

HIGH COURT

[1948-1949.

H. C. OF A.
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SHELL
CO. OF
AUSTRALIA
LTD.

v.

ROHM AND
HAAS' CO.

Dixon J.

of "Dithane") was cited as a similar mark by or to the examiner reporting upon application 83906 (*scil.* for the registration of "Ditrene"). The citation was struck out and a negative report made as to the existence of marks within s. 25 or s. 114.

It may be assumed that had the registrar been of opinion that "Ditrene" so nearly resembled "Dithane" as to be likely to deceive or cause confusion he would not have registered "Ditrene," at all events until the relative positions of "Dithane" and "Ditrene" had been elucidated. However, adopting the view that the marks did not deceptively resemble one another, the registrar, by first registering "Ditrene," enabled the appellants as registered proprietors of that mark to oppose the grant of the earlier application for the registration of "Dithane" on the ground that the two words do deceptively resemble one another.

By conceding now the truth of this ground of opposition, the respondents as applicants for the registration of "Dithane" find themselves in a position in which because of s. 25, in my opinion, they are forced to seek the removal of "Ditrene" from the register in order to overcome the appellants' opposition. It is true that an interpretation of s. 25 was suggested according to which the fact that "Ditrene" was now upon the register would not stand in the way of the registration of "Dithane." The suggestion is that the question whether for the purposes of s. 25 an identical or deceptively similar mark is already upon the register is to be judged not as at the time when the registrar has finally to determine to register or not to register the second mark, but as at the date when the application for that mark was lodged. That would mean that the inquiry whether there existed upon the register an entry of the same or a similar mark would, in the case of the application to register "Dithane," be limited to 20th April 1945, the date when the application for "Dithane" was lodged by the respondents Rohm & Haas Co. Since "Ditrene" was not applied for until 19th June 1945 and not registered until 4th October 1946, it could not, on that interpretation, be considered already on the register for the purposes of s. 25. The basis of the proposed interpretation of the section is the well-settled general principle that the title of a mark to registration is to be determined on the state of facts existing when the application is lodged. But support for the interpretation is also sought in the provision contained in s. 47 that a mark shall be registered as on the date of the lodging of the application, which date shall be deemed to be the date of the registration. For if the mark first applied for is in fact ultimately placed upon the register its date of registration would in contemplation of law precede that of the mark applied

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for later but in fact first placed on the register. It is said that by prescribing such a legal order of priority the provision indicates an intention or policy inconsistent with the notion that the earlier application is to be defeated by reason of the accident that the later application is the first to be granted. Accordingly, it is contended that "already on the register" in s. 25 means already on the register at the date of the application.

Notwithstanding the general principle invoked and the inference arising, as it is claimed, from s. 47, I think that the grammatical meaning of s. 25 is too clear to admit of the interpretation suggested. The word "already" must refer back to the words "shall not register." They can mean nothing else than that if the registrar finds, when he comes to effect registration, that another mark is on the register, identical or deceptively similar, he shall not make the entry registering the mark. The respondents Rohm & Haas Co. were therefore right in supposing that, unless they successfully moved to expunge the entry of "Ditrene" from the register, the opposition to the registration of "Dithane" would succeed. The question whether the respondents are entitled upon the foregoing facts to the removal from the register of the entry in respect of "Ditrene" is governed by no direct authority, but upon consideration I have come to the conclusion that they are so entitled and that the order of *Williams J.* is right. I place my decision upon the ground that in the circumstances as I have stated them the respondents Rohm & Haas Co., upon lodging their application for the registration of "Dithane" as their trade mark, were to be considered proprietors in Australia of that mark and that, in the absence of any facts establishing in the appellants the Shell Co. of Australia Ltd. a prior or superior title to the conflicting trade mark "Ditrene," the entry upon the register of "Ditrene" in respect of the same description of goods as the trade mark of the appellants was wrongly made within the meaning of s. 71 of the *Trade Marks Act*. The basis of an application for the registration of a trade mark is a claim on the part of an applicant to be proprietor of the trade mark: s. 32. Before the passing of the *Trade Marks Registration Act 1875* (38 and 39 Vict. c. 91) of the United Kingdom property in a trade mark was acquired by user. If a trader had habitually employed a mark in connection with his goods so that to the public it had come to denote or distinguish his goods, he was entitled to legal and equitable remedies to protect him against the use by rival traders of the same or similar marks. The rights which he thus acquired were in the nature of rights of property. They were so treated by the *Trade Marks Registration Act 1875* which made registration of a person as

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the first proprietor of a mark prima-facie evidence of his right to the exclusive use of the trade mark, and, after five years, conclusive evidence: s. 3. But the Act, as it was interpreted, also included provisions enabling the registration of a new mark not hitherto used with the like consequences (*In re Hudson's Trade Marks* (1)). This was considered to be the result of a provision in s. 2 that registration of a trade mark should be deemed to be equivalent to public use of such mark and of s. 10 stating the essential particulars of which for the purposes of the Act a mark was to consist. Cotton L.J. said in the case of *In re Hudson's Trade Marks* (2) that the provision in s. 3 applied to future as well as existing trade marks and as far as one could see the intention of the Act was that the particular things which s. 10 said were to be trade marks for the purposes of the Act might be registered even although there had been no user of them so as to give a title independently of the Act. His Lordship went on to say that the meaning was that the distinctive things comprised in the first part of s. 10 should be considered trade marks even before they were registered but not so as to give anyone a right to complain of the user of them until they had been registered, the registration being equivalent to a public use of the marks. This conception necessarily gave rise to the question what facts formed the title to such a new mark so that the applicants for registration could claim to be proprietors. The question is met by the following passage from the judgment of Cotton L.J.: "The difficulty is this: Is a man to be considered as entitled to the use of any trade-mark when he has never used it at all? That is a difficulty, but I think the meaning is this. If a man has designed and first printed or formed any of those particular and distinctive devices which are referred to in the first part of s. 10, he is then looked upon as the proprietor of that which is under that Act a trade-mark, which will give him the right so soon as he registers it. How can it be said he is entitled to the exclusive use of it? He never has used it; but in my opinion the language, though not appropriate, means this, that a man who designs one of those special things pointed out in s. 10, is, as designer, to be considered as the proprietor of it, and if there is no one else who has used it, or who can be interfered with by the registration and subsequent assertion of title to the mark, then he is to be considered as entitled within the meaning of the Act to the exclusive use of that which in fact has never been in any way used, but which has only been designed by him; and which he can be treated as the person

(1) (1886) 32 Ch. D. 311.

(2) (1886) 32 Ch. D., at p. 319.

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entitled to register, if no one else had so used it as that his user would be interfered with by the registration." (1)

Part IV. of the *Patents Designs and Trade Marks Act* 1883 (46 and 47 Vict. c. 57) gave little further light upon the question of the title to new marks not used before the application for registration. But it embodied in a separate section (s. 75) the provision that registration of a trade mark should be deemed to be equivalent to public use of the trade mark. Otherwise its silence was taken as confirmation of the practice that had been established of registering marks independently of prior user. By the *Patents Designs and Trade Marks Act* 1888 (51 and 52 Vict. c. 50) the foregoing s. 75 was replaced by a substituted section providing that application for registration of a trade mark should be deemed to be equivalent to public use of the trade mark and the date of the application should for the purposes of the Act be deemed to be the date of registration. In the *Trade Marks Act* 1905 (5 Ed. VII., c. 15) the course was taken of including in the definition of "trade mark" the words "used or proposed to be used upon or in connection with the goods": s. 3. The earlier part of s. 75 of the former Act as amended was dropped but the latter part was included in s. 16, which provided that the trade mark when registered should be registered as of the date of the application for registration and such date should be deemed for the purposes of the Act to be the date of registration. The dropping of the earlier part of s. 75 of the former Act was doubtless occasioned by the course taken to express the law allowing the registration of marks not used before application. That course was to include the words quoted in the definition of "trade mark." The dropping of the earlier part of s. 75 may also have been influenced by the use, the unsuccessful use, in the Court of Appeal in *In re the Registered Trade-Marks of John Batt & Co.* and *In re Carter's Application for a Trade-Mark* (2) of the argument that as a result of the provision registration amounted for all purposes to continual user. But, however that may be, it is clear enough from the course of legislation and of decision that an application to register a trade mark so far unused must, equally with a trade mark the title to which depends on prior user, be founded on proprietorship. The basis of a claim to proprietorship in a trade mark so far unused has been found in the combined effect of authorship of the mark, the intention to use it upon or in connection with the goods and the applying for registration. For a time the provision that application was equivalent to prior user necessarily embodied in statutory form the conclusion that the

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(1) (1886) 32 Ch. D., at pp. 319, 320. (2) (1898) 2 Ch. 432, at pp. 435, 441.