

opposition proceedings by the general law proprietor, he (the applicant) fails to substantiate a superior claim to proprietorship.

In addition it should be noted that no registration of a trade mark prevents subsequent registration by a person with an equal or superior claim to proprietorship,²⁶ and continued use from an anterior date does not constitute infringement of a registered trade mark.²⁷

What is left of their Honours' 'statutory concept of proprietorship'? Virtually nothing, it is submitted, that is not covered by, subject to, and copiously beset with, general law notions. At most, the statute confers a qualified right to use, involving a right to sue for infringement²⁸ with numerous statutory defences.²⁹

In the result it seems very clear that the trade mark registration scheme is almost entirely 'registration of title' and any 'title by registration'³⁰ is minimal. Certainly the statute confers none of the usually accepted incidents of property that are not in substance enjoyed by the general law proprietor.³¹ It is true that the Act provides prescriptive validity for certain registrations thereunder,³² but it also remains true to say that the general law continues to recognize trade mark rights which may be protected by for example a passing off action.³³ It may also be conceded that the statute regularizes certain licenses and assignments that might otherwise be doubtful. However, it now seems open³⁴ to Australian courts to uphold such transactions even in respect of unregistered trade marks, provided they continue to make a true representation as to their proprietorship.

Therefore, to say that *registration* was the real bone of contention between the parties, was to let the tail wag the dog. The Act created no right that was in issue here. Clearly the real bone of contention was whether M. had a good claim to be proprietor of the trade marks; and although, or because, substantiation of this claim is a condition precedent to registration under the federal act, it is a matter of general law distinct from any federal or other issues to which it might have given rise. It is therefore submitted that the appeal to the Privy Council should have been allowed.

PETER NICHOLLS*

REGISTRAR OF TRADE MARKS v. MULLER¹

Trade Mark — Application to register — Ordinary English word apt to describe goods — Whether distinctiveness a separate requirement for Part A registration — Trade Marks Act 1955 (Cth) s. 24.

²⁶ Section 34(1), honest concurrent user, or s. 34(2), continuous use from an anterior date.

²⁷ Section 64(1)(c).

²⁸ Section 58(1).

²⁹ E.g. s. 64.

³⁰ To adapt the words of Barwick C.J. in *Breskvar v. Wall* (1972) 46 A.L.J.R. 68, 70.

³¹ E.g. the rights of enjoyment, exclusion and alienation; *Millirrpum v. Nabalco* (1971) F.L.R. 141, per Blackburn J.

³² Section 61 (7 years for trade mark registrations in Part A); s. 82(5), (3 years for registration of assignments).

³³ A famous recent example of which is *Erven Warnick B.V. v. J. Townend & Sons Ltd* [1979] F.S.R. 397.

³⁴ Following *Pioneer Electric Corporation v. Registrar of Trade Marks* (1978) 17 A.L.R. 43.

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¹ (1980) 31 A.L.R. 177.

M applied to register the word LESS as a trade mark in respect of 'pharmaceutical products' under s. 24(1)(d) of the *Trade Marks Act 1955* (Cth). That section, in so far as is relevant reads:

A trade mark is registrable in Part A of the Register if it contains or consists of a word not having direct reference to the character or quality of the goods.

The Registrar decided that LESS vis-à-vis pharmaceuticals is not such a word, because it would lead prospective purchasers to believe that the product contained 'less' of some particular ingredient, or that 'less' of the product or ingredient sufficed for the purpose for which the product was required. The Registrar also said that even were he wrong in this, the mark must be 'distinctive' in addition to meeting the requirements of s. 24(1), and that in any event LESS fails on this ground.

M appealed to the Supreme Court of Victoria where Fullagar J. allowed the appeal, rejecting both of the Registrar's grounds (although he ordered M to pay the Registrar's costs). He found not only was LESS lacking in the direct reference required by s. 24(1)(d) and was therefore registrable in terms of that paragraph,² but also that a word which complies with that paragraph is *ipso facto* distinctive for the purposes of registration in Part A, and to this extent there is no additional distinctiveness requirement.³

His Honour considered certain expressions like 'LESS analgesic', 'LESS aperient' which the Registrar had instanced as examples of LESS's capacity for direct reference, and concluded that LESS, in such contexts, has 'no clear meaning at all. It poses the question "less than what" or "less what than what".⁴ He referred to the judgment of Dixon C.J. in the '*Tub-Happy*' case⁵ and said that none of the meanings propounded by the Registrar would spring unaided to the mind or could be established by reference to instances of known usage. His Honour further said that the question whether or not LESS indicates nature or attributes of pharmaceuticals, is not answered by constructing a sentence or phrase which contains the word LESS and then applying that sentence or phrase to the goods. If that were the test [said his Honour] almost no word at all would ever qualify under paragraph (d) . . .'.⁶

As to the second ground, his Honour subjected the relevant sub-section (1) of s. 24 to a detailed examination, and concluded that the words 'any other distinctive mark' in paragraph (e) do not carry into (a) to (d) any further requirement as to distinctiveness — 'In my opinion . . . Dr Emmerson for the appellant was quite correct in saying that the wording . . . does no more than say in effect "any other mark which is distinctive".⁷

The Registrar appealed to the High Court. The Applicant cross-appealed on the question of costs. The Registrar succeeded in both. In a relatively short joint judgment, Stephen, Mason, Murphy, Aickin and Wilson JJ. allowed the appeal on both grounds and for reasons which, unfortunately, are unclear in a number of respects. Their Honours found that LESS is a 'well-known word which has an immediate and easily recognizable meaning'⁸ which in the present context 'will be understood by the public as a representation about its ingredients or its strength. So clearly does this connotation emerge that we have no hesitation in regarding the reference to character or quality as one which is "direct".⁹ Their Honours give no further explanation for

² *Muller v. The Registrar of Trade Marks* unreported judgment, 31 July 1979.

³ *Ibid.* 4.

⁴ *Ibid.*

⁵ *Mark Foy v. Davies Coop* (1957) 95 C.L.R. 190.

⁶ *Muller v. The Registrar of Trade Marks op. cit.*

⁷ *Ibid.* 25.

⁸ (1980) 31 A.L.R. 177, 180.

⁹ *Ibid.*

this conclusion except to say that 'the court should attach great weight to the opinion of the Registrar'.¹⁰

On the second ground their Honours' decision is even more puzzling. They said '[a] second reason given in support of the Registrar's decision to dismiss the application was rejected by Fullagar J. It was that a mark is required to be 'distinctive' in addition to satisfying the requirements in s. 24(1)(a) or (b) or (c) or (d) of the Act'.¹¹

With respect, Fullagar J. did not reject this 'reason' because no such reason was put to him. Certainly such a finding, whatever its merits, would have been unnecessary to the Applicant's case. What his Honour did find was that compliance with any one of the four paragraphs affords *whatever distinctiveness is necessary* for registration in Part A.

What their Honours of the High Court seem to have found was that distinctiveness is implicit in the wording of paragraphs (a), (b), (c) and (e) but not in the wording of paragraph (d) which must be 'construed and applied so as to connote that which is distinctive'.¹² Why paragraph (d) should be singled out is by no means clear. One must conclude that 'indirect reference' is not just an indirect reference but an indirect reference which is distinctively oblique.

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¹⁰ *Ibid.*

¹¹ *Ibid.*

¹² *Ibid.* 182.

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