

## TRADE MARK REGISTRATION FOR WINES IN AUSTRALIA

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### **ABSTRACT**

The selection of a brand name is invariably the province of the Marketing department. However, a good brand name should not only be distinctive of the product it is applied to, it should also be easily protected from unfair misuse by competitors. The best way to achieve this is by registration of the brand as a trade mark. Whilst there are rules governing the registrability of all trade marks, there are especially prescriptive rules applying to trade marks for wine. These rules have particular significance for two of the key types of words often chosen for wine brands – geographical indications, and the names of people. As well as the trade marks legislation, there are also restrictions in the Australian Wine & Brandy Corporation Act as to the use of certain words (particularly geographical indications). Much of the framework (and need) for this has flowed from the bilateral agreement on trade in wine between Australia and the EU, so it is important to understand this agreement in the context of trade mark regulation.



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## TABLE OF CONTENTS

TRADE MARK REGISTRATION FOR WINES IN AUSTRALIA.....	i
ABSTRACT.....	i
1. BACKGROUND –TRADE MARK REGISTRABILITY .....	1
1.1 Benefits of Registration .....	1
1.2 ‘Capacity to Distinguish’ .....	1
1.3 Grounds for Rejection.....	2
1.3.1 Use contrary to law .....	2
1.3.2 Deceptive or confusing .....	2
2. THE EU/AUSTRALIA WINE AGREEMENT.....	2
2.1 The ‘semi-generics’ .....	3
2.2 Special cases – Hermitage, Lambrusco and Riesling .....	3
2.3 TEs, APEs and Grape Varieties .....	3
2.4 Offences under AWBC Act .....	3
2.5 Labelling and Use .....	4
2.5.1 False Use.....	4
2.5.2 Misleading Use .....	4
3. APPLICATION TO TRADE MARKS FOR WINE .....	5
3.1 Registrability of a Registered Geographical Indication (GI) as a Trade Mark.....	5
3.1.1 Simple ‘word’ mark - capacity to distinguish.....	5
3.1.2 Simple ‘word’ mark - use contrary to law .....	5
3.1.3 Simple ‘word’ mark - deceptive and confusing.....	6
3.2 Composite Trade Marks.....	6
3.2.1 Composite marks - where the GI is not clearly evident.....	6
3.3 Where a GI is the Owner's Name.....	7
3.4 Geographic Locations which are <i>not</i> Registered GIs .....	8
3.4.1 Capacity to distinguish.....	8
3.4.2 Use contrary to law .....	8
3.4.3 Deceptive or confusing .....	8
3.5 Trade Marks which Comprise or Include a TE or APE.....	8
3.6 Trade Marks which Resemble a GI, TE or APE.....	9
3.7 Registrability of a Name as a Trade Mark .....	10
3.7.1 Surnames.....	10
3.7.2 Plural or Possessive Surnames.....	10
3.7.3 Word which is both a surname and a geographical name.....	11
3.7.4 Word which is both a surname and a descriptive word .....	11
3.7.5 Trade marks consisting of two or more surnames .....	11
3.7.6 Name of a person .....	11
3.7.7 Other issues with names.....	11
Appendix 1.....	12
Australian Traditional Expressions.....	12
Appendix 2.....	14
Extracts from: Australian ‘Plain English’ WINE LAW...making & labelling.....	14

## BACKGROUND –TRADE MARK REGISTRABILITY

### 1.1 Benefits of Registration

The main benefits of obtaining registration of a trade mark are:

1. the ‘sword’ – you can take action to prevent competitors ‘misappropriating’ your marketing efforts – registration gives you a statutory monopoly in relation to the goods (or services) in relation to which the mark is registered. This applies not only to infringing uses of the exact mark, but also to use of marks which are ‘substantially identical’ or ‘deceptively similar’. Infringement also occurs if such marks are applied to goods of the ‘same description’ as your goods, or ‘closely related services’.  
One of the reasons for the introduction of statutory protection for trade marks was to remove the need to prove reputation before being able to bring an infringement action. Proving such matters in court is difficult, expensive and time-consuming, and has to be repeated in every case. It is not necessary to prove reputation to bring an action for trade mark infringement (which is particularly beneficial for businesses just starting out, or with low or localised sales).
2. the ‘shield’ – you gain protection from infringement actions by others; for example, if a competitor uses a similar mark (or if the mark you have chosen is used in foreign jurisdictions, but hasn’t been used here), then trade mark registration gives you certainty that you can use your trade mark.
3. ‘perpetual’ registration – provided the trade mark, and your use of it, continue to comply with registrability requirements, you can continually renew your registration (which currently lasts 10 years) in perpetuity.

### 1.2 ‘Capacity to Distinguish’

The first issue to be addressed when considering whether or not a ‘sign’<sup>1</sup> is registrable as a trade mark, is whether it is “capable of distinguishing the applicant’s goods or services in respect of which the trade mark is sought to be registered from the goods or services of other persons”.<sup>2</sup>

The test whether a mark is **adapted to distinguish** is to consider the likelihood that other persons, trading in goods of the relevant kind, in the normal course of their business and with an ‘innocent’ motive, would think of the word and want to use it in a manner which would, if it were a registered trade mark, infringe that registration.

(This is the test is applied to geographical names, in the context of any connection between the goods and the place indicated by the name, particularly if the place has a reputation for the designated goods or services.)

If a mark has only a limited capacity to distinguish, it is still registrable if the applicant can satisfy the Registrar that, because of the combined effect of:

- (1) the extent to which the mark is inherently adapted to distinguish the applicant’s goods and services;
- (2) the applicant’s use, or intended use, of the trade mark; and
- (3) any other circumstances,

the mark does or will distinguish the applicant’s goods and services as those of the applicant<sup>3</sup> [i.e. not some other trader’s].

If the trade mark is not at all inherently adapted to distinguish the applicant’s goods or services, the mark will only be registered if the applicant can establish that, because of the extent to which it has used the mark before the date on which the application was filed, it does distinguish the applicant’s goods and services from those of its competitors<sup>4</sup>.

### **1.3 Grounds for Rejection**

Apart from the issue of capacity to distinguish, the main grounds for refusing an application to register a trade mark in relation to wine are if its use would be contrary to law, or deceptive or confusing. (Of course, an application would also be refused if the mark applied for were too similar to a pre-existing trade mark<sup>5</sup>)

#### **1.3.1 Use contrary to law**

A trade mark is not registrable if its use would be contrary to law.<sup>6</sup> As far as wines go, this section is brought into play particularly when use of a registered geographical indication (or traditional expression) as part of a trade mark would be an offence under the Australian Wine & Brandy Corporation Act.

#### **1.3.2 Deceptive or confusing**

A trade mark cannot be registered if its use would be likely to deceive or cause confusion<sup>7</sup>. When the name of a known geographic location is prominently featured in a trade mark applied to any goods, there is a possibility that the consumer might expect the goods to have a connection with that location. Depending on the nature of the goods, a most likely connection is that the goods have been made or produced in the location. If the location is well known for the production of the goods in question, or goods from the location have a particular reputation, the Registrar may require endorsement of a condition of registration that the trade mark will only be used in respect of goods produced in that place.

If the goods are wines and the geographic location is well known as a grape growing and wine producing locality, it is very likely that the consumer will expect those wines to have been produced predominantly from grapes grown in the geographic location which appears in the trade mark.

## **2. THE EU/AUSTRALIA WINE AGREEMENT**

Before examining how questions of registrability are applied to trade marks applications for wines, it is necessary to look at specific wine industry regulation that deals with how and when certain geographical indications and other expressions may be used.

In 1993, Australia and the European Union<sup>8</sup> entered into a bilateral agreement to promote trade in wine between the two parties. This agreement is known as the *EU/Australia Wine Agreement (the Wine Agreement)*.

Under the Wine Agreement, Australia and the EU were obliged to protect the geographic names and other expressions traditionally used in respect of wine made in any of the member countries, and some names of grape varieties.

The Wine Agreement obliges Australia to enact legislation which protects such names and expressions. The AWBC Act was amended<sup>9</sup> to do this. This included the establishment of a special Register<sup>10</sup>.

The protected geographic names are referred to as geographical indications (**GIs**). Other terms and expressions that may also be protected are referred to as traditional expressions (**TEs**), and ancillary protected expressions (**APEs**).

The Geographical Indications Committee (**GIC**) was established by the same legislation. The GIC is responsible for determining the names and boundaries of Australian GIs and any conditions applicable to their use, as well as TEs and APEs. Once registered, these words can

only be used in relation to wine if that use accords with the conditions recorded in the Register.

*Annex II* to the EU/Australia Wine Agreement lists GIs, TEs and APEs which the parties claimed at the time of negotiation to be traditional to them. However, significant parts of *Annex II* have not yet been entered on the Register and therefore are not prohibited names under the AWBC Act.

## **2.1 The ‘semi-generics’**

Certain European Union GIs, TEs and grape varieties which have previously been used as generic descriptions of Australian wines (sometimes called ‘*semi-generics*’ in Australia, and ‘*generics*’ in the US) were included by the EU in *Annex II*.

These were divided into three groups, whose use was to be phased out on a time scale to be agreed. The first two groups of names have already been entered on the Register and may no longer be used as descriptions for Australian wines:

Beaujolais	Cava	Chianti
Frascati	Frontignan	Hock
Madeira	Malaga	Saint-Emilion/St Emilion
Sancerre	Vinho Verde/Vino Verde	White Bordeaux

Names which are currently exempted from the provisions of the AWBC Act but which are likely to become protected at a date to be determined are:

Burgundy	Chablis	Champagne
Claret	Graves	Marsala
Moselle	Port	Sauternes
Sherry	White Burgundy	Hermitage

The adoption of the EU TEs and APEs in *Annex II* is the subject of further negotiations between Australia and the EU.

## **2.2 Special cases – Hermitage, Lambrusco and Riesling**

‘*Hermitage*’ is a town in the Rhone Valley, but has also been used traditionally in Australia as a synonym for the vine variety Shiraz. This name has been exempted<sup>11</sup> and may be still be used on Australian wine which is not to be sold in an EU country.

*Lambrusco* appears in *Annex II* as a grape variety in EU countries. However, it has been traditionally used in Australia to indicate a style of wine and may still be used on Australian wines under certain conditions<sup>12</sup>.

*Riesling* also appears in *Annex II*, as it is the name of a grape variety. In Australia, it developed another meaning as a style of white wine (traditionally used on wine casks / soft packs).<sup>13</sup> The exemption allowing Riesling to be used to describe a wine style has now been repealed<sup>14</sup> and the name must now only be used to indicate wine produced from the Riesling variety of grapes.

## **2.3 TEs, APEs and Grape Varieties**

The Australian TEs, and the conditions applicable to them, that have been determined by the GIC and are currently recorded in the Register are set out in Appendix 1<sup>15</sup>.

## **2.4 Offences under AWBC Act**

The AWBC Act provides that GIs may only be used on wine made from grapes grown in the area named by the GI<sup>16</sup>. However, this is subject to certain exemptions<sup>17</sup> and blending rules<sup>18</sup>.

Once a GI, TE, APE or grape variety is entered in the Register, any false or misleading use in the description or presentation of wine, including use which contravenes any applicable registered conditions, constitutes an offence under the AWBC Act<sup>19</sup>.

## **2.5 Labelling and Use**

The restrictions on use of registered GIs apply to any part of the ‘**description and presentation**’ of a wine. This extends to:

- “all names (including business names) or other descriptions, references (including addresses), signs, designs and trade marks used to distinguish the wine and appearing:
- (a) on the container (including on the device used to seal the container or on a label affixed to the container), on any tag attached to the container or, if the container is a bottle, on the sheathing covering the neck of the bottle; or
  - (b) on protective wrappings (such as papers and straw envelopes of all kinds), cartons and cases used in the packaging of the wine or the transport of the wine; or
  - (c) in documents relating to the transport of the wine or in other commercial documents (for example, invoices or delivery notes) relating to the sale or transport of the wine; or
  - (d) in advertisements relating to the wine.”<sup>20</sup>

### **2.5.1 False Use**

The AWBC Act states that the following are all examples of a **false** description and presentation of wine (note that this is an inclusive, not exhaustive, list):

- (a) it includes the name of a country, or any other indication that the wine originated in a particular country, and the wine did not originate in that country; or
- (b) it includes a registered geographical indication and the wine did not originate in a country, region or locality in relation to which the geographical indication is registered; or
- (c) it includes a registered traditional expression and the wine did not originate in a country, region or locality in relation to which the expression is registered; or
- (d) it includes a registered ancillary protected expression and the wine did not originate in a country, region or locality in relation to which the expression is registered; or
- (e) it is not in accordance with such provisions (if any) relating to the description and presentation of wine as are prescribed for the purposes of this paragraph.

### **2.5.2 Misleading Use**

Likewise, there are examples of uses the description and presentation of a wine which are deemed to be misleading, including if a use:

- (a) includes a registered geographical indication, a registered traditional expression or a registered ancillary protected expression (or a translation, or a word that resembles it); and

- (b) the indication or expression (or translation or ‘resembling’ word) is used in such a way in the description and presentation as to be likely to mislead as to the country, region or locality in which the wine originated,<sup>21</sup>

More information about the *Australian Wine and Brandy Corporation Amendment Act* and the operation of the GIC is available from the Australian Wine and Brandy Corporation (P.O. Box 595, Magill, South Australia 5072) and from its internet website at: [www.awbc.com.au/arms/a\\_regions.html](http://www.awbc.com.au/arms/a_regions.html)

### 3. APPLICATION TO TRADE MARKS FOR WINE

Trade mark applications are examined by the Trade Marks Office in accordance with the Practice and Procedure Manual which the Office has issued to all its examiners.

The Manual contains a separate 25-page chapter dealing exclusively with the special issues which arise in the examination of trade mark applications filed in respect of wines<sup>22</sup>, most of which relates to rules relating to geographical indications deriving from the Australian Wine & Brandy Corporation Act (**AWBC Act**).

Information to help owners who want to register trade marks for wine is available in a leaflet jointly developed by the Trade Marks Office and the Australian Wine and Brandy Corporation. This is available on application to either office or on the Internet at:

[www.ipaustralia.gov.au/library/PDFS/trademark/wine.pdf](http://www.ipaustralia.gov.au/library/PDFS/trademark/wine.pdf)

#### **3.1 Registrability of a Registered Geographical Indication (GI) as a Trade Mark**

A registered GI is, by definition, a name with significant geographic relevance to the wine industry. It is also a name of which wrongful use, in the knowledge of the GI's status as a protected name, will be contrary to law.

##### **3.1.1 Simple ‘word’ mark - capacity to distinguish**

An application for registration of a trade mark for wine which consists of a registered GI be rejected because it is descriptive, i.e.:

- (i) it is the apt description for all wine produced predominantly from grapes grown in the GI; and
- (ii) terms of the Wine Agreement specify that wine for export must be identified by a GI.

##### **3.1.2 Simple ‘word’ mark - use contrary to law**

The actual registration of a trade mark consisting of a registered GI is not of itself contrary to law, for a number of reasons.

Firstly, the AWBC Act only prohibits *knowing* wrongful use.<sup>23</sup> Secondly, the applicant may choose only to use the mark on those wines which accord with the lawful use of the GI. Finally, there are some exemptions - see section 40J of the *AWBC Act*.

As a result, the application will only be permitted to proceed to registration if the applicant agrees to an “endorsement” as a condition of registration, in the following terms:

*It is a condition of registration that the trade mark will only be used in respect of wines originating (as defined in the Australian Wine and Brandy Corporation Act 1980) in the area in respect of which the geographical indication <name of GI > is registered and that the use is in accord with the Australian Wine and Brandy Corporation Act 1980.<sup>24</sup>*

### 3.1.3 Simple ‘word’ mark - deceptive and confusing

More stringent conditions apply to the sourcing of grapes for a registered GI than for an unregistered GI, as far as trade mark registration is concerned. For unregistered GIs, an issue would arise unless wine is made “predominantly” from grapes grown in the area; however, under the AWBC Act, a registered GI may only be used on wines which “originate” in that GI.

Therefore, to avoid rejection pursuant to section 43, the same endorsement as set out above would be required.

## 3.2 Composite Trade Marks

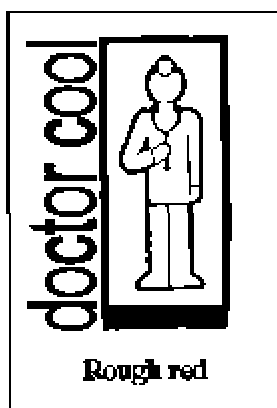
Where a trade mark includes a GI but, as a whole, is capable of distinguishing the application goods, there will be no ground for rejection under section 41.

However, the same argument applies as above in relation to both ‘use contrary to law’ and ‘deceptive and confusing’. Unless the wines will comply with the AWBC Act requirements, there will be grounds for rejection. This can only be overcome by the applicant agreeing to an endorsement in the form above.

### 3.2.1 Composite marks - where the GI is not clearly evident

Some trade marks may include a registered GI, but in such a way that it is not obvious that it is being used as a geographical indication in the context of the trade mark.

The Manual uses a hypothetical trade mark DOCTOR COOL.



The problem word in this case is “DOCTOR”, which is on the Register in respect of a German wine-growing locality in the Mosel-Saar-Ruwer region.

In ‘real life’, the same issue arose in an application by Southcorp Wines to register “QUEEN ADELAIDE REGENCY” as a trade mark<sup>25</sup>, due to the inclusion of “Adelaide” on the Register as an Australian registered GI.

The Registrar applied the same reasoning as set out in the Manual in making her decision to reject the Queen Adelaide application, in the absence of agreement to an endorsement in the form set out above. As Queen Adelaide products are made from fruit sourced from many different regions, and not just the region delineated by the Adelaide registered GI, Southcorp Wines was not able to consent to this. The decision was that:

“Because of the provisions of sections 40C and 40D of the *Australian Wine and Brandy Corporation Act 1980*, as interpreted in the *La Provence* case (supra) ... unless the trade mark is applied only to wine originating in the region defined by the registered geographical indication ADELAIDE, its use will contravene section 40C of

that Act. Accordingly its use under those circumstances would be contrary to law and a ground for rejection would arise under paragraph 42(b) of the [Trade Marks Act 1995](#) Southcorp Wines had argued that:

- the word ADELAIDE was being taken out of context - "Adelaide" is a well recognised female first name and it was Queen Adelaide, consort of King William IV for whom the city of Adelaide was named; in this context the word ADELAIDE is used in the trade mark QUEEN ADELAIDE REGENCY. It is not used on its own and is not used in a geographical sense or as a geographical indication to mean the name of a wine-growing region in South Australia; and
- The appearance of the word ADELAIDE in the subject trade mark does not convey the idea of the goods coming from Adelaide, given the significance of the words QUEEN ADELAIDE REGENCY as a whole. In the context of the whole trade mark the word ADELAIDE does not therefore mislead the public and is not a false representation in relation to wines even though those wines do not originate in the area defined by the geographical indication ADELAIDE;

The Registrar acknowledged the strength of this argument, and expressed "a good deal of sympathy with the submissions". And agreed that "on a commonsense interpretation of the words" they would make an impression on a potential purchaser of implying a geographic origin. However, her interpretation of section 40D of the AWBC Act was that absence of any 'deceptive or confusing' element was irrelevant:

"In the terms of section 40D it is enough to render the description and presentation false if it includes a registered geographical indication and it is applied to wines which did not originate in the country, region or locality in relation to which the geographical indication is registered. There is no requirement that the use should also be misleading.

Southcorp Wines also argued that:

- in using the word ADELAIDE in the expression QUEEN ADELAIDE or QUEEN ADELAIDE REGENCY, it was not using it as a "geographical indication" as defined in section 4 of the AWBC Act, because that section defines a geographical indication in relation to its contextual use and that if a word or expression is not being used "to indicate the country, region or locality in which the wine originated" then it does not fall within the definition; and
- the findings in the La Provence case should be distinguished, as the decision in that case was influenced by the fact that "Provence" is most clearly recognised as the name of a region in France and has no other meaning in English, and therefore any use of the expression "La Provence" would clearly mislead the public by suggesting the name of a region in France, which is a registered geographical indication. By way of distinction, adding the words QUEEN and REGENCY does change the meaning of the word ADELAIDE in the context of the trade mark QUEEN ADELAIDE REGENCY and therefore its presence on the applicant's wine does not mislead the public

These arguments were also rejected.

### **3.3 Where a GI is the Owner's Name**

The exemption in the AWBC Act for a person's name<sup>26</sup> applies only to use by a natural person of their name<sup>27</sup> (or that of a predecessor in the business). It does not extend to such a name owned through a company structure.

### **3.4 Geographic Locations which are *not* Registered GIs**

Wine trade marks which contain geographic names that do not appear on the Register are assessed in the normal way.

#### **3.4.1 Capacity to distinguish**

The first question to decide is whether the trade mark as a whole is capable of distinguishing the wines of the applicant. The tests to be applied are the same as for trade marks for goods of any kind. Geographical names have some degree of inherent adaptation to distinguish but this depends to some extent on the size of the place they define and also on whether there is a known connection between that place and goods of the kind specified in the application.

The Manual states that when the goods specified are wines, particular attention should be paid to the relevance of rural names if it emerges that an otherwise insignificant entity (ridge, valley or creek) is in a district which is known as, or promises to be, a grape growing area, and that there may be grounds for rejection if the mark consists of the name of a small locality of this kind.

#### **3.4.2 Use contrary to law**

If the name of a geographical location has not been entered on the Register, its use in relation to wine does not contravene the AWBC Act. Use of a trade mark containing the name of that geographical location will not therefore be in conflict with the provisions of the AWBC Act and there will be no grounds for rejection under section 42(b) of the *Trade Marks Act*.

However, if the location in question is being considered for determination as a GI, the Trade Marks Office will notify the applicant of this.

#### **3.4.3 Deceptive or confusing**

If the Registrar is satisfied that there is a real likelihood that consumers will be led to expect that the has a connection with the locality identified by the geographic name, it will need to be endorsed with a condition of registration to avoid grounds for rejection in terms of section 43.

In making this decision about consumer perception, consumers are not expected to have a particular knowledge, skill or experience that the general public relevantly does not<sup>28</sup>, and the majority of wine consumers are to be considered as “uninvolved consumers” typically guided by price in making their selection. They are therefore no more likely to expect a particular geographic origin, on the basis of information included in a trade mark, than the purchasers of other commonly purchased goods.

The connotation will be stronger where the geographic locality that appears in the trade mark is a recognised grape growing and wine producing locality, in which case the Trade Marks Office is likely to require an endorsement in the following:

*It is a condition of registration that the trade mark will only be used in respect of wines produced predominantly from grapes grown in the <name of location> area.*

No endorsement would be required if the name appearing in the trade mark identifies a well known geographic location which has no significance as a wine producing locality.

### **3.5 Trade Marks which Comprise or Include a TE or APE**

Once TEs and APEs are recorded on the Register they are, by definition, expressions which are descriptive. As a result, they are not ‘adapted to distinguish’, and therefore are not registrable as a trade mark<sup>29</sup>, if the mark is simply the TE or APE.

The TE may be part of a trade mark, such as when an entire label is submitted as the trade mark applied for. The Manual uses the following example:



The expression "aromatic sparkling wine" at the foot of the label is a registered Australian TE. As it is clearly a description of the goods and not a prominent or integral part of the trade mark it could be deleted, and the Trade Marks Office will often suggest this to the applicant.

If it were not deleted, an endorsement as follows would be required:

*It is a condition of registration that the trade mark will only be used in respect of wines which conform with conditions entered on the Register of Protected Names for use of the Australian Traditional Expression AROMATIC SPARKLING WINE and that the use will accord with the Australian Wine and Brandy Corporation Act 1980.*

If the goods which are the subject of the trade mark application includes a registered TE and the trade mark is otherwise registrable, then an endorsement will be required in the following form:

*The expression SPARKLING WINE is listed as an item in the specification of goods. This word is an Australian Traditional Expression recorded on the Australian Register of Protected Names. It may only be used in respect of sparkling wines which conform with conditions entered on the Register of Protected Names.*

### **3.6 Trade Marks which Resemble a GI, TE or APE**

As noted above, a "misleading" description and presentation of wine occurs if a trade mark includes a registered GI, TE or APE, or a translation, or a word or expression which so resembles a GI, TE or an APE, and it is used in such a way as to be likely to mislead as to the country region or locality in which the wine originated. Such use is an offence under the AWBC Act and will therefore be "contrary to law" for the purposes of paragraph 42(b) of the *Trade Marks Act*

However, the Trade Marks Office takes the view that the decision as to whether a word or expression so resembles a registered GI, TE or APE as to be likely to be mistaken for that it is not a decision taken under the *Trade Marks Act*, but is one which would have to be made by a court if an action was taken under the AWBC Act.

The Trade Marks Office will therefore not take issue unless the word or expression appearing in a trade mark is **identical, or substantially identical** to, or a **direct translation** of a registered GI, TE or APE.

If the GI is very well known as a geographic region, then any minor misspellings which are phonetically the same, and visually very similar, may result in a sign which is substantially identical to the GI. For example, variations on the GI Barossa Valley, such as BAROSA VALLEY or BAROSSA VALLEY will indicate to many purchasers that the wine is from the GI.

### **3.7 Registrability of a Name as a Trade Mark**

#### **3.7.1 Surnames**

Surnames have at least a limited degree of inherent capacity to distinguish, unless they also have a meaning which refers directly to the goods or services in question, such as “GUTWEIN” (a German name meaning, literally, “good wine”), or is otherwise descriptive, such as the name “BEST”.

The usual test applies to whether the mark is “inherently adapted to distinguish” – if it is one which other traders are not likely to wish to use, in the ordinary course of their business, without any improper motive. The “commonness” of a surname is one of the guides to the extent of inherent adaptation to distinguish that the word has in relation the applicant’s goods or services.

The test of “commonness” is carried out by the Trade Marks Office conducting a “Search For Australian Surnames” (SFAS), using the electoral rolls of the Australian states.

The SFAS search gives a measure of the commonness of the surname and therefore of the likelihood that a another trader with that name would wish to use the name in connection with his or her goods or services. The more common the surname, the less inherent adaptation to distinguish it will have. As a general rule, an SFAS value of 750 or more will tend to indicate that the surname is sufficiently common to warrant raising a ground for rejection.<sup>30</sup>

When assessing the registrability of a sign which consists of a common surname, consideration must also be given to the way in which the surname is represented. An unusual representation may serve to render it “capable of distinguishing”, whereas plain type would not.

It can still be possible to achieve registration for a more common surnames, but only if there are unusual “other circumstances”, or if significant evidence of use can be provided to demonstrate its capacity to distinguish (such as “Foster’s” for beer).

#### **3.7.2 Plural or Possessive Surnames**

A word which is not capable of distinguishing because it is a surname will likewise not be capable of distinguishing in its possessive or plural forms.

If a common surname is applied for in its plural form, and the plural form is an uncommon surname in its own right, grounds for rejection still exist. The plural form of the surname takes precedence over the uncommon surname formed by the addition of the letter s. The Manual gives the example of SCOTT as a common surname (occurring 19,026 time on the SFAS) compared with SCOTTs as a rare surname (occurring only 37 times on the SFAS), however, a ground for rejection will still be applicable for SCOTTs as it is more likely to be seen as the plural form of SCOTT.

A word which appears to be a misspelt surname will be treated in the same way as any other word. A variation in spelling constitutes either a different surname, or a word which is not a surname.

### 3.7.3 Word which is both a surname and a geographical name

A word which is both a surname and a geographical name will be assessed against the registrability guidelines for both surnames and geographical names.

### 3.7.4 Word which is both a surname and a descriptive word

A word which is both a surname and a descriptive word should be considered in both contexts in relation to the designated goods or services. For example, the word TALL, while being an unusual surname, would not be regarded as inherently capable of distinguishing stepladders or clothing for tall people. Similarly, the word SMART has both descriptive and surnomial significance, and both issues would need to be considered at the time of examination.

### 3.7.5 Trade marks consisting of two or more surnames

Trade marks consisting of two or more surnames are considered capable of distinguishing without the need for evidence, even when the individual surnames are not adapted to distinguish. The reason for this is that the need for other traders to use the combination in relation to the same or similar goods or services is relatively low.

Two or more surnames which are not, individually, sufficiently adapted to distinguish an applicant's designated goods or services, are prima facie capable of distinguishing when they are combined. This applies whether they are words with other meanings or not, or whether the combination has a meaning or not - except, of course, where the meaning is directly descriptive of some characteristic of the goods or services (eg SMART LIGHT).

When a hyphenated surname appears on the SFAS, its registrability as a trade mark will be determined by its commonness as a hyphenated surname.

If a trade mark consists of two surnames, where the first of them is also common as a given name, for example, SCOTT BENNETT or LEWIS THOMPSON, the combination should be treated as the name of a person rather than as two surnames as this would be its ordinary significance.

### 3.7.6 Name of a person

The registration of personal names will depend on the commonness of the surname. The addition of a given name reduces the likelihood of someone with that surname wishing to use the name in connection with their goods or services.

If the trade mark consists of a frequently occurring surname and a common given name it may not have sufficient inherent adaptation to distinguish for prima facie acceptance. However regard should also be had as to the nature of the goods or services, and also to the way in which the trade mark is represented. If either is sufficiently unusual, the trade mark will be considered capable of distinguishing.

Where the given name is unusual, for example, Theodore or Gertrude, then a more common surname could be considered.

### 3.7.7 Other issues with names

There are also specific provisions relating to the use of signatures<sup>31</sup>, and famous people's names<sup>32</sup>, which should be borne in mind when considering the adoption of such trade marks.

## Appendix 1

### Australian Traditional Expressions

Expression	Conditions of use
<b>aromatic sparkling wine</b>	There shall not be written on the label or attached to a package containing sparkling wine the words "aromatic sparkling wine" unless the sparkling wine is one produced by fermentation in a bottle or pressure vessel and aged on its lees for not less than one month."
<b>botrytis (noble late harvested)</b>	For a wine to be labelled with the term "botrytis" or words to similar effect, or the phrase "noble late harvested", it must be made from fresh ripe grapes of which a significant proportion have been affected under natural conditions by the mould Botrytis cinerea in a manner which favours the concentration of sugars in the berries. Such wines have the characteristics referred to as "pourriture noble" or "Edelfaule".
<b>bottle fermented</b>	There shall not be written on the label or attached to a package containing sparkling wine the words "bottle fermented" unless the sparkling wine is one produced by fermentation in a bottle not exceeding five (5) litres capacity and aged on its lees for not less than six (6) months."
<b>cabernets</b>	The name "cabernets" may only be used to describe a blend of wine consisting of at least 85% Cabernet Sauvignon, Cabernet Franc and/or Ruby Cabernet.
<b>champagne</b>	There shall not be written on the label or attached to a package containing sparkling wine the word "champagne" unless the sparkling wine is one produced by fermentation in a bottle not exceeding five (5) litres capacity and aged on its lees for not less than six (6) months."
<b>fortified wine</b>	"Fortified Wine" means wine to which has been added grape spirit, brandy or both."
<b>frontignac</b>	The word "frontignac" may be used to describe and present a fortified wine."
<b>late harvested special late harvested</b>	For a wine to be labelled with the phrase "late harvested" or "special late harvested", it must be made from ripe grapes of which a significant proportion have been desiccated under natural conditions in a manner which favours the concentration of sugars in the berries."
<b>madeira</b>	Except where the word "madeira" is used as a registered geographical indication, it may only be used to describe and present a fortified wine made before 1 January, 1998."
<b>malaga</b>	Except where the word "malaga" is uses as a registered geographical indication, it may only be used to describe and present a fortified wine made before 1 January, 1998."
<b>marsala</b>	Except where the word "marsala" is used as a registered geographical indication, it may only be used to describe and

	present a fortified wine."
<b>methode champenoise</b>	There shall not be written on the label or attached to a package containing sparkling wine the words "methode champenoise" unless the sparkling wine is one produced by fermentation in the bottle and aged on its lees for not less than nine (9) months, after which time the wine is separated from its lees by disgorging."
<b>muscat</b>	The word "muscat" may be used to describe and present a fortified wine."
<b>port</b>	Except where the word "port" is used as a registered geographical indication, it may only be used to describe and present a fortified wine."
<b>sherry</b>	Except where the word "sherry" is used as a registered geographical indication, it may only be used to describe and present a fortified wine."
<b>sparkling wine</b>	"Sparkling wine" means wine that by complete or partial fermentation of contained sugars has become surcharged with carbon dioxide."
<b>tokay</b>	The word "tokay" may be used to describe and present a fortified wine."
<b>traditional method</b>	There shall not be written on the label or attached to a package containing sparkling wine the words "traditional method" unless the sparkling wine is one produced by fermentation in the bottle and aged on its lees for not less than nine (9) months, after which time the wine is separated from its lees by disgorging."

## Appendix 2

### Extracts from: Australian 'Plain English' WINE LAW...making & labelling

[http://www.awbc.com.au/winelaw/wine\\_label\\_law\\_pdfs/WLLABL30Jan03.pdf](http://www.awbc.com.au/winelaw/wine_label_law_pdfs/WLLABL30Jan03.pdf)

#### TRADE MARK

A Trade Mark (™) is the only way to fully protect your labels, whether the mark covers your name, design or concept etc. If you are planning to export you will also need to register the ™ in each country (although it is now possible to obtain one ™ for the EU instead of each member country separately). If you plan to sell wine on the web and only have an Australian ™ then you may infringe the same or a similar ™ registered in other countries – you should seek legal advice before entering the international arena.

If you are considering trade marking a new brand name or logo etc, you can do a web search yourself to find out if a name is already registered or pending. The address is:

<http://www.ipaustralia.gov.au/>

Select: 'Trademarks' 'Search the trademark database with ATMOSS' 'Start' 'Single Session Connection, Create New Connection'.

Enter your chosen word(s), for CLASS, type in 33 (the class number for 'wine' trade marks), then click on search. For a string of two or more words, better results are achieved if you search each word separately.

The search will indicate if there is more than one entry for the chosen word(s) and may separately indicate word, details, images etc. You will note that the trade mark may have a condition of use or endorsements.

You can register a trade mark with IPAustralia yourself, especially if it is a simple name only. When registering a more complex trade mark, such as a label concept, it is advisable to do this through a registered patent attorney or a trade marks agent or solicitor.

For information, you cannot register a wine trade mark name which includes a name already protected in wine law. If you register a *place* name as part of your trade mark name, IPAustralia may allow the mark but they will place a condition of use on the name. Such condition may be that the trade mark may only be used for wine actually sourced from that area. Therefore, use of a place name as part of a winery, logo or brand name may be restrictive immediately or sometime in the future, and for that reason is not recommended.

Note: A Trade Mark should not imply to a consumer that the grapes are sourced from a particular country or GI, if that is not the case. Whilst wine law does not necessarily override use of a pre-existing trade mark (i.e. existing before GI declared), it is recommended that if such a conflict exists, the description and presentation of the wine should conspicuously claim the actual GI of the grape source OR, should include a clear statement to the *effect* that the wine is NOT sourced from the implied GI. If claiming a GI, it is essential to claim the appropriate GI at the lowest level.

If it is not feasible to quote an appropriate GI to take away the misleadingness of a name, a suggested alternative method is to make a statement in text to the following intent: '*this wine* has been sourced from *various* regions (in, say, Victoria) or, *this wine* has been sourced from vineyards in several States.

Such a statement also gives manufacturers the flexibility to change the GI sources of the wine each vintage or blend without having to change the label text. To be effective, and thus avoid possible legal challenge, the statement should have equal prominence with the statement (TM or other) causing the misleadingness. Use of such a statement would not necessarily guarantee protection from legal challenge about a false or misleading claim under the AWBC

Act, the Trade Practices Act or State consumer legislation, however it should diminish any potential misleadingness to a significant degree.

It should be noted there is currently much legal debate regarding the conflict between Trade Mark and GI legislation and the matter may take some time to resolve.

See also *Business Names, Description and Presentation, Estate, Logo, Maps, False, Misleading*.

Ref: AWBC Act Sections 40 D&F.

### **PROMOTIONAL MATERIAL-**

The same rules that apply to the description and presentation of wine on a label also apply to any promotional material that describes a wine. The legislation also does not stop at the manufacturer, it refers to 'a person' and would include a claim by a retailer or restaurateur. These rules include Protected Names and the Blending Requirements.

### **REGISTER OF PROTECTED NAMES**

The Register is the means of legally formalising and protecting Australian and Agreement Countries' (only the EU at present) names for such things as Geographical Indications, Traditional Expressions and their conditions of use. To date, most GI's and a few TE's have been determined for Australia and the process is continuing. Details of all current EU and Australian Protected names (including outline maps of Australian GI's) are available on this website under 'Wine Law' then 'Wine Regions Data'. Further information can be obtained from the Registrar of Protected Names at the AWBC (ph 08 8228 2000).

Please note that it is illegal to use protected names in the description and presentation of wine in any context whatsoever, even in an otherwise true statement in textual form on a back label (e.g. 'this wine is made from a typical *Bordeaux* blend of grapes', or 'Marsanne is a native variety of the *Rhone Valley*', or 'my family have grown grapes in *Chianti* for generations', or 'this wine is from vineyards near the famous *Barossa Valley*' or 'this wine is equal to a top *Hunter Semillon*'). Protected Names are only protected when describing a wine, but it is difficult to say that anything on a wine label is not describing that wine. To clarify the boundaries for use of Protected Names, you could, in say promotional material use Protected Names to describe family history, or discuss generally the wine styles you make, or comparing your climate conditions with European regions etc but whenever you are describing a particular wine then Protected Names can not be used.

See also *Geographical Indications and Traditional Expressions False, Misleading, Trade Marks*.

## ENDNOTES

- <sup>1</sup> Under the new Trade Marks Act (**TM Act**) introduced in 1995, the following can all be registered as trade marks: any letter, word, name, signature, numeral, device, brand, heading, label, ticket, aspect of packaging, shape, colour, sound or scent.
- <sup>2</sup> Section 41(2), TM Act
- <sup>3</sup> Section 41(5), TM Act
- <sup>4</sup> Section 41(6), TM Act
- <sup>5</sup> “substantially identical with, or deceptively similar to” – section 44(1), TM Act
- <sup>6</sup> Section 42, TM Act
- <sup>7</sup> Section 43, TM Act
- <sup>8</sup> Then known as the European Economic Community
- <sup>9</sup> *Australian Wine and Brandy Corporation Amendment Act 1993*
- <sup>10</sup> The *Register of Protected Names* was established under section 40ZC, AWBC Act. It is maintained by, and currently held in Adelaide at the offices of, the Australian Wine and Brandy Corporation. It is open to the public for inspection.
- <sup>11</sup> Subsection 40J(5), AWBC Act and reg 14, AWBC Regulations
- <sup>12</sup> Subsection 40J(5), AWBC Act and reg 15, AWBC Regulations
- <sup>13</sup> The expression ‘Rhine Riesling’ was sometimes used to distinguish the grape variety – although this would now be prohibited as ‘Rhine’ is also an EU GI. Other past ‘misuses’ of ‘Riesling’ in Australia were ‘Hunter Valley Riesling’ and ‘Clare Valley Riesling’ as synonyms for the grape varieties Semillon and Crouchen respectively.
- <sup>14</sup> Formerly reg 16, AWBC Regulations
- <sup>15</sup> As noted above, a number of EU TEs are likely to be added to this list in the future, such as ‘Sherry’ and ‘Port’, which will then no longer be able to be used on Australian wine.
- <sup>16</sup> Sections 40C to 40F, AWBC Act
- <sup>17</sup> Section 40J, AWBC Act; Parts 3 and 4, AWBC Regulations
- <sup>18</sup> Section 40H, AWBC Act and regs 20 and 21, AWBC Regulations
- <sup>19</sup> Sections 40C and 40E, AWBC Act; see also the Federal Court decision in *Comité Interprofessionnel des Vins des Côtes de Provence and Institut National des Appellations d'Origine v Stuart Alexander Bryce and Kay Mary Bryce (the La Provence case)* 35 IPR 170
- <sup>20</sup> Section 5C, AWBC Act
- <sup>21</sup> Sub-sections 40F(2), (3) and (4), AWBC Act
- <sup>22</sup> Class 33
- <sup>23</sup> In the *La Provence* case, the Australian winemaker avoided penalties because he had not known that use of the word was an offence. Note that *Provence* was not the relevant GI – which were Coteaux d'Aix-en-Provence, Les-Baux-de-Provence and Côtes de Provence; however, ‘Provence and Corsica regions’ was included as a heading, and the Judge held this to constitute a registration of the word Provence as a GI.
- <sup>24</sup> The word “originate” has a specific meaning in relation to wine. This is defined in section 15 of the *Trade Marks Act* and section 5D of the AWBC Act. A wine is taken to have originated in a particular region or locality of a foreign country or of Australia only if the wine is made from grapes grown in that region or locality. This definition, in respect of the AWBC Act, is subject to the blending rules which are in the Regulations and given force by section 40H of the AWBC Act.
- <sup>25</sup> Southcorp Wines Pty Ltd [2000] ATMO 34 (14 April 2000)
- <sup>26</sup> Subsection 40D(6), AWBC Act
- <sup>27</sup> This is inconsistent with the *Agreement on Trade-Related Aspects of Intellectual Property Right* (TRIPS) as it relates to the protection of GIs. Article 24.8 provides specific protection covering a “person’s” right to use their name in a trade mark – where the concept of “person” extends to bodies corporate and other legal entities, and also the name of a persons predecessor in business.
- <sup>28</sup> *CA Henschke & Co v Rosemount Estates Pty Ltd* (1999) AIPC 91-350 and (2000) AIPC 91-640 (Hill Of Grace case)
- <sup>29</sup> Section 41, TM Act
- <sup>30</sup> Note that, for specialised or unusual goods, a higher result may not necessarily prevent registration
- <sup>31</sup> Trade Marks Office Manual, Part 22, 18.1
- <sup>32</sup> Trade Marks Office Manual, Part 22, 18.2