

ORIGINAL

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IN THE HIGH COURT OF AUSTRALIA

CARR FASTENER COMPANY OF AUSTRALIA
LIMITED

V.

THE REGISTRAR OF TRADE MARKS

ORIGINAL

REASONS FOR JUDGMENT

Judgment delivered at SYDNEY

on FRIDAY, 4th SEPTEMBER 1964

CARR FASTENER COMPANY OF AUSTRALIA LIMITED

v.

THE REGISTRAR OF TRADE MARKS

ORDER

The appeal is dismissed. The refusal of the Registrar to accept the application is affirmed. The applicant must pay the costs of these proceedings.

CARR FASTENER COMPANY OF AUSTRALIA LIMITED

v.

THE REGISTRAR OF TRADE MARKS

JUDGMENT

WINDEYER J.

CARR FASTENER COMPANY OF AUSTRALIA LIMITED

v.

THE REGISTRAR OF TRADE MARKS

This case concerns an application under the Trade Marks Act 1955-1958 for the registration of the word SHAKEPROOF as a trade mark in respect of lock washers, being goods included in Class 6. The application was dated 16th November 1959 and is numbered 157014. It superseded an earlier application, No. 108717, made for the same mark in respect of a wider class of goods but abandoned. Certain evidence originally filed in support of the abandoned application was used, together with other material, on this application. The Assistant Registrar, exercising the powers of the Registrar by delegation under s. 11 of the Act, refused to accept the application.

The matter now comes to this Court on an appeal, pursuant to s. 46 of the Act, from the Assistant Registrar's decision, this Court being the "Appeal Tribunal" under s. 111 of the Act. Although called an appeal, the proceeding is in the original jurisdiction of the Court. Therefore, although full consideration and weight is to be given to the views of the Assistant Registrar, which are carefully set out in the written reasons he gave for his decision, the actual question for the Court is not the correctness of his conclusion on the material before him, but whether in the view of the Court on the evidence as presented to it the application should be accepted.

Before the hearing I had directed that the evidence that the Assistant Registrar had before him be adduced at the hearing and had said that further evidence might be given by affidavit. Both the applicant and the Registrar took advantage of the opportunity to adduce further evidence. One witness

was called to give oral evidence; and exhibits were tendered on each side, the facts concerning them being proved or admitted. Section 114 of the Act expressly provides for the reception of further evidence. And even without this the reception of further evidence is permissible and may very often be desirable. I say this because, following a common practice, much of the material that the Assistant Registrar had consisted of statutory declarations in stereotyped language obtained by inviting witnesses in the trade to fill up appropriately the blanks in forms supplied. This may be a convenient manner in which to submit evidence to the Trade Marks Office in the first instance. But, as has several times been pointed out, the value of declarations thus obtained must often be small when the declarants are not called and cross-examined. However, I do not think that the present case depends upon the resolution of any conflict of fact. I have accepted as correct such parts of the declarations as are statements of facts known to the declarants, and have simply disregarded their statements of inferences and conclusions of fact and law that beg the question at issue. I should add that I accept what the witness Mr. C. F. A. Muller said in the witness box. He gave his evidence candidly and helpfully. I accept too his statements in his affidavits except such parts as were argumentative inferences.

I find the main facts to be as follows. The Illinois Tool Works, a corporation of Chicago, Illinois, which I shall call the Illinois Company, is and at relevant times has been the proprietor in the United States of the word SHAKEPROOF as a trade mark for "thread cutting screws, locking screws, assembled screws and washers, lock washers, plain metal washers, nuts" and certain other types of screws. This word seems to have been first used in the United States as a trade mark in 1921 by the Shakeproof Screw & Nut Lock Company and the Shakeproof Lock Washer Company, predecessors in title of the Illinois

Company. In 1932 the word (written in a semi-circular form) was registered as a trade mark in Canada for "clamps, lock washers, screws, tapping screws, stamping's lock nuts, electrical connectors or terminals and all other electrical devices and fastening devices generally". In 1940 the word was registered as a trade mark in Great Britain in respect of "lock washers and self-tapping screws, all of common metal". The person who at relevant times has used the mark in the United Kingdom (by arrangement with the Illinois Company) is Barber and Colman Limited of Manchester which puts out a catalogue of "Shakeproof" products in which it is said that the word is a trade mark.

One of the products of the Illinois Company is and at relevant times was a kind of washer having twisted teeth and adapted when placed beneath a nut screwed tight to prevent its working loose upon its screw. Two forms of this washer were made, one having teeth projecting inwards from its rim, the other with its teeth projecting outwards. They were spoken of in the evidence, in some of the documents produced and in the argument before me as internal tooth lock washers and external tooth lock washers. The word "shakeproof" has, by a course of events to be narrated, come to be associated with this particular kind of lock washer which it is said was first made in the United States. Lock washers of this kind have been advertised as shakeproof lock washers in the United States, in the United Kingdom and in Canada. The various sizes and variations of shape in which they are made have been designated by numbers. These numbers are standardized in each of the countries mentioned and appear in the stock-lists of suppliers of the goods. A person ordering shakeproof washers by a particular number from a supplier in the United States, England or Canada would therefore expect to get articles of exactly the same kind in each country. This is so too in Australia, because Carr Fastener Company of Australia Limited, the present

applicant, has been until recently the only manufacturer in Australia of this particular form of lock washer. It has an association with the Illinois Company and it has put out its lock washers of the standard design identified by the same numbers under the name Shakeproof. These have been sold through distributors in the several States. In price-lists published in 1949 and 1952 it has described them simply as "SHAKEPROOF WASHERS", and stated them to have been manufactured by it "as sole licensee for Australia and New Zealand".

Carr Fastener Company of Australia Limited was incorporated in South Australia in 1928. It makes a wide range of articles at its factory at Alberton in South Australia. Its products include fasteners of various types, moulding and wiring clips, nuts and washers, toggles, hinges and eyelets, for use in industry. Since 1941 one of the company's main activities has been the making of the washers that it has sold and advertised under the name "Shakeproof." It has not used this name for any other of its many products. In its trade literature, advertisements and catalogues, the word "shakeproof" has sometimes been printed between inverted commas. But in a booklet dated July 1947, in which the company's products are listed and illustrated, its lock washers of various sizes are described, depicted and numbered following a general title: "Shakeproof Lock Washers" (without inverted commas), and with the additional legends: "The only lock washer with tapered-twisted teeth. The Lock that Never Lets Go". These phrases appear also in a catalogue issued by Barber and Colman Limited in England in 1948. A good deal was said in argument about the significance of the addition or omission of quotation marks commonly called inverted commas. Their presence emphasizes and particularizes a word; and thus it may indicate that it is used as a trade mark. But a word if disqualified as a trade mark cannot become qualified by being surrounded by

inverted commas. And neither the applicant company itself nor those who dealt with it adopted any consistent or uniform practice in writing the word "shakeproof". A trade mark consisting of a word is spoken as well as seen, and one cannot pronounce a word when set between commas differently from when it is not so confined. The mark applied for by the applicant is simply the word SHAKEPROOF - not written between quotation marks or in any special way. I think that nothing is to be gained by noticing that in the documents produced, the word sometimes appears in quotation marks.

Since it began making and selling its shakeproof washers the applicant company has sold many millions of them to the trade throughout Australia. There has been a growing demand for them. The company's sales in 1945 were 9,830,000: in 1960 they were 141,436,000. For most of the time since it began their manufacture until to-day the company was the only manufacturer in Australia of lock washers of this kind. Indeed not until recently was the applicant aware that anyone else had made similar washers in Australia. The only evidence on the point is that at some time before October 1962 (the date on Exhibit AA) another company, Forth Cleveland Pty. Limited, began to make what it described as "Forth Cleveland internal tooth locking washers" - which seem to be the same in design and purpose as one form of the applicant's shakeproof washers. The sales by Forth Cleveland Pty. Limited ~~do not~~ seem to have been relatively small. Its arrival on the scene does not diminish the great body of evidence that, at all events up to the time of the applicant's application for the mark, the applicant's products were the only washers of the kind on the Australian market. There was, it seems, no importation of washers of that kind from overseas in any quantity. Some no doubt came to Australia as parts of motor cars and machinery imported but not in quantity as separate articles of trade.

Substantially the whole Australian market was supplied by the applicant company, and among traders in hardware it was known to be the source of the washers that they knew as shakeproof washers. Declarations that were tendered shew this. The declarants, after claiming to have a long and extensive knowledge of the trade in engineering and mechanical hardware and accessories, all go on in the same words: "I have been concerned with the merchandising of large numbers of metallic washers identified by the word 'shakeproof' and emanating from the Carr Fastener Company of Australia Limited which I believe manufactures the washers at their factory in South Australia". A significant aspect of these statements is that for the declarants the washers were "identified by the word shakeproof". The applicant's advertising was as likely to cause the name "shakeproof" to be given to a particular type of washer as to shew that it was the maker of washers of that name. And this name-calling was not without effect. Shortly before the hearing before the Assistant Registrar a package of washers was obtained by an officer of the Trade Marks Office at a general hardware store in Canberra. The label includes the following: "Shake Proof Washer Assortment - containing internal and external types in popular sizes. Produced by H. G. Sparks & Co. 337 Pitt Street Sydney". The washers in the package had been bought from the applicant company and re-packed by the purchaser. There was no passing off; but the term "Shake Proof" (printed as two words) was apparently meant to describe the type of washer to the purchasing public, consumers who would buy the goods from retailers. Since the date of the application for the mark other instances have been discovered of the applicant's product re-packed and labelled with the trade mark of another merchant but with the contents described as "Shakeproof Washers" or "Shake-Proof Washers" - in one case as: "Genuine Shakeproof washers". In the Ford Service Manual

the words "the shakeproof washer" are used to describe a component that has to be removed in dismantling the distributor in a Ford motor vehicle. The copy of the manual produced is dated 1955 and was printed at Rockdale, New South Wales. Similarly in the Workshop Manual for Morris Minor there are references to shakeproof washers: e.g. on page 10 "Each bolt has a shakeproof washer and a plain washer". The copy of the manual produced is described as revised and reprinted, May 1962, and was printed in Sydney.

Evidence of the user of the word after the date of the application for the trade mark has to be considered with some care. But each side tendered such evidence without objection and relied upon it - the applicant as relevant to the capacity of the word to become distinctive according to s. 25, the Registrar as shewing that it was in fact merely descriptive. I think that the evidence does assist in determining whether or not the application for registration ought to be accepted.

The applicant sought registration of the word in Part A of the Register: alternatively it asked that, if not acceptable under Part A, the application be, pursuant to s. 44, treated as an application for registration in Part B. The Assistant Registrar refused both applications, mainly because he considered that the word was incapable of being registered in respect of lock washers as it was a merely laudatory term extolling them for their performance of their purpose.

To be registrable in Part A a trade mark must consist of or contain one or more of the matters set out in s. 24. As "shakeproof" is no doubt a word, the question is, Is it an invented word? If not, is it a word not having direct reference to the character or quality of the goods? It was said for the Registrar that it was an ordinary English word, an analogue of waterproof, fireproof, bulletproof,

foolproof and similar terms. It does not seem to me that it is an ordinary English word, although it appears in Webster's Dictionary as meaning not affected by shaking. But for a word to qualify as an invented word for trade mark purposes something more is required of it than that it be new, out of the ordinary or made up. "Shakeproof" is not, I think, an invented word in the sense that expression has in s. 24: Re Yalding Manufacturing Company Limited's Application (1916), 33 R.P.C. 285; Re Dunlop Rubber Company Limited's Application (1942), 59 R.P.C. at p. 137; Howard Auto-Cultivators Ltd. v. Webb Industries Pty. Ltd., 72 C.L.R. 175. The question then is, Is it a word not having direct reference to the character or quality of the goods? Or, as it is sometimes put, Is it descriptive, or, in the sense given by s. 26, distinctive? As has been more than once pointed out, the more apt a word is to describe the goods of one manufacturer the less apt it is to distinguish them from the goods of another. A manufacturer is not entitled to a monopoly of a laudatory or descriptive epithet: Re Yorkshire Copper Works Limited's Application (1953), 71 R.P.C. 151. I consider that the word "shakeproof" does have a direct reference to the character of a lock washer the function of which is to prevent a nut working loose. It may be that in claiming, as I think it does, that the operation and effect of the washer is completely unaffected by shaking the word claims too much. Perhaps such a washer does not entirely obviate the effect of shaking. And "proof" has an absolute connotation. But a word or phrase does not cease to be descriptive merely because it says too much. The word "shakeproof" is ~~that~~ I think not registrable in Part A.

But a word prima facie descriptive may by use have become distinctive or be capable of becoming distinctive. And the applicant contends that, even if not qualified for registration under s. 24, the word had a secondary meaning

distinctive in Australia of its goods and is registrable, under s. 25, in Part B. I see the force of the argument, especially having regard to the registration of the word as a trade mark in the United Kingdom, which is a persuasive fact in favour of the applicant. But my conclusion from the evidence as a whole is that the word "shakeproof" had before the date of the application become a generic word. As used by some people it was perhaps a more or less colloquial term for any kind of locking washer as distinct from a plain washer. For others it clearly meant the particular type of locking washer that was advertised and sold under that name. That the applicant company was the maker in Australia of washers of that type sold under that name was no doubt known to many people, especially to persons in the hardware trade: to such people the word may be said to be adapted to distinguish the applicant's goods - to be indicative of their origin. But to others the word was not indicative of the origin but of the character of the goods. That goods of that kind could be called by other names, for example "tooth lock washers" is immaterial. Lots of things can be called by more than one name. The applicant company's use of the word "shakeproof" had not, it seems to me, been simply of it as a trade mark for its goods. It had been directed to establishing it as the name of its locking washer, an article of a particular kind - "the only lock washers with tapered-twisted teeth". I do not think that the applicant brings the word within s. 25 so as to be entitled to a registration of it in Part B preventing its use by other traders.

The appeal is dismissed. The refusal of the Registrar to accept the application is affirmed. The applicant must pay the costs of these proceedings.