



## HIGH COURT OF AUSTRALIA

3 December 2014

### CANTARELLA BROS PTY LIMITED v MODENA TRADING PTY LIMITED

[2014] HCA 48

Today the High Court, by majority, held that the trade marks "ORO" and "CINQUE STELLE" — registered by the appellant, Cantarella Bros Pty Limited ("Cantarella"), in respect of products including coffee — were inherently adapted to distinguish the goods for which they were registered from the goods of other persons, within the meaning of s 41 of the *Trade Marks Act 1995* (Cth).

Both Cantarella and the respondent, Modena Trading Pty Limited ("Modena"), advertise, offer for sale and sell coffee products in Australia. Cantarella brought proceedings in the Federal Court of Australia claiming that Modena had infringed its registered trade marks "ORO" and "CINQUE STELLE" (meaning "gold" and "five stars" respectively in Italian). By cross-claim, Modena argued that the registration of the trade marks should be cancelled, on the basis that the trade marks were not inherently adapted to distinguish the goods for which they were registered.

At the relevant time, s 41(2) of the Act provided that the Registrar of Trade Marks must reject an application for registration of a trade mark if the trade mark "is not capable of distinguishing the applicant's goods ... in respect of which the trade mark is sought to be registered ... from the goods ... of other persons". Section 41(3) stated that, in deciding whether s 41(2) applies to an application, the Registrar must first take into account the extent to which the trade mark "is inherently adapted to distinguish the designated goods ... from the goods ... of other persons".

In the Federal Court, Cantarella succeeded in establishing infringement and Modena failed in its cross-claim. Modena appealed on the cross-claim. The Full Court of the Federal Court allowed the appeal and held that the registration of the trade marks should be cancelled. By special leave, Cantarella appealed to the High Court.

The High Court, by majority, allowed the appeal. The Court emphasised that, in determining whether a trade mark consisting of a word or words (English or foreign) is "inherently adapted to distinguish", it is necessary to consider the "ordinary signification" of the word or words to persons in Australia concerned with the goods to which the trade mark is to be applied. The Court found that "ORO" and "CINQUE STELLE" were not shown to convey a meaning or idea sufficiently tangible to anyone in Australia concerned with coffee goods as to be words having a direct reference to the character or quality of the goods. Accordingly, the Court held that the trade marks were inherently adapted to distinguish the goods for which they were registered from the goods of other persons.

- *This statement is not intended to be a substitute for the reasons of the High Court or to be used in any later consideration of the Court's reasons.*