

CASE	89(1)(a) - factual	89(1)(b)	89(1)(c)	89(1)(d)	89(2) - legal	Additional provisions/info
<i>Mainland v Bonlac Mainland Products Ltd v Bonlac Foods (NZ) Ltd [1998]</i>	<p>The relevant people are the persons to whom the product is being presented in the course of trade.</p> <p>Presume D+C so don't need to analyse it.</p>		<p>Determining D+C does – sufficient if is it likely to or does convey to a substantial number of prospective purchasers tm significance.</p> <p>Trade connection does not have to be identifiable.</p>		<p>Substantial number of prospective purchasers to which it conveys TM significant.</p>	<p>Descriptive words should not be registered because they are not distinctive.</p>
<i>The Coca-Cola Company v Frucor Soft Drinks Ltd [2013] NZHC</i>	<p>Functional features can serve as TMs (to distinguish the goods of one person from another).</p>		<p>Functional features can serve as TMs (to distinguish the goods of one person from another).</p> <p>Similarity informs D+C: more similar = more likely D+C</p> <p>'Global assessment' of 'material similarity'.</p> <p>Re combination signs – one element not enough to infringe = whole not enough to infringe.</p> <p><i>Pioneer Hi-Bred:</i></p> <ul style="list-style-type: none"> - Deceived = creation of incorrect belief - Confusion = perplexing or mixing up the minds of the purchasing public. 		<p>D must have used the sign in such a manner as to render the use of the sign as likely to be taken as use as a TM.</p> <p>Cites <i>Bonlac</i>.</p>	<p>'In the course of trade' = court to look at whether the sign is used 'in the context of commercial activity with a view to economic advantage'.</p> <p>Courts to consider normal and fair use of the mark vs the use of the sign.</p>
<i>Crocodile International PTE Ltd v Lacoste [2017] NZSC</i>	<p>Adopts/adapts Lord Walker in <i>Bud and Buweiser Budrau</i>: 'assessing differences between TMs in terms of distinctive character involves a global appreciation of the visual, aural and conceptual qualities of the TM as registered and the mark as used'.</p> <p>TMs can have multiple messages.</p>		<p>Visually, aurally and conceptually similar?</p>			<p>Application for removal under s 66(a)</p> <ul style="list-style-type: none"> - Removal because not being used as a TM. <p>Walker test for s 66 non-use:</p> <ol style="list-style-type: none"> 1. What are points of diff btwn mark as used and as registered? 2. Do they alter the distinctive character of the mark as registered?
<i>L'Oréal SA v Bellure NV [2010] EWCA</i>	<p>Art. 5(1)(a) equiv.</p> <p>Descriptive use does not fall within 5(1)(a).</p>			<p>Art. 5(2) equiv.</p> <p>Necessary to show one of the three types of injury</p> <ol style="list-style-type: none"> 1. Detriment to distinctive character (dilution) 2. Detriment to the repute of the mark. 3. Unfair advantage being taken of the distinctive character or repute of the mark. 	<p>Discussed in Art. 5 analysis re TM function.</p> <p>Existence of communication, advertisement and investment function. Jacob LJ not convinced these exist w/o the origin function.</p>	<p>Art. 6.1 equiv to s 94 (comparative ads) and s 95 (honest practices).</p> <p>CJEU decision would mean all free-riding becomes actionable per se.</p> <ul style="list-style-type: none"> - Supposed to protect against imitations not genuine alternatives.

<p><i>Interflora v Marks and Spencer plc</i> [2013] EWHC</p>	<p>Art. 5(1)(a) equiv. Protection is 'absolute'.</p>	<p>AVERAGE CONSUMER INFO re D+C: [112]: reasonably well informed + reasonably observant + circumspect [113]: legal test, hypothetical person created to strike the right balance between competing interests. [114]: not a statistical test. [115]: don't need expert evidence, judge can use own experiences [116]: customers don't need to have a single reaction. [129]: D+C for 'significant section of the relevant class of consumers'</p> <p>The distinctive character of a sign consisting in the shape of a product, even that acquired by the use made of it, must be assessed in light of the presumed expectations of an average consumer of the category of G+S in question.</p> <p><i>Google France:</i> does not enable... normally informed and reasonably observant... or enables them only with difficulty to ascertain whether the G+S referred to... originate from the proprietor of the TM or an undertaking economically connected to it or... a third party.</p>	<p>Art. 5(2) equiv. Free-riding = using sign identical to TM, purpose is to take advantage of the character and repute of the TM, competitor derives real benefit from something he has not paid for. - W/o due cause.</p>	<p>Discussed in Art. 5 analysis re TM function. Must give a link btwn the sign and the TM in the mind of the average consumer.</p> <p>TM function MUST be effected - TM will always fulfil origin function but will only fulfil one of the other functions insofar as it has been used to that end.</p> <p>Re keywords - Origin function: affected if keyword does not enable reasonably well informed + observant to ascertain an origin. - No advertising effect. - Investment function affected if ability to acquire goodwill impaired.</p>	<p>Art. 6.1 equiv to s 94 (comparative ads) and s 95 (honest practices). Dilution = the use of a TM by a third party reducing distinctiveness so that it becomes a generic term. The use of a sign as a keyword in the context of internet referencing is not inherently objectionable. ONUS IS ON THE PARTY MAKING THE ALLEGATIONS.</p>
<p><i>Intercity Group (NZ) Ltd v Nakedbus NZ Ltd</i> [2014]</p>	<p>Consumer determined test 'Identical' to be interpreted strictly.</p>	<p>Consumer determined test D+C is an objective test – reasonably well-informed and attentive internet user. - Cites <i>Interflora</i> and average consumer points so see above.</p>		<p>Essential function = badge of origin enabling C to distinguish G+S from others. Citing <i>Mainland</i> → notional third party taking use as a TM - Person to whom product is presented in the course of trade, depends on circumstances</p> <p>Significant number of normally informed and reasonably attentive [internet users] are likely to take the use as a TM.</p> <p><i>Mainland:</i> 'likely to be taken as used' – matter of impression in the circumstances of selling.</p>	<p>Liability only extends so far as to include uses of TM that consumers are confronted by in the market.</p> <p>TM perceptions of quality turn on perceptions of origin. Relevant time is the point at which the ad is seen on the screen, before a click [i.e. before 'purchase' when looking at the options on a search].</p>
<p>POLICY ARGUMENTS</p>	<p>Thinking of the consumer</p>	<p>Want to promote innovation</p>	<p>TM Law is pro-competitive</p>		

TMA 2002 section EU TM Directive	Use of sign in the course of trade	Registered goods and services	Confusion or deception
89(1)(a) Art 5(1)(a)	Identical	Identical	Deemed
89(1)(b)	Similar	Similar	Must be proved
89(1)(c) Art 5(1)(b)	Similar	Identical or similar	Must be proved
89(1)(d) Art 5(2)	Identical or similar	Not similar	Other criteria (e.g well known, unfair advantage etc.

REGISTRATION

S 17 – absolute grounds for not registering

- S 17(1)(a) – must not register any sign which is likely to D+C
- **ONUS IS ON TM APPLICANT TO SHOW USE WILL NOT D+C**
 - *Zoggs*: having regard to the reputation acquired by [pre-existing mark], is the court satisfied that the mark applied for, if used in a normal and fair manner... will not be reasonably likely to cause deception and confusion amongst a substantial number of persons?
 - o D+C may arise by the use, not just of the whole mark, but one or more of the essential features.
 - o The whole of the sign is assessed in its entirety
 - Correct approach to 17(1)(a) – *Zoggs*
 - o **Opponent must establish reputation of their mark.**
 - o It is enough if members of the public are caused to wonder whether goods bearing the applicant's mark are related or connected in trade to the applicant's goods.
 - o D+C is a fact-specific enquiry.
 - o Assessing "practical business probabilities".
 - o Risk of confusion is measured by **reference to those who may be exposed to the applicant's good and know the appellant's mark.**
 - o Local market = NZ
 - o Correct focus – awareness of the opponent's mark in relation to **prospective purchasers** of goods to which its mark attaches and individuals and entities involved in that trade; not the entirety of NZ purchasing public.
 - o TCCC: Consideration is given to **notional fair use.**
 - *Pioneer Hi-Bred*: 'substantial number of people' is a judicial gloss.
 - Lord Walker's test in *Bud and Budweiser Budbräu*:
 1. What are the points of difference btwn the mark used and the mark as registered?
 2. Do they alter the distinctive character of the mark as registered?

S 18 – Non-distinctive TM's not registrable

- S 5 (TM definition, capable of distinguishing) vs 18(1)(a) (not a TM) and (b) (no distinctive character)
- 1(a) and (b) are likely to have very similar considerations.
 - (b) particularly relevant where the TM may be capable of distinguishing but does not have inherent qualities that mark it out as of distinctive character.
 - o BUT can acquire distinctive character through use - 18(2)

Fredco:

- Functional shapes registrable in NZ → **must be capable of distinguishing the goods of one person from those of another.**
 - In other words, the shape must take on a **'secondary meaning'**.
 - Both 'inherent' and 'use' are ways to achieve distinctiveness.
 - o This means that if you fall under (1)(a) and are able to show sign is not a TM you are likely to succeed in (1)(b).
 - o BUT you can still be registered if you fulfil 18(2)
 - (2) is a wider interpretation than (1).
- 18(2)** – registrable if acquired distinctive character through use.
- Looks to the views of the consumer.
 - **Determine factually whether a function shape as acquired a secondary meaning transmitting trade source information.**
 - The use of the product itself may be considered – condoned by the words 'or any other circs' in the legislation.
 - Determining whether distinctive character has been acquired – *Windsurfing Chiemsee*
 1. Market share held by the mark ('scale of use')
 2. How intensive + geographically widespread the use of the mark has been.
 3. The amount invested in promoting the mark.
 4. The proportion of the relevant class of persons who, because of the mark, identify the goods as originating from a particular undertaking.
 5. statements from industry professionals.
 - *Dyson*: if distinctive enough, doesn't matter that it was acquired because of a monopoly situation.

DEFENCES

- S 94: No infringement for comparative advertising w a registered mark
 - o Could cite *L'Oréal* – do we want to be strict or only stop direct knock offs?
- S 95: No infringement for honest practices.

PASSING OFF

- Reckitt* – Onus is on the claimant.
- Common law **protects goodwill.**
 - 1. Must establish goodwill or reputation associated w the 'get-up'
 - o Get-up distinctive specifically of P's G+S
 - 2. Misrep by the D to the public leading or likely to lead the public to believe G+S offered by him are those of P
 - o P does not need to be identifiable
 - 3. Has or is likely to suffer damage as a result of the public's erroneous belief caused by D's misrep.
 - *Weingarten Bros v Charles Bayer*: the article itself cannot constitute a special insignia of its own origin → **all the law protects are 'capricious additions'** or features as may be attached to the article for the purpose of indicating origin.
 - *William Edge*: functional shape that is identified w a particular manufacturer can be protected.
 - Doesn't matter if deception caused by whole get-up or just 1 element
 - **Must demonstrate that the get-up has become closely associated with his goods as to acquire the secondary meaning 'specifically of goods which he alone is the main source'.**
 - o Incl. purely descriptive words/get-ups.
 - Comes down to whether Borden has **taken sufficient steps to distinguish** their produce from that of R's.
 - Customers must be taken as they are found → they don't make side by side comparisons.

- Can't claim monopoly over container in common use.
- Always a Q of fact + degree to what extent customers are genuinely deceived by the overall impression of the get-up.

Wineworth's

- Distinctiveness could be lose by acquiescence through unreasonable delay in taking steps to protect a threatened distinctiveness and the consequent goodwill.
- **Damage to goodwill can be inferred from a tendency to impair distinctiveness.**
- Does champagne operate as a trade description?
- Point at which goods are bought and sold are to be investigated.
- Situation may be reached where a 'name no longer serves the purpose of distinguishing a particular product, service or business and comes to be used even in trade as applicable equally to products of other traders.
 - o No longer distinctive, no longer part of the goodwill.

Starbucks

- **Goodwill = customer base for its G+S within the particular jurisdiction**
- *Star Industrial*: goodwill is 'local in character and divisible', need to show separate goodwill in each separate country of trade.
- *Anheuser-Busch*: goodwill ≠ reputation
- *Dominion-Rent-A-Car*: not automatically divisible but have to have 'sufficient business connection'
 - o *Wineworth's* is close to this BUT they consider the reputation of Champagne as a whole so likely to not come down as strict.
- Advertising in another country is not enough.

TCCC:

- Accepts *Reckitt* in NZ
- Whole getup to be considered
- TM/goodwill cannot be diluted of there is no similarity likely to mislead customers.

Intercity: accepts *Reckitt* test in NZ.

L'Oréal:

- Suggests people actually have to be confused (or likely to be confused) for there to be misrep → no one was confused that the Bellure stuff wasn't L'Oréal so no misrep.

FTA – s 9 – misleading or deceptive conduct

- Can succeed without showing damage to goodwill – *Wineworth's*

INFRINGEMENT

1. Define TM and sign – s 5
- Capable of being able to be represented graphically + distinguishing.
2. In the course of trade?
3. s 89 analysis (see above) - outline which is most successful.
- ONUS + FROM PERSPECTIVE OF AVERAGE CONSUMER.
4. 89(2) – **LIKELY TO BE TAKEN AS** use as a TM
- Describe function of a TM (badge of origin, distinguishing G+S of one trader from those of another).