensive sales of goods with sign attached to them.