

Solicitor for the Attorney-General for the Commonwealth, *Gordon H. Castle*, Commonwealth Crown Solicitor. H. C. OF A.
1921.

Solicitor for the Newcastle and Hunter River Steamship Co. and others, *H. de Y. Scroggie*. IN RE
JUDICIARY
AND
NAVIGATION
ACTS.

Solicitor for the Attorney-General for Western Australia, *F. L. Stow*, Crown Solicitor for Western Australia. —

Solicitor for the Australasian Institute of Marine Engineers and others, *Sullivan Brothers*.

Solicitors for the Attorney-General for Victoria, *E. J. D. Guinness*, Crown Solicitor for Victoria.

B. L.

[HIGH COURT OF AUSTRALIA.]

INNES APPELLANT AND RESPONDENT ;

AND

LINCOLN MOTOR COMPANY . RESPONDENT AND APPELLANT.

Trade Mark—Application—Applications by two persons—Nearly identical marks—Power of Registrar of Trade Marks—Refusal to register—Trade Marks Act 1905-1912 (No. 20 of 1905—No. 19 of 1912), secs. 27, 32, 33. H. C. OF A.
1921.

Sec. 27 of the *Trade Marks Act 1905-1912* provides that "Where each of several persons claims to be the proprietor of the same trade mark, or of nearly identical trade marks in respect of the same goods or description of goods, and to be registered as such proprietor, the Registrar may refuse to register any of them until their rights have been determined by the Court, or have been settled by agreement in a manner approved by him or (on appeal) by the Law Officer or the Court." SYDNEY,
April 20, 29.
Knox C.J.,
Gavan Duffy,
Rich and
Starke JJ.

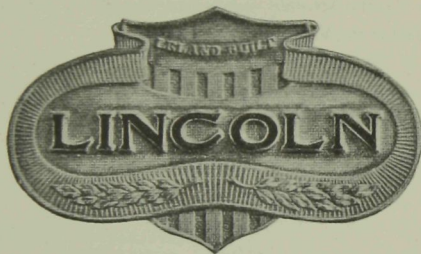
Held, that the power conferred by that section on the Registrar may be exercised at any time whether before or after the Registrar has, under sec. 33, accepted the applications of the persons so claiming.

Held, also, that in determining the question whether the marks are "nearly identical" within the meaning of sec. 27, the inquiry is not whether the marks are likely to be confused with one another or are calculated to deceive, but whether there is claimed by several persons one mark or what the statute treats as one mark.

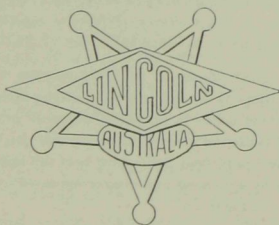
H. C. OF A. APPEALS from the Acting Registrar of Trade Marks.
1921.

INNES
v.
LINCOLN
MOTOR CO.

On 8th August 1919 the Lincoln Motor Co., of Detroit, Michigan, United States of America, applied for the registration of a trade mark in class 22 in respect of automobiles. An application to amend that application by substituting another mark was made on 19th November 1920, and the amendment was allowed on 30th November 1920. The following is a copy of the mark so substituted :—



On 17th September 1919 Charles Innes, of Sydney, trading as the Lincoln Motor Car Co., applied for the registration of a trade mark in class 6 in respect of motor-cars and motor-car parts. The following is a copy of the mark :—



The applications were heard together by the Acting Registrar of Trade Marks, who, on 30th November 1920, held that the marks were "nearly identical" within the meaning of sec. 27 of the *Trade Marks Act*, and he refused to register either mark until the rights of the applicants had been determined by the Court.

From that decision each party appealed to the High Court pursuant

to sec. 35 of the *Trade Marks Act*, and the appeals coming on for hearing before *Gavan Duffy J.* were by him referred to the Full Court.

H. C. OF A.
1921.

INNES
v.
LINCOLN
MOTOR Co.

E. M. Mitchell, for Charles Innes. The Registrar should have accepted both applications and allowed matters to take their appointed course. The power conferred upon the Registrar by sec. 27 of the *Trade Marks Act* cannot be exercised until after the applications have been accepted. At present the Registrar does not know what the rights of the parties are, and there are no means of bringing them before the Court for determination. The Registrar is not now in a position to register or to refuse to register. The only matter the Registrar had to consider in determining under sec. 33 whether these applications should be accepted or refused was whether upon the report of the examiner there was any bar to their registration, that is, whether the marks complied with sec. 16. See reg. 30 of the *Trade Marks Regulations* 1913 (Statutory Rules 1913, No. 339); *R. v. Registrar of Trade Marks* (1). If the Registrar was right in his procedure, the Court should now determine the rights of the parties. That is in accordance with the English procedure (*In re Hudson's Application for a Trade Mark* (2); *In re Albert Baker & Co.'s Application for a Trade Mark* (3)).

Leverrier K.C. (with him *Harrington*), for the Lincoln Motor Co. The power given to the Registrar by sec. 27 may be exercised at any time: the language is perfectly general, and there is no reason for limiting the time at which the power may be exercised. The words "subject to this Act" in sec. 33 (3) show that the power conferred by sec. 27 as well as the power to accept or refuse to accept the application may be exercised on the report of the examiner. The Registrar was wrong in deciding that the two marks were "nearly identical." The proper test is to place the two marks side by side and judge by the eye whether they are nearly, that is, substantially, identical (*Schweppes Ltd. v. E. Rowlands Proprietary Ltd.* (4); *Henry Clay & Bock & Co. v. Eddy* (5); *James F. McKenzie & Co. v. Leslie* (6)).

(1) 5 C.L.R., 604.

(2) 24 R.P.C., 582.

(3) (1908) 2 Ch., 86; 25 R.P.C., 513.

(4) 11 C.L.R., 347.

(5) 19 C.L.R., 641.

(6) 9 C.L.R., 247.

H. C. OF A.
1921.

INNES
v.

LINCOLN
MOTOR CO.

[RICH J. referred to *In re Maeder's Trade Mark Application* (1).]

If the Registrar was right in his procedure, this is not the proper time to determine the rights of the parties.

H. E. Manning, for the respondent the Registrar of Trade Marks. The power given to the Registrar by sec. 27 may be exercised at any time. [He was stopped on this point.] In determining whether the two marks are nearly identical the Registrar should consider what are the substantial characteristics of the two marks. Here the main characteristic of both is the word "Lincoln." He may also take into account the fact that both are to be used on motor-cars, which would be known by that name. Further, he may take into consideration the fact that if both marks are registered there will be a likelihood of deception. [Counsel also referred to *Kerly on Trade Marks*, 4th ed., pp. 21, 269.]

E. M. Mitchell, in reply, referred to *In re Javal and Parquet's Application* (2); *In re Sandow Ltd.'s Application* (3).

Cur. adv. vult.

April 29.

THE COURT delivered the following written judgment:—

Applications were made to the Registrar of Trade Marks by the Lincoln Motor Co., of America, and by Charles Innes, of Sydney, trading as Lincoln Motor Car Co., for the registration of trade marks. The dates of these applications and the amendment that was made in the application of the American company are not material for present purposes. The mark applied for by the American company was a device consisting of an embellished shield or escutcheon, with wings oval in shape, bearing the word "Lincoln" in capital letters across its face and the words "Leland Build" in small letters at the top of the shield. The mark applied for by Innes was a device consisting of a five-pointed star with circular points bearing the word "Lincoln" in capital letters in a diamond across the face of the star and "Australia" in smaller letters in an oval below the diamond. Neither application has been accepted (see *Trade Marks Act* 1905-1912, secs. 33, 36). The

(1) (1916) 1 Ch., 304.

(2) 29 R.P.C., 627.

(3) 30 T.L.R., 394.

Registrar, purporting to act under sec. 27 of the Act, refused to register either mark until the rights of the applicants had been determined by the Court. Both applicants appealed to this Court from the decision of the Registrar (see sec. 35 of the Act).

It was contended by the learned counsel for Innes that the authority conferred upon the Registrar by sec. 27 to refuse to register could not be exercised until after the acceptance of an application. In our opinion, the exercise of the authority is not so limited, and is conditioned only upon (1) claims made by several persons to be proprietor of the same mark or of nearly identical marks, and (2) claims, *i.e.*, applications, to be registered as such proprietors. It is not disputed in this case that applications to be registered were made by two persons, but the question is whether the claims are to the same mark or to nearly identical marks. The learned counsel for the American company argued his appeal on this ground, namely, that the marks applied for were not "the same trade mark" or "nearly identical trade marks." Consequently, he contended that the authority of the Registrar never arose. The office of sec. 27 is to force the determination of a question of ownership, namely, the right to a trade mark. It is framed on the footing that two or more persons claim the same thing or things so like that they may rightly be called the same thing. The inquiry is not whether the marks for which application is made are likely to be confused with one another or are calculated to deceive; but whether there is one mark, or what the statute treats as one mark, and which of two or more persons is entitled to that mark. We have not overlooked the observations of *Sargant J.* in *In re Maeder's Trade Mark Application* (1), but we are of opinion that sec. 27 does not extend to the case where confusion may arise through the use of trade marks which are not really the same.

Turning now to the devices claimed by the applicants in this case, there is no difficulty in saying that the marks are not identical. Then, are they nearly identical? The only common feature is the word "Lincoln." It is no doubt conspicuous. But when you examine the totality of the marks, it is impossible to say that they

H. C. OF A.
1921.
INNES
v.
LINCOLN
MOTOR CO.

(1) (1916) 1 Ch., 304.

H. C. OF A. are "nearly identical," that is to say, so alike that they can be
1921. described as one and the same mark.

INNES Both appeals must, therefore, be allowed, and the applications
v. must proceed in due course.

LINCOLN
MOTOR Co. Our decision that the Registrar was not entitled to exercise the
authority conferred upon him by sec. 27 in these cases leaves him
with ample power ultimately to refuse registration of either or both
marks, or to grant them with or without modifications or conditions
(sec. 42). It may be that the use of the word "Lincoln" by both
traders will confuse and deceive the public, and if the Registrar is
of that opinion he may think it right to refuse the American com-
pany's application owing to the use of the word "Lincoln" in
Australia, or to grant it with or without modification or condition.
He may also think it right to refuse Innes's attempt to appropriate
a common name that is not his own, or to grant it with or without
modification. All this is eventually for the discretion of the Regis-
trar, and the Court in no wise interferes with the full and proper
exercise of his function.

The parties will abide their own costs of appeal.

*Appeals allowed. Decision of Registrar set aside.
Order that Registrar do proceed with applica-
tions in due course of law.*

Solicitors for Charles Innes, *Braund & Watt*.

Solicitors for Lincoln Motor Co., *Perkins, Stevenson & Co.*

Solicitor for the Registrar of Trade Marks, *Gordon H. Castle*,
Crown Solicitor for the Commonwealth.

B. L.