

Topic 2: Trademarks A – Registrability

Relevant legislation: *Trade Marks Act 1995 (Cth)*

Johnson and Johnson Australia Pty Ltd v Sterling Pharmaceuticals Pty Ltd [1991] per Gummow J

“The registered trade mark serves to indicate, if not the actual origin of the goods and services, nor their quality as such, the origin of that quality in a particular business, whether known or unknown by name”

RECAP

WHAT IS A TRADE MARK? → s 17

A trade mark is a **sign used**, or **intended to be used**, to **distinguish goods or service** dealt with or provided in the **course of trade** by a person from goods or services so dealt with or provided by any other person

- What is a sign? s 6
 - o A sign includes the following or any combination of the following, namely any letter, word, name, signature, numeral, device, brand, heading, label, ticket, aspect of packaging, shape, colour, sound or scent
- What are goods and services? s 19
 - o Goods and services are **classified according to the international Nice classification system** and the categories are standard around the world
 - o There are 34 classes of goods and 11 classes of services
- What is use or intent to use? ss 17 & 27
 - o The **person must use or intend to use the marks** in the goods and services that are claimed in the application
 - o **Trade mark must function as a trade mark** → consumer recognises the trade mark and observe it as a badge of origin/brand and do not see the mark as being descriptive, functional or decorative
 - o Cannot ghost mark a good i.e. use a mark that was never intended to be used in the course of trade → such a mark can be used to prevent the registration/use of another similar mark

Imperial Group v Philip Morris [1980]

Imperial Group registered the mark NERIT in respect of cigarettes – wanted to register MERIT but this mark was too descriptive to be registrable

By registering NERIT, Imperial Group expected to be able to prevent any use of the MERIT mark by competitors i.e. the two marks being deceptively similar

Issue:

- Was the registration valid?

Held:

- At the date of registration Imperial Group were not using the mark NERIT, they propose to use it in order to stop their rivals from using the mark MERIT
- They did not propose to use the mark NERIT so as to indicate a connection in the course of their trade between the cigarettes and themselves
- Pseudo registrations should not be allowed to clutter up the register
- What is distinguish? s 17
 - o Trade mark must be a sign that distinguishes goods and services from those of other traders

Clark Equipment Co v Registrar of Trade Marks [1964] per Kitto J – establishes test

“The question whether a trade mark is adapted to distinguish must be tested by reference to the likelihood that other persons, trading in goods of the relevant kind and being actuated by only proper motives will think of the word and want to use it in connection with similar goods in any manner which would infringe a registered trade mark granted in respect of it”

- o The mark that is used must be something that other traders of similar goods or services will not have/want to use in the normal course of trade
- o ‘Bad’ marks are marks that are not distinctive or fail to distinguish the good or service from others
→ a mark that describes the goods or that indicate the kind, quality, intended purpose or value of the goods or services s 41(4)
- o Non-distinctive words/phrases can be registered if they are combined with unique words or symbols – trade mark distinctiveness is assessed as a whole

Examples of distinctive marks (marks that are inherently adapted to distinguish)

- ✓ Uncommon names e.g. Adidas
- ✓ Meaningless words e.g. Exxon or Kodak
- ✓ Coined words e.g. Surelock or Clickfast
- ✓ Unlikely grammatical construction especially misspellings e.g. Shoprite

- Shape marks
 - o Can be difficult to register – the shape must be original and striking to the eye so that the consumer sees the shape and immediately links the shape with the product/brand
 - o The unusual aspects of the shape are not dictated by any functional requirements but are purely ornamental
 - o Shape is unique to the goods for which registration is sought
 - o Shapes can be capable of being distinguished and the normal tests apply

Kenman Kandy Australia Pty Ltd v Registrar of Trade Marks (2001) – Capacity to distinguish?

Registrar said that the company could not use the shape of the candy as a badge of origin

Court had to consider whether the shape was being used as a trade mark → was the shape inherently adapted to distinguish?

Held:

- Functional shapes are never distinctive as per s 41(3) and the Full Court held that there cannot be a blanket ban on shape marks that may have some functional use
- In this case, the shape was not functional and was inherently adaptable to distinguish and distinct in its character
- Shape is not functional – no genuine reason why another trader would want or need to use the bug shape unless actuated by improper motives

Test:

The question to be asked in order to test whether a shape is adapted to distinguish one trader's goods from the goods of all others is whether the shape 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

REGISTRATION

Check before you apply to register

1. Trade Marks Register → are there deceptively similar marks for similar goods or services?
2. Are there any CL marks? i.e. unregistered marks
 - o Can check ABN Register and domain search for names
 - o Google and Yellow Pages search to see if there are traders with a CL mark

Trade mark vs goods

Must distinguish before the trade mark and the goods themselves

Coca-Cola Co v All-Fect Distributors (1999)

Coca Cola had various trade marks including the contour bottle shape

Efrutti (All-Fect) produced, imported and distributed a cola flavoured confectionary called COLA BOTTLES shaped like the contour bottle with similar features to those of the Coca Cola bottle

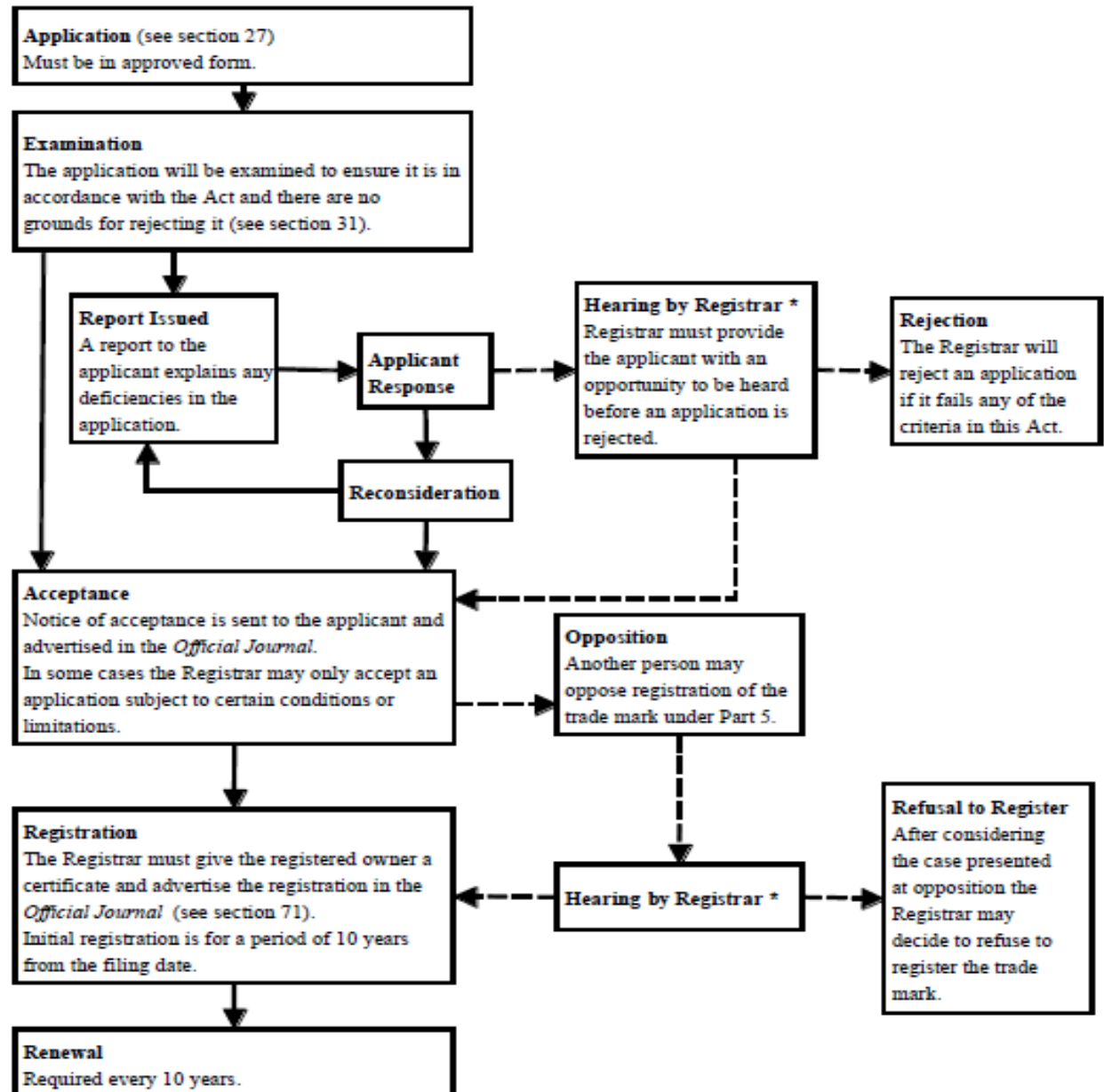
Issue:

- Was Efrutti using the bottle shape as a trade mark?

Held:

- Court held that Efrutti was using bottle shape as a badge of origin
- Issue of not whether the shape is used to indicate that the product origin is in the registered trade mark owner, but whether the shape is used to indicate origin in itself
- Efrutti used three distinctive features of the confectionary (1) silhouette of the bottle, (2) fluting on the bottle and (3) label band
- Use of these features was use of the shape as a trade mark because these features distinguished Coca Cola's contour bottles from the goods of others

Appendix - Obtaining registration of a trade mark



* An Appeal may be made to the Federal Court against the decision of the Registrar.

← Unbroken lines signify the most likely course of events.

Note: Fees and time limits may apply at various stages of this process.

Special marks

- Collective marks Pt 15
 - o Distinguishes goods provided by members of an association
 - o Cannot be assigned or transmitted
 - o Owned by association and the association has power to take action
- Certification marks Pt 16

- Indications that a person certifies the goods as being of a particular quality, accuracy, origin, material, mode of manufacture
 - Distinguishable from other goods of the same type
 - Must satisfy particular rules and only an application who provides a product of a particular quality etc. can apply the marks
- Defensive marks Pt 17
- Intended to provide partial protection for famous marks and allowing them to be registered for goods or services in respect of which they are not actually used
 - Ghost marking is prohibited
 - e.g. KELLOGGS, COCA-COLA, CHANEL, SHELL

OPPOSITION Pt 5

1. If the Registrar has accepted an application for registration, an opponent may file a notice of opposition s 52
2. Both opponent and application must be given an opportunity to be heard s 54
3. Opposition grounds established in Pt 4, Div 4 and ss 56, 58–62A
4. Registrar must decide (in light of opposition case) whether to refuse or register the mark s 55

GROUND FOR REJECTION Pt 4 Div 2

- Trade marks containing certain signs s 39 TMA 1995 (Cth)
 - Things of a particular class e.g. Coat of Arms, Commonwealth, WIPO
- Trade mark that cannot be represented graphically s 40
 - Can be an issue for scents – if the scent cannot be described it cannot be registered
- Trade mark is scandalous or its use is contrary to law s 42
 - Profanities or allusion to inappropriate subject matter e.g. KUNT
- Trade mark likely to deceive or cause confusion s 43
 - Not to be used when comparing one trade mark with another trade mark
 - e.g. the name 'HERBOLIC' for a synthetic soap

SECTION 41 OBJECTIONS

Section 41 → two-step process

1. Is the mark inherently adapted to distinguish – thus *prima facie* distinctive?
2. If not, is there evidence of factual distinctive due to the way the mark has been used such that it operates as a badge of origin?

Trade mark not distinguishing applicant's goods/services

- A trade mark must be rejected if it is not distinctive of the applicant's goods/services s 41(1)
- A trade mark can only be rejected on the basis that it lacks distinctiveness if s 41(2)

- It is not inherently adapted to distinguish s 41(3)(a) and it has not acquired distinctiveness through past use s 41(3)(b)
- Where the trade mark is partially inherently adapted to distinguish s 41(4)(a) and it has not and will not acquire distinctiveness through past or future use s 41(4)(b)

But does it in fact distinguish due to the extent of use prior to file date?

- Has the applicant used the trade mark so extensively that consumers see the mark as a 'badge of origin'?
- Is there a secondary meaning beyond the descriptive term?
- Applicant must submit evidence of trade mark use

Blount Inc v Registrar of Trade Marks (1998)

Blount sold chainsaw accessories worldwide including Australia since prior to 1960

Trade Marks Office rejected the application as other manufacturers of similar goods would need to use 'OREGON' to indicate the origin of their goods



Blount appealed the decision

Held:

- Geographical name can hardly ever be inherently capable of distinguishing s 41(3)(a)
- Blount demonstrated extent of use prior to the filing date by way of evidence such as use of the mark since 1960, promotion under the mark and consumer affidavits to distinguish goods
- Overall impact of the evidence is that a 'person concerned with relatively small-scale power cutting equipment associate the word 'Oregon' in relation to such equipment'

Ocean Spray Cranberries Inc v Registrar of Trade Marks (2000)

Cf OREGON – Cranberry Class has not been used as a trade mark as the court found that the name 'CRANBERRY CLASSIC' is descriptive of the flavour of the beverage s 41(3)

Other traders may wish to use 'CRANBERRY CLASSIC' in trading similar goods

Partial distinctiveness → s 41(4)

- If the trade mark is to some extent inherently adapted to distinguish, then consider if it does/does not distinguish based on the combined effect of
 - Extent to which it is inherently adapted to distinguish → to what extent is the mark special or unique?
 - The (intended) use of the mark → how has the trader used the mark before the filing date (also consider the trader's intention to use)?
 - Any other circumstances
- Must show extensive evidence of use prior to filing date or evidence of intention to use post filing date

SHAPE MARKS

Koninklijke Philips v Remington (2000) s 41 TMA 1995 (Cth) → Functionality

Remington produced an electric shaver with a triple head configuration, which Philips was famous for

Philips had registered the trade mark for the two-dimensional representation of its shaver head

Trade mark must be separate from goods – there is no trade mark protection for an aspect that others would need to reproduce in making the same sort of goods