H. C. of A.

1913.

DRAKE

v.

TEMPLETON.

Appeal allowed. Order appealed from discharged. Order to Registrar to register mortgage. Respondent to pay costs of application and of appeal.

Solicitors, for the appellant, Maddock, Jamieson & Lonic.
Solicitor, for the respondent, Guinness, Crown Solicitor for Victoria.

B. L.

Foll Zeneca Ltd v Sanonda (Australia) Pty Ltd (1998) 41 IPR 587

[HIGH COURT OF AUSTRALIA.]

SCHWEPPES LIMITED APPELLANTS;

AND

E. ROWLANDS PROPRIETARY LIMITED. RESPONDENTS.

ON APPEAL FROM THE REGISTRAR OF PATENTS.

H. C. OF A. Trade mark—Registration—Invented word—Variation of known word—Word

1913. having reference to character or quality of goods—Trade Marks Act 1905 (No.

20 of 1905), secs. 16, 114.

Melbourne, March 18, 19.

Griffith C.J., Barton, Isaacs and Gavan Duffy JJ. By Griffith C.J. and Barton J.—Where a word is sought to be registered as a trade mark, in determining the question whether it is an invented word within the meaning of sec. 16 of the Trade Marks Act 1905 or a mere variant of a known word, regard must be had to the meaning of the known word and to the subject matter to which the word sought to be registered is to be applied.

Eastman Photographic Materials Co. v. Comptroller-General of Patents, Designs, and Trade Marks, (1898) A.C., 571; 15 R.P.C., 476, discussed.

The word "Sarilla" was sought to be registered as a trade mark in respect of "mineral and aerated waters, natural and artificial, including ginger beer." The application was opposed on the ground that the word was not an invented word, but was merely a variant of the word "Sarsaparilla," a well-known H. C. of A. beverage, and that it had reference to the character or quality of the goods to which it was to be applied.

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Held, by Griffith C.J. and Barton J. (Isaacs and Gavan Duffy JJ. dissenting), that the word "Sarilla" was not an invented word, but was either a colourable variation of the word "Sarsaparilla," or the word "Sar"-a commonly used abbreviation of "Sarsaparilla"-or partly one and partly the other; that it had reference to the character or quality of some of the goods to which it was to be applied, and that, as to "ginger beer," it would be likely to deceive within the meaning of sec. 114, and, therefore, that the application to register should be refused.

SCHWEPPES LTD. v. E. Row-LANDS PRO-PRIETARY LTD.

APPEAL from the Registrar of Trade Marks.

E. Rowlands Proprietary Limited applied to have the word "Sarilla" registered as a trade mark in respect of "mineral and aerated waters, natural and artificial, including ginger beer." The application was opposed by Schweppes Limited. grounds of opposition were substantially that the word "Sarilla" is not an invented word, but is (a) a mere contraction or abbreviation of the word "Sarsaparilla," a word in common or ordinary use in the English language, (b) a merely variant method of writing "Sarilla," a common written abbreviation of the word "Sarsaparılla," or (c) a dimunitive of the word "Sar," another common abbreviation of the word "Sarsaparilla"; and that the word "Sarilla" has reference to the character or quality of the goods, namely, that they contain sarsaparilla or have the taste, flavour, character or some of the characteristics or qualities of sarsaparilla.

The Registrar held that the word "Sarilla" was an invented word and that its use in respect of mineral and aerated waters, natural and artificial, including ginger beer, was not calculated to deceive, and did not transgress the rights of the public or of the opponents. He therefore dismissed the opposition.

From this decision the opponents now appealed to the High Court.

The evidence, so for as it is material, is stated in the judgments hereunder.

Irvine K.C. (with him Macfarlan), for the appellants. The word "Sarilla" is not an "invented word" within the meaning

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H. C. OF A. of sec. 16 of the Trade Marks Act 1905. It is not substantially different from the word "Sarsaparilla," but it is imitative of that word: See per Lord Shand in Eastman Photographic Materials Co. v. Comptroller-General of Patents, Designs, and Trade Marks ("Solio Case") (1). It is descriptive of the name "Sarsaparilla," and of the thing which that name denotes. An obvious modification of a word in ordinary use is not an "invented word." [He also referred to Kerly on Trade Marks, 3rd ed., pp. 158 et seg; Kodak Ltd. v. London Stereoscopic and Photographic Co. Ltd. (2); In re " Uneeda " Trade Mark (3); Christy v. Tipper (4).]

> Schutt, for the respondents. The question is: Has the word "Sarilla" been newly coined, or has it been in existence in the same, or substantially the same, form? Taken apart from the subject matter to which it is applied, it has no meaning until one is attached to it. The amount of invention is immaterial. [He referred to In re "Uneeda" Trade Mark (5); J. C. & J. Field Ltd. v. Wagel Syndicate Ltd. (6); Sebastian on Trade Marks, 5th ed., pp. 582, 596, note (i).]

> Irvine K.C., in reply. The question whether a word is invented can only be determined in relation to the subject matter in respect of which the word is sought to be registered.

> GRIFFITH C.J. This is an application to register the word "Sarilla" as a trade mark in respect of "mineral and aerated waters, natural and artificial, including ginger beer." Sec. 16 of the Trade Marks Act defines the essential particulars of a registrable trade mark, of which two only need be mentioned:—"(d) An invented word or invented words," and "(e) A word or words having no reference to the character or quality of the goods, and not being a geographical name used or likely to be understood in a geographical sense." The appellants objected to the registration of the word "Sarilla" as being neither an invented word nor a word having no reference to the character or quality of the

^{(1) (1898)} A.C., 571, at p. 585.(2) 20 R.P.C., 337.(3) (1901) 1 Ch., 550.

^{(4) (1904) 1} Ch., 696; (1905) 1 Ch., 1. (5) (1902) 1 Ch., 783.

^{(6) 17} R.P.C., 266.

goods. The objection is amplified in the notice of opposition in H. C. of A. this way:-The opponents say that "Sarilla" is "a mere contraction or abbreviation of the word 'Sarsaparilla,' a word in Schweppes common or ordinary use in the English language, or is a diminutive of the word 'Sar' which is a common abbreviation of the word 'Sarsaparilla,'" and that it has reference to the character or quality of the goods.

The authority relied upon for the respondents is the case known as the Solio Case (1), decided by the House of Lords in 1898. The Statute in force in England at that time is identical with sec. 16, so far as I have quoted it. I read the head note of that case, which correctly states the decision:-"A word which is 'an invented word' within the meaning of clause (d) of sec. 64 sub-sec. 1 of the Patents, Designs, and Trade Marks Act 1883, as amended by the Patents, &c., Act 1888, sec. 10, sub-sec. 1, may be registered as a trade mark, although it 'has reference to the character or quality of the goods' within clause (e). Clauses (d) and (e) are independent of each other." The respondents put their case as high as this, that, if a word is not an existing word, it is an invented word—that is to say, that all words can be divided into two categories, existing words and invented words, or old words and invented words. But, although the Solio Case (1) decided that clauses (d) and (e) are independent of each other, it did not decide that the question whether a word is or is not an invented word is an abstract question unconnected with the subject matter to which it is sought to be applied. In that case the word "Solio" was quite new. It did not mean anything in English, and in the opinion of the House of Lords it did not suggest any thing or any meaning. The Court of Appeal had thought that it had a meaning, or suggested a meaning, referring to the character or quality of the goods, and that for that reason it should not be registered. The House of Lords thought that it had not and did not suggest any such meaning, but they also expressed the opinion that such a reference would not prevent the new word, which was really an invented word, from being registered as a trade mark. In view, however, of their opinion on the first point, the second did not

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H. C. OF A. really arise, and was not necessary for their decision, but the doctrine so laid down has ever since been accepted in law.

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In my opinion, it is quite impossible to consider the question whether a word alleged to be a mere variation of a known word is an invented word without applying one's mind to the further question of the meaning of the known word, that is, the subject matter in respect of which it is used. There is nothing in the Solio Case (1) inconsistent with this view.

In that case Lord Shand, after saying that clauses (d) and (e) were independent, proceeded (2):- "At the same time, I agree with your Lordships, and particularly with what has been said by my noble and learned friend Lord Macnaghten, in thinking, especially after the decision to be given in this case, that the Comptroller-General will be fully warranted in taking care that there shall not be admitted, under the guise or cover of words called 'invented' by the applicant, words really in ordinary use, which might, in a disguised form, have reference to the character or quality of the goods. There must be invention, and not the appearance of invention only. It is not possible to define the extent of invention required; but the words, I think, should be clearly and substantially different from any word in ordinary or common use. The employment of a word in such use, with a diminutive or a short and meaningless syllable added to it, or a mere combination of two known words, would not be an invented word; and a word would not be 'invented' which, with some trifling addition or very trifling variation, still leaves the word one which is well known or in ordinary use, and which would be quite understood as intended to convey the meaning of such word."

Of course, a mere colourable omission has the same effect as a mere colourless addition. In my judgment, a word which at once conveys to the eye or the ear the same idea as a known word is not an invented word within the rule laid down by Lord Shand. It follows that regard must be had to the meaning of the known word. Otherwise, a foreigner not conversant with the English language, and to whom the known word conveyed no meaning, would be as competent to judge of the matter as a person familiar H. C. of A. with the language.

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I proceed to apply this principle to the particular facts of the SCHWEPPES present case. Sarsaparilla is a well known beverage, known by that name. Evidence of considerable weight was given that the words "Sar" and "Sars" are commonly used as abbreviations of "Sarsaparilla" both in Melbourne, Victoria, and in Brisbane, Queensland. It further appears that in two cities in Queensland about 500 miles apart, both these words are used on bottles as the name of the same or a similar beverage. Apart from this evidence, which is not substantially contradicted, I think it extremely unlikely that boys, or even men, will always pronounce the five syllables of "Sarsaparilla" at length. It is a word which naturally lends itself to abbreviations, such as "Sarsprilla" or "S'prilla." The respondents say that they formed the word "Sarilla" by omitting the letters "arsap" after the initial "S." In my opinion they formed it by omitting the letters "sapar" after the initial "Sar," so that the word is either a colourable variation of "Sarsprilla" or "S'prilla," or the word "Sar" with a familiar termination, meaning that it is "Sar" in some form or other, or else that it combines both objections. If the word "Sarsaparilla" were registered as a trade mark, I think that the word "Sarilla" would, upon the evidence, be one so nearly resembling it as to be likely to deceive, within the meaning of sec. 25 of the Act, and, further, that the use of the word "Sarilla" would be an infringement of the trade mark.

Under these circumstances, I do not think that it is an invented word within the meaning of sec. 16.

For the same reasons I come to the conclusion that it is not a word having no reference to the character or quality of the goods to which it is proposed to be applied, except, perhaps, ginger beer, as to which it is obviously likely to deceive within the meaning of sec. 114.

For these reasons I think that the application ought to be rejected, and that this appeal should succeed.

BARTON J. I am of the same opinion. We are told in one of the declarations filed for the respondents that the process adopted

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H. C. of A. in making this word was the excision of the letters "a," "r," "s," "a," "p." It does not seem to make much difference whether you leave out the final letters of a word, or the initial letters, or intervening letters. If that which is left is likely to lead the ordinary observer to identify the word as it stood before its alteration with the word which is left after the beheading, or curtailment, or elision, it seems to me that the thing is not an invention. If the word made had been "Sarsapar," omitting the termination "illa," or "Saparilla," omitting the initial "Sar," which, on the evidence, is a well known abbreviation of the word "Sarsaparilla," the case would not be substantially different from the case where the omission is of letters after the initial letter of the word which leave the word "Sarilla." I think we should deal with the matter in the same way as we should, undoubtedly, have done if either of the two processes to which I have referred had been adopted instead of leaving out some part of the word which came between the initial and the terminal letter.

> It was said by Lord Macnaghten in the Solio Case (1) that "nothing short of invention will do." I do not think a process of this kind is invention. The test of invention seems to me to be not whether a word unknown before is left, but whether the word is so clearly identifiable with an existing word as to lead to the irresistible conclusion that it is formed out of the existing word. That I think is the case here. And I think the matter is clearer where the existing word is the usual name of the thing to which the mark is to be attached. "An invented word has . . . no meaning until one has been attached to it," as Lord Herschell said in the Solio Case (2). But, while that is true as to an invented word, is it true of a word like this? The meaning of this word is obvious to an ordinary observer, and, therefore, it is not within that part of the definition of an invented word which Lord Herschell made use of in that case. In the same case Lord Shand said (3):—"There must be invention, and not the appearance of invention only. It is not possible to define the extent of invention required; but the words, I think, should be clearly and substantially different from any word in ordinary

^{(1) (1898)} A.C., 571, at p. 583. (2) (1898) A.C., 571, at p. 581. (3) (1898) A.C., 571, at p. 585.

and common use." Now, I do not think that "clearly and sub. H. C. of A. stantially different" means that sort of difference which is made by a well-worn process such as merely beheading or curtailing SCHWEPPES or making an excision, if there is left something which is easily identifiable as indicating that thing from which it is made. And I think "Sarilla" clearly proclaims itself as "Sarsaparilla" a little altered.

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That conclusion also leads to a conclusion referable to clause (e) of sec. 16, because this alleged new word "Sarilla," if it is identifiable with "Sarsaparilla," does, no doubt, describe the character and quality of the goods to which it is applied.

For these reasons, and those stated by the Chief Justice, I agree that the appeal should be allowed.

ISAACS J. read the following judgment:—This case depends upon whether "Sarilla" is an invented word within the meaning of the Trade Marks Act. And the connotation of the term "invented word" depends upon the effect of the Solio Case (1). The principles are there authoritatively laid down, and subsequent cases are only illustrations of their application.

Lord Halsbury L.C. thought "Solio" was an invented word because he knew of no such word in any sense which would make it intelligible in England.

Lord Herschell thought an invented word must be one coined for the first time, having of itself no meaning until one has been attached to it, and that the quantum of invention is immaterial. As a negative test, he stated that the mere variation of orthography or termination of a word would be sufficient to constitute an invented word if to the eye or ear the same idea would be conveyed as by the word in its ordinary form. Further on he adds (2):- "I dare say that it might occur to some minds given to etymology that 'sol,' the Latin for sun, was a component part of it when they found it connected with photographic paper; but the same minds would equally find other root bases for the word if they found it connected with boots or agricultural implements." So far I have collected the opinion of Lord Herschell from the judgment. But there appear in the Patent Reports some obser-

(2) (1898) A.C., 571, at p. 582. (1) (1898) A.C., 571; 15 R.P.C., 476.

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H. C. OF A. vations of the learned Lord in arguments which appear to me important. The Lord Chancellor asks counsel (1): "What do you say 'Solio' means?" The answer is: "Paper sensitive to the sun." Then Lord Herschell says:—"There is nothing about paper in it. What does it mean in the abstract?" Lower down on the same page he observes (1):- "The word 'Solio' by itself conveys to nobody an idea. When you find it is used with regard to photographic paper you might spell it out, and you might think of 'Sol' the sun or might not, and if it were used with reference to boots, you might think it had reference to the sole of the boot, and if it were used in reference to the earth, you might think it was from 'Solum' the soil, but that would depend upon the idea suggested by the connection in which it was used, not by the word itself." It is plain that this extended explanation is the key to his Lordship's words in the formal judgment that an invented word has of itself no meaning until one has been attached.

Then Lord Macnaghten in his judgment said (2):—"The word must be really an invented word. Nothing short of invention will do. On the other hand, nothing more seems to be required. If it is an invented word, if it is 'new and freshly coined' . . . it seems to me that is no objection . . . that it may contain a covert and skilful allusion to the character or quality of the goods. I do not think that it is necessary that it should be wholly meaningless."

Lord Shand says (3):-- "There must be invention, and not the appearance of invention only. . . . the words, I think, should be clearly and substantially different from any word in ordinary and common use."

He also says (3):- "A word would not be 'invented' which, with some trifling addition or very trifling variation, still leaves the word one which is well known or in ordinary use, and which would be quite understood as intended to convey the meaning of such a word."

But he does not say that any addition or variation, merely because it is trifling or very trifling, would prevent a word from

^{(1) 15} R.P.C., 476, at p. 480. (2) (1898) A.C., 571, at p. 583. (3) (1898) A.C., 571, at p. 585.

being invented. He says, as all the learned Lords say, that the H. C. OF A. meaning of the current word must be preserved.

For instance, nothing can be more trifling than adding the SCHWEPPES letter "e" to the word German, or the letter "r" to the word "home," or eliminating the letter "p" from "sport." But in each case quite different words with quite different meanings are obtained. "Homer" means different things as applied to a poet, or a pigeon, or an ancient measure.

Then take the word "fitfully," excise three letters, retaining only the two first and the three last, and you have the word "filly;" but, of course, no one would dream of saying the meaning of the original word was preserved. One has to use one's commonsense as to whether the later word conveys the same meaning as the earlier word. I say the same meaning because a similar meaning is different though approximate, and the meaning must be conveyed by the inherent force of the new word, not by that word aided by some other word or special surroundings.

Now, applying those considerations to the word "Sarilla," it is important to remember that it never existed, in that form at all events, before this application. What does "Sarilla" mean? If any Australian were asked that question, apart from any special connection he would say he did not know. If seen on a motor car, he would probably think it represented some Italian manufacturer; if on cocoa, probably the same; if on a cordial bottle, he would probably think it contained a beverage resembling or in imitation of sarsaparilla; if on a chemical package, he might think it some new preparation, possibly extracted in part from sarsaparilla, but possibly not.

But no one could say definitely that "Sarilla" is, as it stands, "a short form of sarsaparilla." As to "sar" and other shortenings in use, even if established as equivalent to sarsaparilla, it is sufficient to say they are not "Sarilla." If Sarilla of itself means "Sarsaparilla," it would mean it when stamped on galvanized iron, just as the longer word would; which no one can assent to.

I am, therefore, of opinion that, taking the Solio Case (1) as my guide, I am bound to hold "Sarilla" to be an invented "word," and that this opposition must fail as to Sarsaparilla.

(1) (1898) A.C., 571.

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If it meant exactly the same, I should be of opinion that sec. 114 compelled the Court to reject the application altogether, because to brand all cordials as "sarsaparilla" would be plainly deceptive: See Paine & Co. v. Daniells and Sons' Breweries; In re Paine & Co.'s Trade Marks (1). But when there is not identity, but merely similarity, and the extent of that similarity is not established or even directly raised, the matter cannot be so dealt with.

I therefore think the appeal should be simply dismissed.

GAVAN DUFFY J. I concur in the judgment which has just been delivered by my brother *Isaacs*. I desire to add that I am not satisfied that sarsaparilla is known as "Sar" or "Sars" in such a way as to establish those words as words of the English language. If they were so established other considerations might arise.

GRIFFITH C.J. The judgment of the Court will follow my opinion. I will take the opportunity of adding to what I have already said that, supposing that it was proposed to register "Saloniac" as a trade mark for drugs, it would be very hard to say it was not an abbreviation of "Salammoniac."

Appeal allowed. Application to register dismissed with £8 8s. costs. Respondents to pay the costs of this appeal.

Solicitors, for the appellants, Moule, Hamilton & Kiddle. Solicitor, for the respondents, F. B. Waters.

B. L.

(1) (1893) 2 Ch., 567, at p. 584.