[HIGH COURT OF AUSTRALIA.]

ALEXANDER FERGUSON & CO. . . APPELLANTS;

AND

DANIEL CRAWFORD & CO. LTD. . . RESPONDENTS.

H. C. OF A. 1910.

MELBOURNE, *March* 23, 24.

Griffith C.J., O'Connor and Isaacs JJ.

Trade Mark—Practice—Costs—Award of costs by Law Officer—Exercise of discretion—Appeal to High Court—Trade Marks Act 1905 (*No.* 20 *of* 1905), *secs.* 95, 96.

The High Court has jurisdiction to entertain an appeal as to the costs awarded by the Law Officer on an appeal to him from the Registrar of Trade Marks.

But on such an appeal the Court will not overrule his order unless there has been a disregard of principle or a misapprehension of facts.

In re Gilbert; *Gilbert* v. *Huddlestone*, 28 Ch. D., 549, applied.

APPEAL from the Law Officer.

An application was made to the Registrar of Trade Marks under the *Trade Marks Act* 1905 by Alexander Ferguson & Co. for the registration of a trade mark in respect of whisky, of which the letters "P. & O." were a prominent feature. The application was opposed by Daniel Crawford & Co. Ltd. The Registrar dismissed the opposition with costs.

From this decision the opponents appealed to the Law Officer, who allowed the appeal and directed that the applicants should pay to the opponents £8 8s. costs of the appeal.

The applicants gave notice of appeal to the High Court from this decision, and thereupon the opponents gave notice that on the hearing of the appeal they would contend that the decision of the Law Officer, in so far as it did not reverse or otherwise

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deal with the decision of the Registrar awarding to the applicants the costs of the proceedings before the Registrar, and in so far as it did not award the costs of such proceedings to the opponents, should be set aside or varied, and that an order should be made that the award of such costs by the Registrar should be set aside and that the applicants should pay to the opponents their costs of and incidental to the proceedings before the Registrar. Other facts are stated in the judgment hereunder. Prior to the appeal coming on for hearing, the appellants gave notice that they abandoned it, and the only matter argued at the hearing was the contention by the respondents that the order should be varied.

Cohen (with him *Bryant*), for the respondents. The main questions before the Registrar were whether the appellants' label was similar to that of the respondents, and whether the appellants' label was likely to deceive the public. The Registrar found that there was no similarity between the label of the appellants and that of the respondents, and the Law Officer agreed with him. The Registrar also found that the appellants' label was not likely to deceive the public, but the Law Officer disagreed with that finding and decided in favour of the respondents. That being so, the ordinary principle should be applied, and the Law Officer should have awarded the respondents the general costs and have given to the appellants the costs of the issue on which they succeeded. The Court has, under sec. 95 of the *Trade Marks Act* 1905, power to deal with the costs awarded by the Law Officer. If the Law Officer has a discretion it is one with which this Court will interfere: *Kerly on Trade Marks*, 3rd ed., p. 99. The Law Officer was bound to do what this Court would feel itself bound to do in like circumstances.

[ISAACS J.—A Court of appeal will not review a decision as to costs unless there has been a disregard of principle or misapprehension of facts: *Young* v. *Thomas* (1)].

There the discretion as to costs was exercised by a Judge. The rule does not apply to decisions of inferior Courts: *Foster* v. *Edwards* (2); *In re Fuente's Trade Mark* (3). [He also referred

(1) (1892) 2 Ch. 134.
(2) 48 L.J.Q.B., 767.
(3) 8 R.P.C., 214, at p. 218.

to *In re Wright Crossley & Co.'s Application and Royal Baking Powder Co. of New York* (1); and *Gildart* v. *Gladstone* (2).]

Starke, for the appellants.

GRIFFITH C.J. This case is in form an appeal by Alexander Ferguson & Co. against Daniel Crawford & Co. Ltd. from the decision of the Law Officer on an appeal from the Registrar, who had granted registration of a trade mark. The Law Officer, who allowed the appeal, allowed the appellants, Alexander Crawford & Co., eight guineas costs, but made no order as to the costs of the proceedings before the Registrar. When the notice of appeal to this Court was given by the appellants, the respondents gave notice that they intended to ask that the order be varied by awarding them the costs of the opposition before the Registrar. A question has been raised whether the Law Officer in fact intended not to give them any costs of the proceedings before the Registrar. Now, ordinarily, when a tribunal is empowered to deal with the question of costs, and deals with the whole matter, but does not order costs to be paid, it in effect decides that such costs are not to be paid, just as a judgment for the plaintiff without mentioning costs is a judgment for the plaintiff without costs. Afterwards, the Law Officer was asked to review his decision as to those costs, and he was apparently prepared to hear further argument on the subject. Whether he could or could not have reviewed his decision at that stage I do not think it necessary to decide. After the Law Officer had intimated that opinion, it was brought to his notice that an appeal was pending from his decision, and he said he would not go into the matter. On being pressed, he stated that as a matter of fact he had fully considered the question of costs, and had come to the conclusion that both parties should under the circumstances bear their own cost of the proceedings before the Registrar, and added :—" I intentionally only made an order as to the costs in the appeal before me." I am disposed to think that this Court would have been entitled to ask the Law Officer whether he did decide the question, and, possibly, on what grounds he decided it. Certainly, where the

(1) (1900) 2 Ch., 218.

(2) 12 East., 668.

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information is given to us, I do not think we ought altogether to disregard it.

The only question now before us is whether the application to vary the Law Officer's order as to costs should be granted by this Court. The right of this Court to review the decision of the Law Officer on a question of costs is not disputed. The question is what principle should the Court apply in dealing with such an application? It appears to me that the case is exactly analogous to the case of an appeal to the High Court on a question of costs, when leave to appeal has been given. That principle was laid down by the Court of Appeal in England in the case of *In re Gilbert*; *Gilbert* v. *Hudlestone* (1). The head note in that case, which was adopted as a correct statement of the law on the subject by *Bowen* L.J. in *Young* v. *Thomas* (2), is as follows:— "Where an appeal from an order as to costs which are left by law to the discretion of the Judge is brought by leave of the Judge under sec. 49 of the *Judicature Act* 1873, the Court of Appeal will still have regard to the discretion of the Judge, and will not overrule his order unless there has been a disregard of principle or misapprehension of facts."

I think that the same rule ought to be applied in dealing with a decision by the Law Officer on a question of costs; otherwise the burden of the number of appeals to this Court would be intolerable. That would be a sufficient ground why such a rule should be adopted if there were no other ground.

We must consider then whether the party objecting to the Law Officer's decision has shown that there has been a disregard of principle, or a misapprehension of facts. As to his view of the facts, he thought that the opponents, the present respondents, had brought forward a great mass of evidence, and had caused great expense, in order to prove a point upon which they had failed. There was no misapprehension of fact upon that point. It is suggested that he did not properly appreciate the point. In the reasons which he gave for his decision he stated the nature of the evidence produced by the opponents. The application was to register a trade mark for whisky in which the prominent features were the letters P. and O. in very large type. The opponents

(1) 28 Ch. D., 549.

(2) (1892) 2 Ch., 134, at p. 137.

objected to the registration on various grounds. They said it was similar to one which they themselves used, that the term "P. & O." had come in fact to be identified with their whisky, not because they used those letters, but because the ships of the "P. & O." Company were large consumers of their whisky, and that people, using it on board the "P. & O." vessels, became accustomed to associate the names of the opponents with the term "P. &. O." in regard to their whisky. They therefore said there was a danger of the applicants' whisky being confused with the opponents' whisky. The Law Officer in his reasons pointed out that the evidence offered before the Registrar on behalf of the opponents was as follows;—

"1. That the labels of the applicants and opponents were in the opinion of the declarants alike.

"2. That 'P. & O.' is in Australia a popular abbreviation for the Peninsular and Oriental Steam Navigation Company.

"3. That the company is usually called the 'P. & O.' or 'P. & O. Company.'

"4. That the opponents' whisky is generally or largely used on the P. & O. Company's steamers, and is known on board as 'Crawford's P. & O. Whisky.'

"5. That the opponents' whisky is and has for some time past been known in Australia as 'Crawford's P. & O. Whisky,' and sometimes as 'P. & O. Whisky.'

"6. That the opponents' whisky has been advertised in Australia as 'Crawford's P. & O. Whisky' at different times and in different ways.

"7. That persons asking for whisky as 'P. & O. Whisky' in some hotels in Sydney and Melbourne would get opponents' whisky."

On all those points the Registrar held that the opponents had failed and the Law Officer did not disagree with him, but he allowed the appeal on the ground that the label itself, using the letters P. and O., was, under the circumstances, calculated to deceive the public. It seems to me that the Law Officer thoroughly apprehended the facts.

Then, did he disregard a principle? The ordinary rule is that, where one party has put another to a large expenditure on an

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issue on which he fails, he runs the risk not only of not getting the costs of that issue, but of being deprived of other costs which he might perhaps otherwise have got. That seems to be the principle which the Law Officer might properly have applied, and which, in fact, he did apply. As, therefore, there has been neither a misapprehension of facts nor a disregard of principle, there is no reason for interfering with the exercise of his discretion.

O'CONNOR J. I am of the same opinion.

ISAACS J. I concur.

Appeal dismissed with costs. Respondents to pay costs of notice to vary the order.

Not Foll *Moore v Jack Brabham Holdings Pty Ltd* 67 ALR 561

Solicitor, for the appellant, *F. B. Waters.*

Solicitor, for the respondent, *E. Hart* for *A. de Lissa*, Sydney.

B. L.

[HIGH COURT OF AUSTRALIA.]

BAXTER . . . . . INFORMANT;

AND

AH WAY AND ANOTHER . . . . DEFENDANTS.

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SYDNEY, *April* 26, 27, 28, 29.

Higgins J.

Customs Act 1901 (*No.* 6 *of* 1901), *secs.* 236, 255—*Customs prosecution—Burden of proof—"Averment."*

Sec. 255 of the *Customs Act* 1901 throws on a defendant in a Customs prosecution the burden of disproving the charge made against him, the word "averment" in that section covering the essential part of the offence and not merely technical averments preliminary or final.

Secs. 236 and 255 of the *Customs Act* 1901 discussed and applied.

United States v. *Arnold*, (1 Gallison, 348), applied.