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(1993)
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[HIGH COURT OF AUSTRALIA.]

MANGROVITE BELTING LIMITED . . . APPELLANT ;
OPPONENT,

AND

J. C. LUDOWICI AND SON LIMITED . . . RESPONDENT.
APPLICANT,

Trade Mark—Registration—Surname—Distinctive mark—“Adapted to distinguish” H. C. OF A.
—Likelihood of deception—Trade Marks Act 1905-1934 (No. 20 of 1905—No. 45 1938.
of 1934), secs. 16 (1), (2), 114. {
SYDNEY,
Nov. 17, 18 ;
Dec. 23.
—
Latham C.J.,
Rich, Dixon,
and McTiernan
JJ.

An application by J. C. Ludowici & Son Ltd. for the registration as a trade mark of a drawing of a pulley wheel crossed diagonally by a rectangle which contained the name “Ludowici” in large and prominent type, was opposed by Mangrovite Belting Ltd. Both the applicant and the opponent were suppliers of power-transmission appliances. From 1913 the opponent company and its predecessor, Charles Ludowici, had carried on an extensive business, and during that time the name of Charles Ludowici was associated with the business, first as proprietor, and since 1917 as managing director. Members of the Ludowici family were connected with both companies. Evidence was given on the one hand that goods bearing the name “Ludowici” would be assumed to be the products of the applicant and on the other hand that the use of the proposed mark would be likely to deceive.

Held that registration of the mark should be refused on the ground that it was not adapted to distinguish the goods of the proprietor of the trade mark from those of other persons as required by sec. 16 of the *Trade Marks Act* 1905-1934, and, by *Latham C.J.*, on the further ground that the use of the proposed mark would be likely to deceive within the meaning of sec. 114 of the Act.

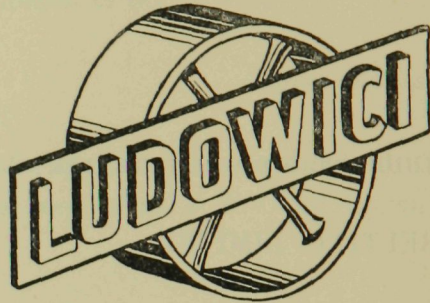
H. C. OF A. APPEAL from the Deputy Registrar of Trade Marks.

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MANGROVITE leather merchants, for the registration in respect of power-trans-
BELTING LTD. mission appliances of the following trade mark :—

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The application was opposed by Mangrovite Belting Ltd. upon the grounds (a) that the mark included as its dominating and designating characteristic the name “Ludowici” and was therefore not adapted to distinguish the goods of the applicant company from the goods of, or associated with, other persons of that name or of other trading concerns with which the name “Ludowici” was associated ; (b) that the business carried on by the opponent company, which included the manufacture and sale of transmission appliances, was originated in 1913 by Charles Ludowici, who uninterruptedly carried on the business in his own name until 1917, when he disposed of the business to the opponent company and was appointed managing director, which position he still held ; (c) that since 1913 to the present time the opponent company and its predecessor, Charles Ludowici, had carried on an extensive business in power-transmission appliances, particularly, but not exclusively, in machine belting and related appliances, and during the whole of that time the name “Charles Ludowici” had been closely associated with the business, first as proprietor, and since 1917 as managing director of the opponent company ; (d) that the board of directors of the opponent company consisted of four persons bearing the name “Ludowici” and the list of shareholders included fourteen other persons bearing that name ; (e) that in view of the fact that the name “Ludowici” was very intimately associated with the opponent company and such association was well known to the trade in power-transmission appliances and to a large section of the public purchasing

and using such goods, use of the mark as propounded for registration by the applicant company would lead to confusion and deception ; (f) that use by the applicant company of the mark upon or in connection with power-transmission appliances would indicate to the trade and to the public a non-existent connection of the opponent company with such goods, and such goods would be bought by a proportion of the trade and public in the belief that such goods were the goods of the opponent company, and the opponent company would in that case suffer loss and damage by reason of such deception and confusion ; (g) that the mark was not capable of distinguishing the goods of the applicant company from those of the opponent company, and was therefore disentitled to registration ; (h) that the mark, by reason of it being likely to deceive or cause confusion, would be disentitled to protection in a court of justice in respect of power-transmission appliances, and hence was not entitled to registration ; (i) that the inclusion in the mark of the device of a pulley did not render the mark distinctive for the reason that such device was common to the trade in power-transmission appliances, and in this application was employed merely as a background for the surname "Ludowici" ; (j) that the dominant characteristic of the mark was not the name of the applicant company but only part of it, and was in fact a surname not exclusive to any particular person or to any executive officer or officers of the applicant company and therefore did not fall within the scope of essential particulars of a registrable trade mark as defined by sec. 16 (1) (d) of the *Trade Marks Act* 1905-1934 ; and (k) that the registration of the mark would, prima facie, confer on the applicant company, as against the opponent company, the exclusive right to the name "Ludowici," a name closely associated with, and actually used by, the opponent company and its predecessor in connection with their products since 1913.

The deputy registrar held that the evidence did not show (a) that the device of a pulley was common to the trade, and (b) substantial user of the mark in the form in which registration was sought ; he held (i) that as a "new mark" it qualified as a registrable trade mark in terms of sec. 16 of the *Trade Marks Act* 1905-1934, and (ii) that the mark was not one the use of which would be likely

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to deceive within the meaning of sec. 114 of the Act, and granted the application.

From that decision the opponent appealed to the High Court.

Further material facts appear in the judgments hereunder.

Dudley Williams K.C. (with him *Henry*), for the appellant. The outstanding feature of the mark sought to be registered is a surname. That surname has not acquired a secondary meaning in the trade. It has been for a long time definitely and closely associated with the appellant and its productions; on the other hand the respondent's productions are not referred to under, or known by, the surname alone. The use of the surname as a trade mark would lead to confusion as to whether it referred to the products of the respondent or of the appellant (*In re Boots Pure Drug Co. Ltd.'s Trade Mark "Livron" and Société des Usines Chimiques Rhone-Poulenc's Application* (1); *Jafferjee v. Scarlett* (2)). The proposed trade mark is not distinctive within the meaning of sec. 16 (2) of the *Trade Marks Act* 1905-1934, and as it is in substance a surname it cannot be deemed distinctive in the absence of an order as required by sec. 16 (1) (e) (*Teofani & Co. Ltd. v. Teofani* (3); *Thomson v. B. Seppelt & Sons Ltd.* (4)). It has not been the practice of the respondent to trade under this surname; its products are, in fact, known under another trade mark (*In re William Crawford & Sons Ltd.'s Application* (5)). The application of the surname to power-transmission appliances would not unmistakably signify those appliances as being the products of the respondent and no other (*In re W. & T. Avery Ltd.'s Application* (6); *In re H. G. Burford & Co. Ltd.'s Application* (7); *Registrar of Trade Marks v. W. & G. Du Cros Ltd.* (8)); they would be confused with the products of the appellant or of a manufacturer or manufacturers similarly named (*A. Baily & Co. Ltd. v. Clark, Son & Morland* (9)).

[DIXON J. referred to *In re Clark, Son & Morland Ltd.'s Trade Mark* (10).]

(1) (1937) 54 R.P.C. 327, at pp. 336, 339.

(2) (1937) 57 C.L.R. 115.

(3) (1913) 30 R.P.C. 446, at p. 460.

(4) (1925) 37 C.L.R. 305, at p. 312.

(5) (1917) 1 Ch. 550, at p. 555.

(6) (1919) 36 R.P.C. 89, at p. 93.

(7) (1919) 36 R.P.C. 139.

(8) (1913) A.C. 624, at p. 635.

(9) (1938) A.C. 557, at pp. 563, 565, 567, 568, 571.

(10) (1937) 54 R.P.C. 134, at p. 138.

The surname is inherently incapable of being distinctive. The law relating to distinctive marks is discussed in *Kerly on Trade Marks*, 6th ed. (1927), pp. 195 et seq.

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May (with him *Kennedy*), for the respondent. The evidence shows that the mark propounded for registration is distinctive in itself. The cases cited on behalf of the appellant are not applicable. In all those cases the question was whether a surname or a geographical name simpliciter could be regarded as distinctive in the circumstances of the particular case under consideration. Here the trade mark is of a distinctive design and does not consist merely of a surname. It was adapted to distinguish the power-transmission appliances of the respondent from those of other persons, and is not calculated to, nor likely to, lead to deception (*Innes v. Lincoln Motor Co.* (1)). Having regard to the nature of the productions and to the purchasers thereof there is no real likelihood of deception or of confusion (*Jafferjee v. Scarlett* (2)). That there may be some confusion is not material; the important point is that there must be deception or a reasonable probability of deception. Protection is given to the mark as a whole; the respondent should not be required to disclaim the right to the exclusive use of the surname (*In re Cadbury Brothers' Application* (3)). The respondent's mark should not be dissected. As a whole, that is, the surname surmounted on a pulley, it is a combination produced for the first time and is distinctive (*In re Diamond T Motor Car Co.* (4)).

Dudley Williams K.C., in reply. The similarity of names used and the probability of deception was dealt with in *Clayton v. Vincent's Products Ltd.* (5). The surname is the most substantial and most material portion of the respondent's mark. If there is not any distinctiveness in the surname then there is not any distinctiveness in the mark at all. The whole name, and not merely the surname, should be registered as the mark (*In re Benz et Cie's Application* (6)).

Cur. adv. vult.

(1) (1923) 32 C.L.R. 606, at pp. 610, 611; (1921) 29 C.L.R. 277, at p. 278.

(2) (1937) 57 C.L.R., at p. 124.

(3) (1915) 2 Ch. 307, at p. 310.

(4) (1921) 2 Ch. 583, at pp. 590, 591.

(5) (1934) 34 S.R. (N.S.W.) 214; 51 W.N. (N.S.W.) 86.

(6) (1913) 30 R.P.C. 177.

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The following written judgments were delivered :—

LATHAM C.J. This is an appeal which comes to this court by virtue of the *Trade Marks Act* 1905-1934, sec. 45, from a decision of the Deputy Registrar of Trade Marks allowing the registration of a trade mark upon the application of J. C. Ludowici & Son Ltd. The application was opposed by Mangrovite Belting Ltd. The trade mark which was sought to be registered consisted of a drawing of a pulley wheel crossed diagonally by a rectangle which contained the name “ Ludowici ” in large and prominent type. The application was for the registration of the trade mark in class 6 in respect of power-transmission appliances. The deputy registrar was of opinion that the mark was not one the use of which would be likely to deceive within the meaning of sec. 114 of the Act and he granted the application. On this appeal the court determines the matter for decision for itself and if the applicant leaves the question *in dubio* the application fails (*Jafferjee v. Scarlett* (1)).

Sec. 16 (1) of the Act provides that “ a registrable trade mark must contain or consist of at least one of the following essential particulars: (a) The name of a company, individual, or firm represented in a special or particular manner; . . . (d) a word or words having no direct reference to the character or quality of the goods, and not being according to its ordinary signification a geographical name or surname; (e) any other distinctive mark, but a name, signature, or word or words, other than such as fall within the descriptions in the above paragraphs (a), (b), (c) and (d) shall not, except by order of the registrar, law officer, or court, be deemed a distinctive mark.” Sub-sec. 2 of the section provides that for the purposes of the section “ distinctive ” means adapted to distinguish the goods of the proprietor of the trade mark from those of other persons.

The word “ Ludowici ” is not the name, but is only part of the name, of the applicant company. The name is a surname, but it is not the name of an individual in the sense in which that phrase was interpreted in *In re Benz et Cie's Application* (2). Thus sec. 16 (1) (a) is not applicable. The inclusion of the drawing of the pulley in the mark sought to be registered distinguishes this case

(1) (1937) 57 C.L.R. 115.

(2) (1913) 30 R.P.C. 177.

from the *Benz Case* (1) where the ornamentation added to the word “Benz” was held to be quite commonplace in character so as to produce the result that the application was really an application for the use of the word “Benz” in itself with a quite undistinctive floral border. The application in this case is not an application merely for a word, and, if it were, the word is a surname. Thus sec. 16 (1) (d) is not applicable.

No order has been obtained under sec. 16 (1) (e) and the mark cannot be registered under the latter part of that provision.

The application therefore depends upon the initial words of sec. 16 (1) (e), “any other distinctive mark.”

The first objection taken to the registration upon the appeal was that the mark was not a mark which was adapted to distinguish the goods of the applicant or, indeed, of any proprietor from those of other persons. It was said that it was incapable of so distinguishing goods because “Ludowici” is (as the evidence shows) the surname of a number of persons. But the trade mark claimed is the whole device. It does not consist merely of a surname. This device, as emphasized by Mr. *May*, is not shown to be similar to any other means used for marking goods. In my opinion it cannot be said that the mark is incapable of being a trade mark for the reason that it is necessarily non-distinctive.

The second objection relied upon by the opponent was that the evidence showed that in fact the mark was not distinctive. The third objection was that the use of the mark would be likely to deceive. Sec. 114 provides (*inter alia*) that “no mark the use of which would by reason of its being likely to deceive or otherwise be deemed disentitled to protection in a court of justice . . . shall be used or registered as a trade mark or part of a trade mark.” These two objections depend upon the same evidence. They are based upon the fact that the word “Ludowici” is a very prominent feature of the trade mark. The pulley is little more than a background upon which the name is displayed. Any verbal reference to the mark would probably be made by using the name “Ludowici.”

The objections derive their significance and importance from the fact that members of the Ludowici family are associated with both

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the applicant and the opponent companies, and that they are engaged in the same business, namely, that of supplying power-transmission appliances, and, more particularly, machine belting.

In the year 1858 the late J. C. Ludowici established a business as a tanner and leather-belting manufacturer. His son Charles Ludowici about 1880 became the managing director of the business. In 1891 the applicant company was formed and it has continuously carried on business since that date. Charles Ludowici was the managing director of the company. In 1913 Charles Ludowici severed his connection with the applicant company and went into business upon his own account, dealing in the same class of goods. In 1917 Charles Ludowici formed the opponent company, Mangrovite Belting Ltd., and he has ever since been the managing director of that company.

The applicant company had a number of trade marks, including the word "Pioneer," which was very largely used for the purpose of marking its goods. The name of the company J. C. Ludowici & Son Ltd. was naturally and necessarily used in connection with the business of the company, but the name, "Ludowici," was not placed upon the goods of the company until the year 1933. Since that date the name "Ludowici" has been stamped on belting and on machinery supplied by the applicant company. There is evidence that the applicant company is known as "Ludowici's," and a number of deponents declare that if they saw goods bearing the name "Ludowici" they would assume that the goods were the products of or were sold by the applicant company. I take as illustrations of such evidence the following paragraphs which appear in a number of declarations filed on behalf of the applicant:—"I have heard many users in the State of New South Wales extending over the past ten years refer to applicant's power-transmission appliances as 'Ludowici' or 'Ludowici's' and identifying applicant's products by such name."—"I have known of the company Mangrovite Belting Ltd. for the past ten years and I have never associated the name 'Ludowici' or any name resembling the same nor in the trade have I ever heard the same name or any name resembling the same used to refer to the goods of the Mangrovite Belting Ltd." Some deponents also stated that they had never seen any belting other than belting

produced by the applicant company which bore the name "Ludowici" upon it. H. C. OF A.
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On the other hand the opponent adduced evidence which is directed to show that the use of the proposed mark would be likely to deceive. This evidence shows that the Mangrovite company has taken pains to associate the name of Charles Ludowici with its business and with the goods which it sells. It has been the practice of the company, ever since it was established in 1917, to place the words "Charles Ludowici, managing director" in close association with the name "Mangrovite Belting Limited." This has been done on letter-heads, bill-heads, labels, calendars and catalogues. Double-edged belts made by the opponent company have been stamped with the name "Charles Ludowici, original patentee" ever since 1917. Declarations made by purchasers of the relevant goods and used in support of the opposition contain the following statements: "I say that if I saw that mark" (i.e., the applicant's proposed mark) "on machine belts or other power-transmission appliances I would not know definitely whether the goods were those of Mr. Charles Ludowici, Mangrovite Belting Ltd. or J. C. Ludowici & Son Ltd., but would incline to the belief that they were goods having some connection with Mr. Charles Ludowici and his company, Mangrovite Belting Ltd., for the reason that, in my mind, the name 'Ludowici' is more closely associated with Mr. Charles Ludowici than with any other person in the same line of business."—"If I were shown goods such as leather belting or allied power-transmission appliances branded with the name 'Ludowici' without any other indication as to origin I would not know whether such goods emanated from Mangrovite Belting Ltd. of J. C. Ludowici & Son Ltd." This evidence is relied upon as showing that if the mark were registered it would be likely to deceive.

There is further evidence, more detailed in character, which is relied upon as showing that in fact deception has taken place in the past. This evidence shows that mistakes due to confusion of the identity of the two companies have been made by customers from time to time. Letters intended for the opponent, but addressed to Mr. Charles Ludowici, its managing director, have been delivered in error to the applicant company. In 1928 the applicant instituted a

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passing-off action against the opponent. The action was abandoned, but in the statement of claim it was alleged that the defendant was carrying on its business "in such a manner as to lead ordinarily careful members of the trade and of the public to believe that the business so being carried on by the defendant is part of the said business of the plaintiff and that the defendant is a branch of the plaintiff company and as to cause thereby confusion between the said businesses and to cause thereby such members of the trade and of the public to deal with the defendant while intending to deal with and believe that they are dealing with the plaintiff." In the years 1930 and 1931 the applicant company published a considerable number of advertisements in newspapers and journals warning the public against confusing its goods with the opponent's goods. The warning was in the following terms:—"Warning to buyers of belting. Another belting company using a similar surname is in no way connected and should not be confused with this, the original organization." The reference in these advertisements to another belting company using a similar surname was (it is not disputed) a reference to the Mangrovite Belting Co., with which Mr. Charles Ludowici was so closely associated.

There is no real conflict between the evidence of the applicant and that of the opponent to which I have referred. The evidence for the applicant company is largely given by persons who deal with that company. The evidence for the opponent is largely given by its customers. It is possible, in substance, to accept all the evidence on both sides (except such as is merely the expression of opinion) as to the probability of deception. The fact that the use of the mark would not deceive some persons does not show that such use might not deceive other persons.

The evidence shows that some trade customers who are normal and experienced people would be liable to confuse the goods of one company with the goods of the other by reason of the use of the proposed mark and that, if the name "Ludowici" is used upon any goods of the class in which the companies deal, there is a risk of mistakes being made as to the origin of the goods. Each company is at present apparently entitled to use this name as it is in fact using it. The grant of an exclusive right to use the name,

even with the picture of the pulley, would, in my opinion, almost certainly lead to deception. In these circumstances, it is not established, in my opinion, that the proposed mark is distinctive in the sense required by the Act, that is, adapted to distinguish the goods of the proprietor of the trade mark from those of other persons. In my opinion, therefore, the application should be refused upon this ground.

But, further, there is, in my opinion, a likelihood of deception within the meaning of sec. 114. There is a likelihood of deception if the mark sought to be registered is such that persons may reasonably fail to associate the mark definitely with the applicant's goods, and if it also appears that they will be subject to a real risk of associating it with the goods of a competitor. In such a case there is not a certainty, it is true, but there is a probability, of deception. The evidence shows that there would be such a probability if the applicant's mark were registered, and, accordingly, on this ground also, I am of opinion that the application should be refused.

The appeal should be allowed with costs and the decision of the deputy registrar should be set aside. The application for registration should be refused with costs of proceedings before the deputy registrar.

RICH J. The trade mark put forward by the respondent to this appeal is presented as a device which includes a word. The word is a surname—"Ludowici." It is represented in a prominent way imposed upon a drawing of a pulley wheel such as belting passes over for the purpose of driving machinery. The respondent seeks registration of the word in connection with power-transmission appliances. Such appliances form part of the goods in which it trades.

Two companies formed by members of the same family carry on rival businesses in the same class of goods. The family of Ludowici split some twenty-five years ago and the two companies are the product of the division between them. The appellant, the managing director of which is Charles Ludowici, objects to the registration of the proposed mark. The striking feature of the mark is the surname "Ludowici." But no surname according to its primary meaning can be distinctive. For according to its primary meaning it seems

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to identify every individual so called. Further, as *Joyce J.* remarks in *In re Benz et Cie's Application* (1), the mere fact of a surname being printed or represented in a special or particular manner does not relieve the person who proposes to use it of the necessity of obtaining an order under sec. 16 (1) (e) of the *Trade Marks Act* 1905-1934. Such an order ought only to be made when a secondary meaning is established by evidence, a secondary meaning by which it is distinctive of the applicant. The present mark is a new one and taken as a whole must stand or fall by its distinctiveness, that is, subject to any question under sec. 114. But its distinctiveness must be judged in relation to the use which is to be made of it and to the circumstances of the trade. In the case of a new mark its distinctiveness must be considered quite apart from the effect of registration. "The registrar or the court has to determine before the mark be admitted to registration whether it is of such a kind that the applicant, quite apart from the effects of registration, is likely or unlikely to attain the object he has in view" (per Lord Parker, *Registrar of Trade Marks v. W. & G. Du Cros Ltd.* (2)). That object is actually to distinguish his goods by means of the mark from those of other persons. But among the persons from whom the applicant is to be so distinguished in the present case are those using the same name, "Ludowici," as of right. The appellant company has no title to such a name, but its managing director has and so have many of its shareholders. The appellant company is entitled to inform the world, as it has in fact habitually done, that Charles Ludowici is its managing director, and to obtain whatever benefit springs from that fact. So much of the mark as consists of the picture of the pulley wheel could have little or no importance as a distinguishing element. Any capacity for distinctiveness is drowned in the name to which it serves only as a bearing or decoration (*In re Benz et Cie's Application* (3)). In a passage in *In re R. J. Lea Ltd.'s Application* (4), quoted by Lord Russell of Killowen in *A. Baily & Co. Ltd. v. Clark, Son & Morland* (5), *Hamilton L.J.* said:—"Further the Act says 'adapted to distinguish'; the mere proof of admission that a mark does in fact distinguish does

(1) (1912) 29 R.P.C. 357, at p. 360.

(3) (1913) 30 R.P.C., at p. 181.

(2) (1913) A.C., at pp. 634, 635.

(4) (1913) 1 Ch. 446, at p. 463.

(5) (1938) A.C., at p. 571.

not *ipso facto* compel the judge to deem that mark to be distinctive. It must be further 'adapted to distinguish,' which brings within the purview of his discretion the wider field of the interests of strangers and of the public." In the present case I think the facts show that the name "Ludowici" by itself never came to mean the respondent company to the exclusion of the appellant company or more particularly its managing director and that part of the family whose interests the appellant company represents. Here these are the strangers of whose interests *Hamilton L.J.* spoke (1). In *Baily's Case* (2) Lord *Atkin* said: "It matters little whether one says that in the circumstances the word was incapable of being adapted to distinguish, or that in the exercise of his discretion the registrar should refuse to register." In my opinion this observation applies to the present case.

In any view I think the appeal should be allowed and the registration refused.

DIXON J. The question for determination is whether a proposed trade mark in which the surname "Ludowici" forms a prominent, if not the dominant, feature, should be placed upon the register as the mark of J. C. Ludowici & Son Ltd. The business carried on by the company is shortly described as that of manufacturers of leather belting and power-transmission engineers. The goods in respect of which registration is sought are power-transmission appliances. The proposed mark is new and was adopted in 1935, not long before the making of the application. The business carried on by J. C. Ludowici & Son Ltd. was founded in 1858 by John Charles Ludowici, now dead, a tanner and leather-belting manufacturer. He carried it on under his own name until 1891, when the company was formed to take it over. He and his eldest son, Charles, became life directors of the company. In 1905 another son, Frederick John, who had acted as secretary, became a director. The shares in the company appear to have been held for the most part by members of the family. As time wore on, differences arose between Charles, on the one side, and, on the other side, his brother Frederick John and his father. Doubtless others were involved, but it is not material how the family divided, nor is it disclosed by the evidence. In 1913 a meeting of the company was

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(1) (1913) 1 Ch., at p. 463.

(2) (1938) A.C., at p. 567.

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summoned at which matters were brought to a head. The issue of the meeting was the resignation of Charles, the disposal of his shares, and his complete dissociation from the company. He set up a rival business of his own, which until 1917 he carried on under the title "Charles Ludowici Tanner and Manufacturer of mechanical leathers and belting." In 1917 he formed a company called "Mangrovite Belting Ltd.," which took over his business. He is managing director. Fourteen of its shareholders bear the name "Ludowici" and four of these are directors.

The businesses of both companies have prospered. They are rivals in the same field. If there be any difference in the nature of their trade, it apparently lies in a greater tendency to develop the engineering side on the part of J. C. Ludowici & Son Ltd. But substantially both companies compete in supplying the same demand. Each has its office address in York Street, Sydney, and each has a factory on the Lane Cove River, in addition to factories elsewhere. J. C. Ludowici & Son Ltd. has used the word "Pioneer" as a trade mark, and it has formed a prominent feature of much of that company's advertising. But the name of the company has always been used in a conspicuous manner in the company's printed material and advertisements. There can be no doubt that the name "Ludowici" is widely used, as might be expected, to identify the company, its business and products. But Mangrovite Belting Ltd. has preserved the connection with the name "Ludowici" which the business it took over possessed. In its letter-heads, bill-heads and other stationery, as well as in much of its advertising matter, under the name of the company the words "Charles Ludowici, Managing Director" have appeared. Examples are given of correspondence and communications to the company which, although meant for it, are addressed to it by a description in which the name "Charles Ludowici" or even "Ludowici" simply takes a part, and it seems likely that in the minds of some customers that name is connected with Mangrovite Belting Ltd. Of these people probably the greater part would not be unaware of the existence of J. C. Ludowici & Son Ltd., though it would be hard to say what would be their impression of the relation between the two companies.

In 1928 J. C. Ludowici & Son Ltd. instituted a suit in equity against the Mangrovite Belting Ltd. complaining that the latter company was carrying on its business so as to lead to the belief that it was a branch of the former company's business and to cause confusion between the two businesses. But, after a defence had been filed, the suit was discontinued.

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The application of J. C. Ludowici & Son Ltd. for registration of the mark now in question was opposed by Mangrovite Belting Ltd. The decision of the Registrar of Trade Marks was in favour of granting registration and against the opposition. The basis of his decision is the view that the mark proposed is not a surname and is not a name requiring an order before it could be deemed a distinctive mark, but consists in a combination of device and name making a mark *prima facie* distinctive. The question, therefore, to which he addressed himself was the probability of deception. He answered this question in favour of the mark, substantially upon the ground that the name "Ludowici" had for long been used to refer to the applicant's business and goods.

The mark applied for consists in a drawing of a pulley wheel with the name "Ludowici" placed over it. A pulley wheel is, of course, a characteristic portion of power-transmission appliances, that is, of the goods in connection with which registration is sought. It is, however, not a mere pictorial representation of the goods to which the mark is to be applied (Cf. *Bowden Wire Ltd. v. Bowden Brake Co. Ltd.* (1)). At the same time it has no peculiarity which would naturally strike the eye or impress the mind. It serves rather as a background, at once suggestive of the nature of the goods and attracting attention to the name as the conspicuous and effective feature of the mark.

The case is not an easy one but I have formed the opinion that registration of the mark should be refused upon the ground that the mark is not adapted to distinguish the goods of the proprietor from those of other persons (sec. 16 (2) of the *Trade Marks Act* 1905-1934). This conclusion I base upon the nature of the mark considered in reference to the peculiar circumstances of the case. *Prima facie* a surname is not distinctive. "Where the surname is not that of

(1) (1913) 30 R.P.C. 580, at p. 596.

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the proprietor, it is more easy to justify its claim to be a trade mark than where the surname is that of the proprietor. It is only in very exceptional circumstances that such an application ought to be allowed to proceed. If my name is John Smith, the name Smith may indicate that the goods are not made by Brown, but it is not adapted to distinguish my goods from those of any other person who has the surname Smith. A surname may, however, be so peculiar, and its user may have been so extensive, that it has in fact become 'distinctive' of the proprietor's goods" (*Teofani & Co. Ltd. v. Teofani* (1), per *Cozens-Hardy* M.R.). But, "it is not for the court to lay down a rule excluding all surnames from registration, when the statute has left the matter entirely open—left it to be determined as a question of fact in each case, whether the word is in fact distinctive. The quality of distinctiveness may be inherent in the word selected, but it also may be acquired, and the statute in terms allows evidence of acquired distinctiveness to be adduced" (per *Swinfen Eady* L.J. (2)).

Like the name "Teofani" in the case cited the name "Ludowici" has the property of uncommonness. But it can not be held distinctive unless it is shown by evidence to have acquired in the trade a secondary meaning distinguishing the goods or business of J. C. Ludowici & Son Ltd. from any other goods or business to which the surname "Ludowici" is applied or in reference to which it is employed by other persons called by that name.

In my opinion the evidence falls short of establishing the existence of such a meaning. Doubtless J. C. Ludowici & Son Ltd. are fully entitled to use the name "Ludowici" and to enjoy the benefits which may arise from the frequent application of the word to denote the company. But, to make a word or name distinctive, what must be shown is an acquired capacity in the word to distinguish the company, its business or goods from another concern to which the name "Ludowici" might be legitimately applied were it not for that secondary meaning. In the present case I think that it is possible that the use of the name Ludowici in reference to the business founded by Charles Ludowici might in the beginning have been open to attack. That would depend upon the nature and

(1) (1913) 30 R.P.C., at pp. 460, 461.

(2) (1913) 30 R.P.C., at p. 464.

extent of the trade reputation and meaning which at that date attached to the word. But as matters have developed, I think that the association of Charles Ludowici with the business he set up has led Mangrovite Belting Ltd. to be regarded as, so to speak, his company and a company with which the name "Ludowici" is connected.

The rest of the mark, that is, the pulley as opposed to the word, has no characteristics which would give distinctiveness in fact to the whole. The name or word would necessarily operate against the effectiveness of a design or figure forming but a background, and the figure in question has the further disadvantage of being but an unattractive representation of part of the goods.

We must form our own opinion upon the matter and not simply consider the validity of the exercise by the registrar of his discretion (*Jafferjee v. Scarlett* (1)).

In my opinion the appeal should be allowed.

McTIERNAN J. In my opinion, the mark sought to be registered is not within sec. 16 (1) (a). It is a personal surname, but there is no evidence that there is any person known in the trade as Ludowici without any christian name or other prefix (*In re Benz et Cie's Application* (2)). Doubtless it is a mark. But the question is whether it is distinctive. This means "adapted to distinguish" (sec. 16 (2)). The mark, for which registration is sought, consists of the wheel, the particular type in which the name "Ludowici" is printed, and the diagonal crossing of the wheel by the name. The wheel might be regarded as a mark which would distinguish the goods of the applicant from those of other persons, but there is nothing distinctive about the way in which the name "Ludowici" is printed. The dominant element is the name "Ludowici," and if the device as a whole is distinctive, it is so by virtue of the name "Ludowici," which, to quote the words of Lord Sumner (then Hamilton L.J.) "might fasten upon the memory or even fascinate the eye" (*In re Benz et Cie's Application* (3)). The mark, therefore, falls within the class of distinctive marks embraced by the words,

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(1) (1937) 57 C.L.R. 115.

(2) (1913) 30 R.P.C. 177.

(3) (1913) 30 R.P.C., at p. 183.

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 MANGROVITE of the registrar, law official, or court is required under that sub-sec-
 BELTING tion. No order was obtained. The mark, therefore, cannot be
 LTD. registered, because as the device depends upon the name “Ludowici”
 v. it is one that might be adopted in all good faith by a person of that
 J. C. name in the trade. The evidence does not show that the name has
 LUDOWICI acquired a secondary meaning distinguishing the applicant, its
 & SON LTD. business or its goods. I agree that the name cannot be held to be
 — one which is adapted to distinguish the goods of the applicant from
 McTiernan J. those of other persons.

In my opinion the appeal should be allowed.

*Appeal allowed with costs. Decision of deputy
 registrar set aside. Application for regis-
 tration refused with costs.*

Solicitors for the appellant, *J. T. Ralston & Son.*

Solicitors for the respondent, *Arthur H. Garratt & Co.*

J. B.