

Appr
Carnival
Cruise Lines
Inc v Sitmar
Cruises Ltd
(1994) 31 IPR
375

Appl
Parkerv
Polaroid
Corporation
(1996) 36 IPR
426

Appl
Sports Cafe
Lid v Registrar
of Trade Marks
(1998) 39 IPR
527

Refd to
Mobil Oil
Corp v
Reinsurance
Aust Corp
(1999) 45 IPR
509

[HIGH COURT OF AUSTRALIA.]

SYM CHOON AND COMPANY LIMITED }
AND ANOTHER } APPELLANTS ;
OPPONENTS,

AND

GORDON CHOONS NUTS LIMITED . . . RESPONDENT.
APPLICANT,

Trade Mark—Application for registration in respect of one class of goods—Opposition—Whether mark “likely to deceive”—Points of similarity between applicant’s mark and two marks used by opponent—One of opponent’s marks registered in respect of a different class of goods ; other used in connection with same class of goods—Parties dealing in same classes of goods in same locality and having similar names—Applicant’s name included in mark—Matters to be taken into account—Intervention of Registrar on appeal to High Court from dismissal of opposition—Practice—Costs—Trade Marks Act 1905-1948 (No. 20 of 1905—No. 76 of 1948), ss. 44, 114—Judiciary Act 1903-1948 (No. 6 of 1903—No. 65 of 1948), s. 26.

H. C. OF A.
1949.
MELBOURNE,
Oct. 26 ;
SYDNEY,
Nov. 24.
Latham C.J.,
Dixon and
Williams JJ.

Gordon Choons Nuts Ltd., which dealt in nuts, fireworks and other goods, applied for registration in respect of fireworks of a trade mark consisting of the name of the applicant and a representation of three figures. The central figure was a representation—suggestive of Guy Fawkes—of a man with a body and limbs made up of fireworks. It bore the words “Gordon Choons Fireworks,” and it stood between the figures of a boy and a girl each of which had a body in the form of a peanut. The application was opposed by Sym Choon & Co. Ltd., which carried on a similar business in premises close to those of the applicant. The opponent had a trade mark, registered in respect of nuts, which consisted of the figures of a boy and a girl, each having a body in the form of a peanut. It also used a mark—frequently in association with its registered mark—which consisted of a representation of Guy Fawkes being propelled from an exploding barrel.

Held that registration of the applicant’s mark should be refused on the ground that it was “likely to deceive” within the meaning of s. 114 of the *Trade Marks Act 1905-1948*.

H. C. OF A.
1949.

SYM CHOON
& CO. LTD.
v.

GORDON
CHOON
NUTS LTD.

Per Latham C.J. and Williams J.: The deception to which s. 114 of the *Trade Marks Act* refers is deception arising from the use of the trade mark—not from the particular circumstances in which an applicant and opponent happen to carry on business. Where deception may arise by reason of the facts that trade competitors have similar names and carry on similar business in the same locality, such facts are not to be regarded in determining whether there is a likelihood of deception arising from the use of the trade mark.

Per Dixon and Williams JJ.: The applicant's name being part of its mark, the similarity of the names of the applicant and opponent companies was a fact material to be considered for the purpose of determining whether the mark was likely to deceive, as was also the fact that each company dealt in both nuts and fireworks.

Per Dixon J.: *Quære* whether it was material that the applicant and the opponent carried on business in close proximity.

Leave granted to the Registrar of Trade Marks to intervene on the hearing of an appeal to the High Court from a dismissal of opposition to the registration of a trade mark, but no order made as to his costs.

APPEAL from the Deputy Registrar of Trade Marks.

Gordon Choons Nuts Ltd., which carried on, at 237 Rundle Street, Adelaide, the business of a merchant dealing in nuts, fireworks and other goods, applied for registration in respect of fireworks of a trade mark consisting of the name of the applicant and a representation of three figures. The central figure had the head and hat of a cavalier and a body and limbs made up of fireworks, and it stood between the figures of a boy and a girl, each of which had a body consisting of a peanut. The central figure bore the words "Gordon Choons Fireworks." The application was opposed by Sym Choon & Co. Ltd., which carried on business at 221 Rundle Street, Adelaide, selling nuts, fireworks and other goods, and by Thomas George Sym Choon, who was the sole director of, and principal shareholder in, the company. It was objected by the opponents that the applicant's mark was likely to deceive because of its resemblance to the opponents' marks. One of these was a mark registered in 1927 in respect of nuts; it consisted of two figures, a boy and a girl, each having a body in the form of a peanut. Although not part of the mark, the words "peanut twins" were commonly used on labels and the like in association with the mark. The other mark consisted of the representation of a man, with a cavalier's hat, being propelled from an exploding barrel which bore the words "Guy Fawkes." An application for registration of this mark in respect of fireworks had been made before, and was granted after, the hearing of the opposition. For a considerable time prior

to the application for registration this mark had been used in connection with fireworks, and it was frequently exhibited on labels and the like in conjunction with the mark relating to nuts.

The Deputy Registrar dismissed the opposition and granted the application.

From this decision the opponents appealed to the High Court.

H. C. OF A.
1949.

SYM CHOON
& Co. LTD.

v.
GORDON
CHOON
NUTS LTD.

D. B. Ross K.C. (with him *S. H. Lewis*), for the appellants. In the circumstances of this case the applicant's mark would inevitably lead to confusion between the goods of the two companies; and the adoption by the applicant of the salient features of the opponents' marks strongly suggests that such a result was intended. [He referred to *In re Turney & Sons' Trade Marks* (1); *In re London Lubricants* (1920) Ltd. (2); *In re Tilley's Application* (3); *Standard Paint Co. v. Hales Ltd.* (4); *Mangrovite Belting Ltd. v. Ludowici & Son, Ltd.* (5).] In addition to the similarity of the marks, circumstances which should be taken into account are the similarity of the names of the companies (*G. Cording, Ltd. v. J. C. Cording, Ltd. & The Registrar of Trade Marks* (6)) and the fact that they deal in the same classes of goods (*Eastman Photographic Materials Co. Ltd. v. John Griffiths Cycle Corporation, Ltd.* (7)). There is also the fact that the businesses are carried on in close proximity. The Deputy Registrar was in error in disregarding these circumstances. He attached great weight to the fact that the applicant sought registration in respect of fireworks only, whereas the opponents' mark containing the "personified" peanuts was in respect of nuts only. This is not of importance when regard is had to the surrounding circumstances. The burden is on the applicant to show that there is no reasonable likelihood of deception (*Eno v. Dunn* (8); *United Kingdom Tobacco Co.'s Application* (9); *Robert Harper & Co. Pty. Ltd. v. Boake Roberts & Co. Ltd.* (10); *Reckitt and Coleman (Aust.) Ltd. v. Boden* (11)), and it has failed to discharge the burden.

R. R. Sholl K.C. (with him *A. D. G. Adam*), for the Registrar of Trade Marks (by leave). In *Innes v. Lincoln Motor Co.* (12) the Registrar was heard and was awarded his costs as against the unsuccessful appellant. That accords with the English practice (*Sebastian on Trade Marks*, 5th ed., p. 266). In Australia a similar

(1) (1893) 11 R.P.C. 41.

(2) (1925) 42 R.P.C. 264, at p. 279.

(3) (1900) 26 V.L.R. 203.

(4) (1920) 27 C.L.R. 350.

(5) (1938) 61 C.L.R. 149.

(6) (1916) 85 L.J. Ch. 744.

(7) (1898) 15 R.P.C. 105.

(8) (1890) 15 App. Cas. 252, at p. 261.

(9) (1912) 29 R.P.C. 489, at p. 496.

(10) (1914) 17 C.L.R. 514, at pp. 520, 523.

(11) (1945) 70 C.L.R. 84.

(12) (1923) 32 C.L.R. 606.

H. C. OF A.
1949.

SYM CHOON
& CO. LTD.

v.

GORDON
CHOON
NUTS LTD.

practice has obtained in patent appeals (*Tate v. Haskins* (1); *Goldman v. Bramley* (2); *Weiss v. Lufft* (3); *Shell Co. v. Rohm and Haas* (4)). In the present case the opponents have contended that, apart from the question of similarity of the marks, other questions arising out of the circumstances of the parties have to be considered. The Registrar desires to submit that the contention is not sound. The matter is one as to which he desires the guidance of the Court because of its importance in relation to his office practice. It is submitted that on this account he was warranted in seeking leave to intervene and he should be granted costs. [He referred to *Eno v. Dunn* (5); *Aristoc Ltd. v. Rysta Ltd.* (6).]

J. F. Brazel, for the respondent. So far as the names of the companies are concerned, they are so dissimilar that there is no danger of confusion between them. It is, therefore, an important point of distinction between the applicant's and the opponents' marks that the applicant's mark includes the name of the company. The main, if not the only, question is whether the marks themselves are so similar that there is a likelihood of deception. "The question is whether the points of distinction are strong enough to overpower the points of resemblance" (*Charlick Ltd. v. Wilkinson & Co. Pty. Ltd.* (7)). The principal point of similarity between the marks in question here is the "personification" of peanuts; this, as the Deputy Registrar has pointed out, is not an uncommon feature of trade marks. The marks otherwise are so dissimilar that the points of distinction are strong enough to overpower the points of resemblance. That being so, the surrounding circumstances on which the opponents seek to rely—if they are relevant at all—are not of weight. The Deputy Registrar, it is submitted, gave due weight to all the matters which it was proper for him to consider, and no reason has been shown for disturbing his decision. [He referred to *Jafferjee v. Scarlett* (8); *Schweppes Ltd. v. Rowlands Pty. Ltd.* (9).] In some cases under the *Trade Marks Act* (see, for example, s. 71 (3)) the Registrar has the right to appear. In a case such as the present, where he has no such right but appears merely by leave, he should not be allowed costs.

D. B. Ross K.C. in reply.

Cur. adv. vult.

(1) (1935) 53 C.L.R. 594.

(2) (1936) 55 C.L.R. 714.

(3) (1941) 65 C.L.R. 528.

(4) (1949) 78 C.L.R. 601.

(5) (1890) 15 App. Cas., at p. 257.

(6) (1945) A.C. 68, at p. 87.

(7) (1913) 16 C.L.R. 370, at p. 374.

(8) (1937) 57 C.L.R. 115.

(9) (1910) 11 C.L.R. 347, at p. 353.

The following written judgments were delivered :—

LATHAM C.J. This is an appeal from a decision of the Deputy Registrar of Trade Marks dismissing opposition by Sym Choon & Co. Limited and Thomas George Sym Choon to an application made by Gordon Choons Nuts Limited on 28th January 1946 for the registration of a trade mark. The application is for the registration in respect of fireworks of a trade mark consisting of a device of a human body constructed of fireworks, wearing a cavalier's hat and standing between a boy and girl whose hands he is holding, the bodies of the boy and girl consisting of peanuts. The central figure suggests Guy Fawkes—especially when used in connection with fireworks. The name Gordon Choons Nuts Limited is also contained in the trade mark in respect of which registration is sought.

The opponent Thomas George Sym Choon is in effect the proprietor of the opponent company, Sym Choon & Co. Limited. That company was formed in 1931 and took over the business of a partnership, Sym Choon & Co. In 1936 it went into liquidation and Thomas George Sym Choon carried on the company. Gordon Sym Choon, who had been a shareholder in the company, went into business on his own account and formed the applicant company Gordon Choons Nuts Limited. T. G. Sym Choon is registered as the proprietor in respect of nuts (not of fireworks) of a trade mark No. 48085 consisting of two figures (boy and girl) in the form of peanuts. The words "Peanut Twins" are frequently used with the mark, but are not part of the registered mark. The opponent company is the registered proprietor of a trade mark No. 92997 in respect of fireworks which has been used since 1930, the application for the registration of which was made on 7th October 1947. The application has now been granted and registration dates back to the date mentioned: *Trade Marks Act* 1931-1948, s. 47. This trade mark consists of a device of a human figure being propelled in a condition of excitement from an exploding barrel which bears the words "Guy Fawkes." The hat is similar to that appearing in the applicant's mark.

The companies concerned carry on business in close proximity in Rundle Street, Adelaide. Both are engaged in the same general form of trading and both sell nuts and fireworks.

No question arises in the present case under the *Trade Marks Act*, s. 25. That section provides that "The Registrar shall not register in respect of goods a trade mark identical with one belonging to a different proprietor which is already on the register in respect of the same goods or description of goods or so nearly resembling such a trade mark as to be likely to deceive." The difference

H. C. OF A.

1949.

SYM CHOON
& CO. LTD.

v.
GORDON
CHOON
NUTS LTD.

Nov. 24.

H. C. OF A.
1949.

SYM CHOON
& CO. LTD.
v.
GORDON
CHOON
NUTS LTD.
Latham C.J.

between nuts and fireworks excludes the application of this section.

But there may nevertheless be confusion between the goods of two or more traders by reason of similarity of trade marks, even though the trade marks are used in respect of different classes of goods. Accordingly, s. 114 of the Act provides that: "No scandalous design, and 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, or the use of which would be contrary to law or morality, shall be used or registered as a trade mark or part of a trade mark." It is contended by the opponent that the use of the mark of which the applicant seeks registration would be likely to deceive because it would be likely to create confusion between the goods of the two companies. The Deputy Registrar, in dismissing the opposition, attached particular importance to the facts that the application for registration was in respect of fireworks while the opponents' mark, No. 48085 was registered in respect of nuts. He referred to the fact that what were called "personified" peanuts were not uncommonly used as trade marks. Upon the appeal to this Court further evidence to that effect was brought before the Court. There are real differences between the marks. The name of the company is included in the applicant's mark, but no name appears in the opponents' marks. The peanut figures are separated by the Guy Fawkes figure in the applicant's mark, whereas they are shown in affectionate juxtaposition in the opponents' "Peanut Twins." Their headgear is slightly different. The Guy Fawkes figures are not identical in clothing or make-up or in attitude. The Deputy Registrar was of opinion, in view of the differences between the marks, the common use of peanut figures for trade mark purposes, and of the difference between nuts and fireworks, "that the marks and the respective sets of goods are so different that there does not seem to be any reasonable likelihood of the use of applicants' trade mark in respect of fireworks leading people to confuse that mark with the opponents' mark registered in respect of nuts." The Deputy Registrar did not merely compare the marks as seen side by side but as producing an impression upon the mind which was remembered more or less accurately. The Deputy Registrar referred also to the similarity of the names of the parties, the proximity of their business premises and the fact that they are engaged in the same general trading activities. He was of opinion that these latter circumstances were not matters upon which he was called to adjudicate in the present proceeding. It is evident that the Deputy Registrar regarded the last-mentioned facts as matters which would be important in a passing-off action but as

irrelevant in respect of a determination whether a proposed trade mark should be registered. H. C. OF A. 1949.

It is obvious that all the matters last-mentioned would be important in a passing-off action. The question is whether they should be considered as relevant upon the present application. Under s. 114 it is necessary to determine whether the use of a trade mark would be likely to deceive. Fraud is not to be presumed and it is therefore necessary to consider what is likely to happen with the fair and honest user of the mark for the registration of which application is made, having regard to the circumstances in which it would be used. These circumstances, being future circumstances, must necessarily be a matter of more or less probable speculation. Actual existing circumstances which show that in fact confusion has already arisen provide better evidence of the likelihood of confusion than do speculations as to future possibilities, and the Registrar is entitled to take into consideration any evidence of such circumstances but there is no reason for confining evidence to the period before the making of the application. The deception to which s. 114 refers, however, is deception arising from the use of the trade mark—not from the particular circumstances in which an applicant and opponent happen to carry on their business. Where deception may arise by reason of the facts that trade competitors have similar names and carry on similar business in the same locality such facts are not in my opinion to be regarded in determining whether there is a likelihood of deception *arising from the use of the trade mark*. If one man has a registered trade mark it is always possible that another man of the same name may establish a business in the same neighbourhood so that there may be confusion between their goods, whatever trade marks they use. But the decision upon an application for the registration of a trade mark should be the same whatever may be the names of the applicant and of any opponent, and wherever they may carry on business. A trade mark owned by Robinson may be assigned to Brown (No. 1), or Brown No. 1 may become a registered user of Robinson's mark : *Trade Marks Act* 1948, s. 7 (introducing a new s. 58) and s. 5 (introducing a new s. 31A). Another man named Brown (No. 2) may have another trade mark and may carry on business near Brown No. 1. But the original application of Robinson for registration should not be affected by the fact that he might transfer the trade mark to Brown No. 1 or to some other Brown, and Brown No. 1's rights as assignee or registered user would not be affected by the fact that there was another Brown (No. 2) who owned another

SYM CHOON
& Co. LTD.
v.
GORDON
CHOON
NUTS LTD.
Latham C.J.

H. C. OF A. trade mark or carried on his business in the same locality as Brown
 1949. No. 1.

SYM CHOON
 & Co. LTD.
 v.
 GORDON
 CHOON
 NUTS LTD.
 Latham C.J.

The possibility of identity or similarity of names of owners of trade marks—and also of proximity of businesses—is present in every case. Confusion arising from such circumstances does not constitute deception arising from the use of a trade mark. The actuality of such identity of names and proximity of businesses does no more than demonstrate beyond question that such a possibility is real and not merely imaginary. Such circumstances as these, which are present in every case, cannot be evidence of the likelihood of deception which under s. 114 would prevent the proper registration of a trade mark.

No principle of trade-mark law prevents a person from honestly using his name in his own business, and, if he so chooses, in conjunction with any trade mark used by him, or from carrying on business in any particular place. The question of probability of confusion under s. 114 should be considered quite apart from what happen to be the names of an applicant and an opponent and from any consideration of the locality of their places of business at any particular time. The decision upon an application should be the same whether the parties applying and opposing both live in Sydney or whether one lives in Brisbane and the other in Perth.

Registration when granted is an Australian registration. The possibility that competitors may carry on their businesses in close proximity in any place in Australia is a matter which, as a possibility, is to be taken into account upon every application for registration. Consideration of this possibility is one aspect of consideration of the conditions and circumstances in which goods bearing trade marks may be marketed. This means no more than that trade marks are intended to be used in a competitive market where there are several or many traders. It is proper, in determining whether registration should be granted, to consider the competing marks themselves, the manner in which they are applied or will probably be applied to goods, the character of those goods, the class of purchasers to whom the goods are sold and general trade practices affecting sales—but all upon the assumption that the trading of rival traders is honest. If the trading is not honest the law with respect to passing off provides a remedy. I agree with the Deputy Registrar that a trade-mark application should not be determined in the same way as if it were a passing-off action.

I therefore consider the marks of the applicant and the opponents apart from the fact that the two companies carry on business near to one another, under similar names, in the same street, and that

they are probably intensely competitive rivals. Inspection of the marks themselves makes it difficult to avoid the conclusion that the applicant has taken features of the opponents' marks and combined them in such a manner as to produce in the mark which he claims features of the opponents' marks which would be apt to stick in the memory of the purchasers (largely children) of such goods as nuts and fireworks. There are dissimilarities between the marks but the common features in the Guy Fawkes figure and the peanut figures are the striking elements of the marks concerned. It is true that one of the existing registrations of the opponents' marks is in respect of nuts and that the application for registration is in respect of fireworks. But a trade mark identifies goods as manufactured or produced or sold by the proprietor of the mark and it is permissible to take into account the fact that nuts and fireworks are frequently sold together from the same shop. Accordingly, in my opinion, the fact that the trade marks are applied or are to be applied to different classes of goods does not in this case show that there is not a risk of deception. I am of opinion that upon the basis of the evidence which may properly be regarded in determining the application, the opposition should have been allowed and the application refused.

The Registrar of Trade Marks was represented by counsel upon the appeal who submitted a valuable argument but, although the court permitted the Registrar to be represented, the Act makes no provision for such representation upon the hearing of a trade-mark appeal, and I can see no reason why either party should be required to pay the costs of intervention by the Registrar. The appeal should be allowed with costs, the decision dismissing the opposition should be set aside, and the application for registration should be refused.

DIXON J. This is an appeal from a decision of the Deputy Registrar of Trade Marks dismissing an opposition to the registration of a trade mark in class twenty in respect of fireworks and granting the application.

The mark applied for consists of the name of the applicant (the respondent in the appeal) "Gordon Choons Nuts Ltd." with a representation of three figures and certain words. The central figure has the head and head-dress of a cavalier and a body and limbs made up of easily recognizable forms of fireworks. On each side of him is depicted a child with a body consisting of a peanut. As the mark stood in the application filed the word "peanuts" was written under the figure of each child; but the Deputy Registrar

H. C. OF A.

1949.

SYM CHOON
& CO. LTD.

v.

GORDON
CHOON
NUTS LTD.

Latham C.J.

H. C. OF A.
1949.

SYM CHOON
& CO. LTD.

v.
GORDON
CHOON
NUTS LTD.

Dixon J.

required the applicant (the respondent) to amend by eliminating the word. The central figure is evidently intended to suggest Guy Fawkes. The child on his left with the peanut body is a boy, on his right a girl. On the body of Guy Fawkes is written "Gordon Choon's Fireworks."

There are two opponents, a company Sym Choon & Co. Ltd. and its sole director Thomas George Sym Choon. The company carries on business in Adelaide as a merchant dealing extensively in nuts and fireworks. It also sells other goods. It appears that the business of the company was originally carried on by a partnership called Sym Choon & Co. In 1931 a company called Sym Choon & Co. Ltd. was incorporated to take over the business. Gordon Sym Choon was a member of the company. In 1936 the company went into voluntary liquidation and the assets including the business was bought by the appellant Thomas George Sym Choon, who carried it on for a little time and then formed the appellant company Sym Choon & Co. Ltd. to take it over.

In the meantime Gordon Sym Choon formed the respondent company under the name of Gordon Sym Choons Nuts Ltd., a name afterwards altered by the omission of the word "Sym." He is the sole director. His company sells fireworks and nuts as well as other goods. Both businesses are carried on in Rundle Street, Adelaide.

In 1927 Sym Choon & Co. registered a trade mark in class 42 for nuts consisting in a device of two figures. Each has a body formed of a peanut. One is a girl, that is to say there is a girl's head with her hair surmounted by a large bow, and the lower part of a girl's legs appearing from the peanut as from a skirt. The other figure represents a boy. He has a round face with a straw hat worn at a rakish angle, a cane in his left hand and his right arm round the girl's shoulders, shoulders consisting of the top of the peanut forming her body.

In the use made of this mark, which the appellant company and its predecessors have extensively employed, the words "peanut twins" are usually associated with the device, but these words are not part of the registered mark. The mark passed with the business but the appellant Thomas George Sym Choon is still on the register as the proprietor of the mark though he has assigned it to the appellant Sym Choon & Co. Ltd. That company and its predecessors in title have used the mark in connection with nuts. In connection with fireworks they have used a mark consisting of a picture of Guy Fawkes being shot into the air by the explosion of a keg of powder depicted beneath him. The two marks have often been

shown together on the same container, bill head, advertisement or otherwise. The Guy Fawkes mark, though long used, was not registered until recently. At the time of the hearing before the Deputy Registrar the application for its registration was pending and actual registration was not granted until after the decision under appeal was given.

In the foregoing circumstances I think that the application should have been refused under s. 114 of the *Trade Marks Act*. It is apparent that the respondent's mark is made up of a number of elements derived from the two marks of the appellants, varied and re-arranged.

The chief idea suggested by the appellants' trade mark for nuts is that of a boy and girl depicted with peanuts as bodies. That is the impression which would be carried away. The chief idea of their mark for fireworks is that of Guy Fawkes and an explosion. In the variation and re-arrangement in one mark of the elements derived from the two marks of the appellants, the explosion has been omitted, Guy Fawkes has been depicted with a body and limbs of fireworks, the girl and boy have been separated, but there is a real tendency to revive the recollection of the appellant's marks in the mind of anybody who had observed them, particularly when shown together, but had not carried away any exact, clear or vivid recollection of them. The additional fact that the name Gordon Choons Nuts Ltd. forms part of the respondent's mark greatly increases the likelihood of confusion. It necessarily carries with the mark the suggestion that it is the trade mark of a concern named Choon which sells nuts. The strongest point in the respondent's favour is that they seek registration of the mark for fireworks and not for peanuts or nuts. But the use of the word "nuts" as part of the name of the company and the inclusion of that name in the mark weakens the effect of this point. It must be remembered that the trade of the appellant and of the respondents combine the sale of nuts and of fireworks. It may be inferred from the use of the word "peanuts," in the respondent's application as filed, under the girl and the boy, that the actual use of the mark would be in a trade in fireworks and peanuts. It was argued for the Registrar that the names of the parties, the particular circumstances of their business rivalry and the combination of the trade in nuts and fireworks which might be peculiar to them ought to be put out of consideration. All these things, it was suggested, were adventitious. The circumstances might change and the marks might be used differently or by other proprietors and elsewhere. In other words the facts represented nothing but possibilities which the Registrar might include as contingencies among the other hypothetical

H. C. OF A.

1949.

SYM CHOON
& Co. LTD.v.
GORDON
CHOON
NUTS LTD.

Dixon J.

H. C. OF A.
1949.

SYM CHOON
& CO. LTD.

v.
GORDON
CHOON
NUTS LTD.

Dixon J.

possibilities he may contemplate in judging of the general likelihood of confusion between such marks, but that is all. This argument appears to me to go much too far. It must be borne in mind that the case turns on s. 114 not s. 25. The name Gordon Choons Nuts Ltd. is part of the mark. It is the name of a company not of an individual and it was bestowed as a trading name. Section 114 is directed against, among other things, marks used or to be used deceptively. The normal use of the mark is to be taken into account and that includes the normal use by the applicant for registration. It may be that the fact that the rival businesses are in the same street should be treated as an accidental circumstance, but the existence of a rival trader having a name similar to that which the trade mark contains cannot, nor can the association in the trade of both nuts and fireworks.

In my opinion the appeal should be allowed, the decision of the Deputy Registrar should be set aside, the opposition allowed and the application refused.

WILLIAMS J. This is an appeal under s. 44 of the *Trade Marks Act* 1905-1948 by the opponents Sym Choon & Co. Ltd. and Thomas George Sym Choon from a decision of the Deputy Registrar of Trade Marks dismissing their opposition and granting the application of the respondent Gordon Choons Nuts Ltd. dated 28th January 1946 for registration of a proposed trade mark in class twenty in respect of fireworks. The proposed trade mark has as a heading the words "Gordon Choons Nuts Ltd." and underneath portrays three fanciful characters. The central character is a Guy Fawkes with a cavalier's head and a body, arms and legs represented by fireworks. The words "Gordon Choons Fireworks" are printed on the body. On the left of Guy Fawkes there is a figure with the head of a girl and a peanut body, and to his right a figure of the same height as the girl with the head of a boy and a peanut body. The original application had under the figures of the girl and boy the word "Peanuts," but the proposed mark was amended by the deletion of these words during the hearing of the application. The opponent, Thomas George Sym Choon, is the registered proprietor of a trade mark 48085 in class forty-two in respect of peanuts portraying two figures of the same height one with the head of a girl and the other with that of a boy with peanut bodies, the boy with his arm around the girl's waist. This mark, which was registered in 1927, was originally owned and used by the partnership of Sym Choon & Co. In 1931 the goodwill of the partnership business and this trade mark were sold to a limited company, Sym Choon & Co. Ltd. In 1936 this company went into voluntary liquidation and sold the goodwill

of the business and this trade mark to the opponent, Thomas George Sym Choon. He continued to carry on the business until 1937, when he converted it into a private company under the name of the opponent company which acquired the goodwill of the business and this trade mark. On 30th September 1947 the opponent, Thomas George Sym Choon, assigned his interest in this trade mark to the opponent company. It has since 1937 traded extensively under this mark and has usually added to its advertisements, labels, invoices and other documents the words "Peanut Twins" as descriptive of the characters portrayed in the mark.

The appellant company and the respondent are both Chinese merchants who trade in peanuts and fireworks and other goods and carry on business in close proximity in Rundle Street, Adelaide. At the date of the application for the proposed mark the former had applied for a trade mark in class twenty in respect of fireworks for an unregistered mark which it had been using for many years portraying a human figure being hurled into the air from a barrel of gun powder marked "Guy Fawkes" with the words "Getting a rise in the world" beneath it. It had then used this unregistered mark for several years in conjunction with the Peanut Twins. This unregistered mark has since been registered in class twenty in respect of fireworks. As the respondent's application is to register the proposed mark in class twenty in respect of fireworks and the appellants' mark 48085 is registered in class forty-two in respect of nuts, the goods are not of the same description and the appellants cannot rely on s. 25 of the *Trade Marks Act*. They must rely on s. 114. This section provides, so far as material, 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."

The Registrar of Trade Marks sought and was given leave to intervene on the appeal, his counsel contending that ground five of the notice of appeal, which states that in exercising his discretion the Deputy Registrar should have taken into consideration the similarity of the names of the parties, the proximity of their business premises, and the fact that the parties were engaged in similar trading activities, that is selling peanuts and fireworks, raised questions of office practice upon which the Registrar wished to have the law clarified. Admittedly the Registrar must compare the rival marks, but he wishes to know whether, assuming that there is nothing in the marks themselves to prevent registration, he should go further and consider whether, in spite of a sufficient dissimilarity between the marks, there would nevertheless be a reasonable

H. C. OF A.
1949.

SYM CHOON
& CO. LTD.

v.
GORDON
CHOON
NUTS LTD.

Williams J.

H. C. OF A.
1949.

SYM CHOON
& CO. LTD.

v.
GORDON
CHOON
NUTS LTD.

Williams J.

probability of deception because of a similarity in the names of the applicant and opponent, or of the proximity of their places of business, or other circumstances peculiar to the parties themselves as opposed to the general possibilities of the trade.

In *In the matter of an application by Edward Hack* (1) for the registration of a trade mark, *Morton J.*, as he then was, said that the effect on the public of the use of any particular get up or mode of presentation of the product is not the question which has to be determined by the Court upon an application for registration of a trade mark. The test is whether the use of the mark itself, in any manner that can be regarded as a fair use of it, will be calculated to deceive or cause confusion. Seeing that the *Trade Marks Act* in general contemplates an Australia-wide registration, nothing can turn, in my opinion, on the fact that the businesses of the applicant and opponent are actually being carried on in close proximity at the date of the application as opposed to the possibility that they may be so carried on in the future. The basic principle is that the proposed mark must be so unlike the rival mark that it is not reasonably probable that a purchaser who knows of the latter and has an imperfect recollection of it is likely to be confused. This principle was recently discussed by this Court in *Reckitt and Colman (Aust.) Ltd. v. Boden* (2) and the remarks in that case need not be repeated. The principle assumes the existence of persons who will be in a position to purchase the goods of either trader and therefore that the areas in which they carry on business may overlap. The similarity between the name of the applicant for the proposed mark and that of the proprietor of the rival mark, where the names do not form any part of either mark, is equally immaterial. It is the mark itself and not the name of its proprietor which identifies the goods. But it is different where the names form part of the marks or one of them. If the name forms part of the opponents' registered mark, the problem whether there is a reasonable probability of deception inevitably arises if the applicant incorporates a similar name in his mark. The same problem arises, although in a less intense form, where the opponent's name does not form part of his mark, but the applicant and the opponent have similar names and the applicant incorporates his name in his proposed mark. The applicant is *in petitorio* and if there is a reasonable likelihood of the public being deceived by the registration and use of his proposed mark, the application should be refused, *Eno v. Dunn* (3).

In the present case there are on the proposed trade mark the words "Gordon Choons Nuts Ltd." and there are the two peanut figures sufficiently alike to appear to be twins. The proposed mark

(1) (1940) 58 R.P.C. 91, at p. 103.

(3) (1890) 15 A.C. 252.

(2) (1945) 70 C.L.R. 84.

has therefore on it a name of a company which has a definite similarity to the name of the opponent company, and also a girl and boy caricatured as peanuts which are likely to cause a purchaser who sees the mark and who has an imperfect recollection of the appellants' mark to believe that it is the latter mark. A mark which personifies peanuts is more apt to be used in respect of peanuts than fireworks and the peanut figures on the proposed mark must have been placed there to signify that the applicant trades in peanuts as well as fireworks, and to induce purchasers who buy its fireworks also to resort to it when they are disposed to indulge in peanuts. The appellant company has for many years combined with its peanut twins the representation of a Guy Fawkes to indicate to purchasers who are prepared to risk creating external conflagrations and internal disorders that it trades in both commodities. The respondent has, no doubt purely by chance, contrived to combine in its proposed mark, with immaterial variations, the same broad features of the marks used by the appellant company to distinguish its fireworks and nuts from the goods of other traders and to devise a mark suitable for use in connection with each of these goods.

As the Deputy Registrar pointed out it is not an uncommon practice for proprietors of trade marks to use nuts to simulate human beings, and if it was the fact that the respondent was only carrying on the business of selling fireworks and the appellant company was only carrying on the business of selling nuts, I would agree with him that "the marks and the respective sets of goods are so different that there does not seem to be any reasonable likelihood of the use of the applicant's trade mark in respect of fireworks leading people to confuse that mark with the opponents' mark registered in respect of nuts." In *In the matter of an application of Bayer Products, Ltd.* (1), Lord Greene M.R., after pointing out that s. 11 of the English *Trade Marks Act* 1938, which corresponds with s. 114 of our Act, is contemplating the consequence of the use of a trade mark said that "the Court has to consider to what extent, in all the circumstances, deception or confusion is likely . . . we are not concerned with hypothetical possibilities, but with the ordinary practical business probabilities, having regard to the circumstances of the case." Because of the obvious suitability of the proposed mark to achieve a dual purpose, I find myself unable, after giving great weight to the opinion of such an experienced officer as the Deputy Registrar, to conclude that there is no reasonable likelihood of deception in any of the ways in which the mark might fairly be used. I would therefore allow the appeal,

H. C. OF A.
1949.

SYM CHOON
& CO. LTD.

v.
GORDON
CHOON
NUTS LTD.

Williams J.

H. C. OF A.
1949.

SYM CHOON
& CO. LTD.

v.
GORDON
CHOON
NUTS LTD.

Williams J.

set aside the order of the Deputy Registrar and order the respondent to pay the costs of the appellants of the appeal and before the Deputy Registrar.

The costs of the Registrar remain to be dealt with. He does not appear as of right. Section 44 (2) only provides that the Court shall hear the applicant and the opponent. The Act gives the Registrar the right to appear in some applications to the Law Officer or the Court (see ss. 34 (1) and 71 (3)), but not on an appeal under s. 44. But it was submitted for the Registrar that the Court has a discretion to hear the Registrar and to provide for his costs in cases where the Act does not provide for his appearance. The Registrar was heard on an appeal under s. 44 of the Act in *Innes v. Lincoln Motor Co.* (1) and the appellant who failed was ordered to pay his costs. The Registrar's costs have been allowed under the English *Trade Marks Act* 1905 as amended by the *Trade Marks Acts* of 1914 and 1919, but s. 14 (6) of this Act provides that the Court shall, if required, hear the parties and the Registrar. Section 18 (7) of the English *Trade Marks Act* 1938 contains a similar provision. Both Acts contain sections placing the costs of the Registrar in the discretion of the Court (s. 48 of the Act of 1905 and s. 48 (1) of the Act of 1938). The cases to which we were referred by Mr. Sholl relating to the costs of the Registrar in England in proceedings under the English Acts do not therefore appear to me to assist. Mr. Sholl also referred to cases under our *Patents Act* 1903-1946 where the Commissioner of Patents has been allowed to appear although the Act does not provide for his appearance and one of the parties has been ordered to pay his costs: *Tate v. Haskins* (2); *Goldman v. Bramley* (3); *Weiss v. Lufft* (4).

In the case of both Acts, *Patents Act* s. 111 (c) and *Trade Marks Act* s. 95 (d), the Court is empowered to order any party to pay costs to any other party. Neither the Commissioner of Patents nor the Registrar of Trade Marks is a party so that the power of the Court to provide for their costs is derived from s. 26 of the *Judiciary Act* 1903-1948. But it is, I think, dangerous to apply the analogy of proceedings under the *Patents Act* to proceedings under the *Trade Marks Act*. The grant of letters patent and the registration of a trade mark each create a statutory monopoly, but the questions which the Court has to decide under the *Patents Act* are often of a highly technical nature and are usually far more involved and difficult than those under the *Trade Marks Act* and the former questions are therefore questions upon which it is usually desirable to have the assistance of counsel for the Commissioner of Patents. The practice in the past has been for the Registrar not to appear on

(1) (1923) 32 C.L.R. 606.
(2) (1935) 53 C.L.R. 594.

(3) (1936) 55 C.L.R. 714.
(4) (1941) 65 C.L.R. 528.

appeals to the Court under s. 44 (2) from his refusal or grant of an application. The persons whom s. 42 (2) provides are to be heard before the Registrar are the applicant and the opponent and s. 44 (2) provides for the same persons being heard by the Court on appeal. Generally the Court should be in as good a position to protect the public interest on the appeal as the Registrar is on the hearing before him. If the appeal raises an important question of law, in which the Registrar has a peculiar interest, such as the meaning of a section of the *Trade Marks Act*, as it did in *Innes v. Lincoln Motor Co.* (1), the Registrar may well seek to be represented on the appeal. The Court always has a discretion to allow the Registrar to be heard, but it should not, in my opinion, encourage his intervention except in special cases unless he is prepared to bear his own costs. If he is allowed regularly to intervene on any other terms, the result will be that on most appeals under s. 44 (2), the unsuccessful appellant or respondent will have to pay two sets of costs.

On the present appeal there is, in my opinion, no reason why the Registrar should have intervened. His reason for doing so was that he desired guidance on the admissibility of evidence in proceedings before him, but the Registrar must, I think, like every other judicial or quasi-judicial tribunal ascertain the law including the law of evidence as best he may from the sources that are open to all such tribunals. He is not entitled to appear and ask that the appellant or respondent should pay his costs on an appeal from himself simply because that appeal raises the question whether he was right in admitting or rejecting certain evidence.

For these reasons I would make no order as to the Registrar's costs.

Appeal allowed with costs. No order as to costs of Registrar. Decision of Deputy Registrar set aside. Opposition allowed, respondent to pay appellants' cost of opposition proceedings before Deputy Registrar. Application of respondent for registration of trade mark refused.

Solicitors for the appellants: *Thomas, Buttrose, Ross and Lewis, Adelaide, by Arthur Robinson & Co.*

Solicitors for the respondent: *Alderman, Brazel and Clark, Adelaide.*

Solicitor for the intervener: *G. A. Watson, Crown Solicitor for the Commonwealth.*

E. F. H.

(1) (1923) 32 C.L.R. 606.

H. C. OF A.
1949.
SYM CHOON
& CO. LTD.
v.
GORDON
CHOON
NUTS LTD.
Williams J.