THE PROTECTION OF TRADE DRESS AND COLOR MARKS IN AUSTRALIA

By Trevor Stevens*

I. INTRODUCTION

“In the absence of copyright, design or trade mark protection there is no infringement of any right by mere copying unless the copy product can be said to be passed off as and for the genuine product or that consumers are misled and deceived into believing that the copy product is a genuine product or as emanating from the trade source of the genuine product or has the sponsorship of, or an association with, the manufacturer of the genuine product.”

This statement by Judge Goldberg in Dr Martens (Aust) Pty Ltd v. Figgins Holdings Pty Ltd usefully summarizes the forms of protection potentially available for the trade dress or get-up of products in Australia. Protection for trade dress or aspects of trade dress is available under one or more of the following provisions of Australian law: (1) the Trade Marks Act, 1995; (2) common law protection against passing off and/or the consumer protection provisions of the Trade Practices Act, 1974; and (3) the Copyright Act, 1968 and/or the Designs Act, 1906.

This article begins with a definition of the term “trade dress” as that concept is understood under Australian law. Next, the article examines the extent of protection available for trade dress and color marks under each of the aforementioned areas of Australian law. That discussion places particular emphasis on the protection of trade dress and color as trade marks under the Australian Trade Marks Act 1995 (the New Act). Where appropriate the author has sought to highlight shortcomings in the interpretation and application of that Act in relation to the protection of trade dress and color marks. The author returns to those shortcomings in the concluding paragraphs of the article.

* Senior Partner in the Trade Marks group of Davies Collison Cave, Sydney, Australia, Associate Member of the International Trademark Association. Mr. Stevens lectures in trademark law in the post-graduate program at the University of Technology, Sydney. He has served on the Board of Directors of the International Trademark Association (INTA), is a contributor to the International Annual Review issue of The Trademark Reporter and is co-editor of the INTA Bulletin. Mr. Stevens is also an examiner for the Professional Standards Board for Patent and Trade mark Attorneys. He holds a Bachelor of Laws from the University of Melbourne and a Master of Laws from the University of London. He is a solicitor and Barrister of the Supreme Court of Victoria and a Solicitor of the Supreme Court of New South Wales.

II. DEFINITION OF TRADE DRESS

In Australia, the term get-up is commonly used to refer to the dress in which a product is presented for sale, i.e., the shape, size and coloring of the container or packaging, the design of the label, and to some extent, the design of the product itself. Although the term trade dress is less common in Australia, that term will be used in this article to refer to the get-up of a product. Trade dress is also useful to convey more than merely the presentation of an article. It covers innovative trading styles, especially for restaurants and retail outlets and might also include a particular format of conducting business. In other words, the term “trade dress” encompasses the whole visual image presented by a trader to customers.

In a recent trade dress case before the Australian Federal Court, the German word “gestalt” was introduced in relation to the overall identity of a brand as it relates to consumers. In the course of evidence in that case, the concept of “gestalt” was used to describe “the overall identity of a brand as it relates to consumers.” Such identity includes “… not only the name, color, physical properties and packaging, but also associations with the brand and the branding devices used to create associations, including its advertising and the ‘channels’ through which it is sold.” Because the concept of “gestalt” encompasses brand associations, i.e., associations assisted by advertising and the channels through which the product is sold, there are difficulties in including any detailed discussion of that concept in this paper. The acceptance of the concept by the Australian Federal Court, and the obvious nexus that exists between “trade dress” and “gestalt,” make the notion of “gestalt” relevant to any discussion of the protection of trade dress in Australia.

III. PROTECTION OF TRADE DRESS UNDER THE TRADE MARKS ACT 1995

A. Recognition of Trade Dress Under the New Act

The protection of trade dress under each area of Australian law will be discussed, beginning with protection under the Australian Trade Marks Act, 1995 (the “New Act”). Prior to the

5. Id. at 504-05.
effectiveness of the New Act, any assertion of rights in trade dress was dependent on establishing a case for passing off under the common law or a breach of the consumer protection provisions of the Trade Practices Act, 1974, (the “TPA”). With the New Act, however, trade dress owners have the potential to obtain registration of the trade dress as a trade mark with the benefit of asserting any resultant rights under the infringement provisions of the New Act.

The New Act came into operation on 1 January 1996. An important change introduced by this legislation was the much broader definition of what constitutes a “sign” under the New Act. As defined in the New Act a “sign” includes the following or any combination of the following, namely, any letter, word, name, signature, numeral, device, brand, heading, label, ticket, aspect of packaging, shape, color, sound or scent. The Trade Marks Act 1955 (the “Prior Act”) did not include a reference to any aspect of packaging, shape, color, sound or scent. Even so, under the Prior Act, a number of trade marks featuring color or a combination of colors, or aspects of packaging were registered on the Australian Trade Marks Register.\(^7\) The Register also contained, as a result of the Prior Act, many two-dimensional depictions of “shape” trade marks, as well as a somewhat anomalous three-dimensional representation of the ROLLS ROYCE radiator grille.\(^8\) Nevertheless, the scope for registering such trade marks, and the restricted ambit of any resultant registrations, were very limited, and, in the case of many disclaimers entered on the Register, there was ambiguity\(^9\) regarding the scope of the registration.\(^10\) This situation reflected the long held perception that to concede trade mark protection for shape or coloring was not consistent with the policy of the Prior Act.\(^11\) This attitude was clearly reflected in Judge Windeyer’s statement in SmithKline & French Laboratories (Aust) v. Registrar of Trade Marks\(^12\) that “a mere description of goods by shape, size or color could not be a trade mark in respect of those goods.” Under the SmithKline case a trade mark had to be in some way separate from the goods itself. According to Judge Windeyer, “a mark for the purposes of the [Prior] Act must be

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8. Australian Trade Mark Registration 293855 in the name of Rolls Royce Motor Cars Ltd.


10. See by way of example registration 511192 in the name of PARFUMS GIVENCHY where the trade mark comprises a box with panels and patterns.


capable of being described and depicted as something apart from the goods to which it is to be applied."¹³

In short, the Prior Act and the case law under the Prior Act provided very limited opportunities—with the possible exception of color combinations or patterns of color—for the protection of trade dress as a trade mark.

The introduction of a broader definition for the term “sign” in the New Act reflected the intention that the definition be more “open-ended” and that a trade mark might consist of any sign that indicates the commercial origin of goods or services.¹⁴ Given that the trade dress of a product or service most commonly comprises color, shape or aspects of packaging, and, given that the definition of sign in the New Act specifically includes a combination of such signs, the definition of sign in the New Act provides trade mark owners with the potential for obtaining registration of trade dress combinations as trade marks. Nevertheless, despite the intention that the definition of a sign under the New Act be extended to any sign indicative of the commercial origin of goods or services, the new signs identified in that definition, including combinations of one or more of those signs, have encountered only grudging acceptance before the Australian Trade Marks Office (the “Office”).

According to an Issues Paper prepared by the Advisory Council on Intellectual Property (“ACIP”)¹⁵ there is a strong view that the new types of signs under the New Act are being treated differently during examination as compared to traditional word or logo marks.¹⁶ In particular, it has been contended that the new signs are subject to a preliminary assessment as to whether they can, in fact, be trade marks, before the registrability test of “capable of distinguishing” is applied.¹⁷

In views expressed to ACIP and reported in the Issues Paper, the consequence of the Office’s more stringent examination practices in relation to new signs is that many businesses are being impeded by the reduction of protection for what could

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¹³. (1967) 116 CLR 628 at 639.


¹⁶. ACIP Issues Paper at 4.2.1.b.

<table>
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<tr>
<th>Applications accepted</th>
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<td>All trade mark applications</td>
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<td>22,833</td>
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<tr>
<td>Shape, sound, scent &amp; color applications</td>
<td>267</td>
<td>28</td>
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*Data based on applications where a first report was issued between 1 Jan ‘99 to 30.

become valuable trade marks and by encouraging—or failing to
deter—the use of copycat marks or signs by competitors.\footnote{ACIP: Issues Paper at 4.2.1.(b) p. 18.}

This is unfortunate, especially as the Trade Marks Office Manual of Practice and Procedure (the “Manual”) adopts a positive
approach to the registration of “composite trade marks” as follows:\footnote{Trade Marks Office Draft Manual of Practice and Procedure Part 22 paragraph 23.}

Trade marks comprising any combination of words, devices, shapes, sounds, scents and/or color elements must satisfy the
requirement that, when taken as a whole, they are capable of
distinguishing designated goods or services in the
marketplace. It could be said, however, that combinations are
likely to have a higher capacity to distinguish and are more
likely to be prima facie acceptable under Section 41(3).

In most such cases, however, the applicant is unlikely to apply
to register the dress of the product in combination with word
marks or other word elements, as the scope for infringement
protection of that trade mark under the New Act would be
extremely narrow. For this reason, the owner of a trade mark is
likely to seek protection for combinations of typical trade dress
elements—that is, shape and/or aspects of packaging and/or
color—separately from word marks or labels. Even then, the
approach of the Office is likely to involve an assessment of the
separate components of the combination, rather than focusing
attention on the composite whole. In Reemtsma Cigarettenfabriken GmbH’s application for a trade mark
comprising both shape and color, including color patterns,\footnote{Re. Application by Reemtsma Cigarettenfabriken GmbH (2001/2002) 52 IPR 449.} the
Hearing Officer’s initial assessment of the shape of the packet and
separate assessment of the color pattern appeared to cloud the fact
that this was an application to register the composite packaging—
i.e., the trade dress as a trade mark.\footnote{(2001/2002) 52 IPR 449 at 452.} The conclusion of the
Hearing Officer was that while the mark possessed a “not-
inconsiderable” degree of inherent ability to distinguish the
Applicant’s goods, the absence of significant evidence of use
resulted in the mark not being capable of distinguishing the
Applicant’s goods and the application was rejected.

\textbf{B. Circumstances Inhibiting the
Registration of New Signs}

It is a pre-requisite for registration of any sign, including new
signs, that the sign be capable of distinguishing goods or services
in the marketplace within the meaning of the New Act.22 In addition to that threshold requirement, most new signs are confronted by a series of further tests which include: (1) an assessment as to whether the sign functions—and is recognised—as a trade mark; (2) an elastic assessment of functionality; (3) a critical scrutiny of any evidence tendered in support of the application; (4) what have been referred to as “special considerations” applicable to such signs. In addition, most new signs are presented in combination with one or more other, and usually more established, trade marks. As a result, these new signs are categorized—at best—as “subsidiary” marks or, at worst, having no trade mark function at all. Over and above these “tests,” new signs also face sometimes difficult formality requirements, especially in relation to the need for such signs to be graphically represented. It is perhaps also the case that the Office’s approach to new signs has been purposely cautious pending clarification by the Federal Court of many issues surrounding these signs. It is perhaps also true to say that trade mark owners and their attorneys, in seeking to register the newer signs as trade marks under the New Act, have not been sufficiently alert to the many pitfalls likely to confront such applications. The following sections will explore some of these issues.

C. Trade Mark Must Be Capable of Distinguishing

The primary reason for the Office’s refusal to register many new signs has been that the sign is considered by the Office to lack the capacity to distinguish the Applicant’s goods or services as prescribed by the New Act.23

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22. Section 41, Trade Marks Act 1995 (Cth).
23. Trade Mark not distinguishing applicant’s goods or services

41.(1) For the purposes of this section, the use of a trade mark by a predecessor in title of an applicant for the registration of the trade mark is taken to be a use of the trade mark by the applicant.

(2) An application for the registration of a trade mark must be rejected if the trade mark is not capable of distinguishing the applicant’s goods or services in respect of which the trade mark is sought to be registered (designated goods or services) from the goods or services of other persons.

(3) In deciding the question whether or not a trade mark is capable of distinguishing the designated goods or services from the goods or services of other persons, the Registrar must first take into account the extent to which the trade mark is inherently adapted to distinguish the designated goods or services from the goods or services of other persons.

(4) Then, if the Registrar is still unable to decide the question, the following provisions apply.

(5) If the Registrar finds that the trade mark is to some extent inherently adapted to distinguish the designated goods or services from the goods or services of other persons but is unable to decide, on that basis alone, that the trade mark is capable of so distinguishing the designated goods or services:
Under Section 41, a trade mark may only proceed to registration if the Registrar is satisfied that it is capable of distinguishing. In making a decision regarding a trade mark's capacity to distinguish, the Registrar is required to conclude: (1) that the mark is inherently adapted to distinguish the designated goods or services from the goods and services of others and, on that basis alone, of so distinguishing the designated goods or services; or (2) that the trade mark is not to any extent inherently adapted to distinguish the designated goods or services from the goods or services of other persons; or (3) that the trade mark is to some extent inherently adapted to distinguish the designated goods or services from the goods or services of other persons, but there is uncertainty, on that basis alone, that the trade mark is actually capable of distinguishing the designated goods or services. Under each of these conclusions the degree of inherent adaptability of a trade mark is the primary consideration. The concept of “inherent adaptability” rests on a test articulated by the Full Court of the Australian Federal Court24 and consistently applied by the Australian courts over a lengthy period as follows:

[t]he question whether a mark is adapted to distinguish [is to] be tested by reference to the likelihood that other persons, trading in goods of the relevant kind and being actuated only by proper motives—in the exercise, that is to say, of the

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(a) the Registrar is to consider whether, because of the combined effect of the following:
   (i) the extent to which the trade mark is inherently adapted to distinguish the designated goods or services;
   (ii) the use, or intended use, of the trade mark by the applicant;
   (iii) any other circumstances
   the trade mark does or will distinguish the designated goods or services as being those of the applicant; and
(b) if the Registrar is then satisfied that the trade mark does or will so distinguish the designated goods or services—the trade mark is taken to be capable of distinguishing the applicant's goods or services from the goods or services of other persons; and
(c) if the Registrar is not satisfied that the trade mark does or will so distinguish the designated goods or services—the trade mark is taken not to be capable of distinguishing the applicant's goods or services from the goods or services of other persons.

(6) If the Registrar finds that the trade mark is not inherently adapted to distinguish the designated goods or services from the goods or services of other persons, the following provisions apply:
   (a) if the applicant establishes that, because of the extent to which the applicant has used the trade mark before the filing date in respect of the application, it does distinguish the designated goods or services as being those of the applicant—the trade mark is taken to be capable of distinguishing the designated goods or services from the goods or services of other persons;
   (b) in any other case—the trade mark is taken not to be capable of distinguishing the designated goods or services from the goods or services of other persons.

common right of the public to make honest use of words forming part of the common heritage, for the sake of the signification which they ordinarily possess—will think of the word and want to use it in connexion with similar goods in any manner which would infringe a registered trade mark granted in respect of it.

Although this test was initially formulated in relation to word marks, the same test is applicable to the inherent adaptability of any sign, including trade dress. Importantly, if it is found that a trade mark is not inherently adapted to distinguish the applicant’s goods or services, it will nonetheless be “taken to be capable of distinguishing” the goods or services if the trade mark does in fact so distinguish those goods or services because of the extent to which the applicant has used the mark before the filing date of the trade mark application. The implications of this provision for new signs, including trade dress, are far-reaching. In effect, the provision allows for the registration of any product “dress” that has become distinctive of a trader’s goods or services in the years preceding an application to register that “dress” as a trade mark. Arguably, this should include even those items of “trade dress” dictated entirely by function. But, most importantly, it is submitted that any combinations of shape and/or color and/or aspects of packaging that are unusual because of that combination should proceed immediately to acceptance as being capable of distinguishing the applicant’s goods or services.

**D. Applicant’s Evidentiary Burden**

In order to establish that a trade mark is capable of distinguishing, the Office will require, more often than not, that an application for a new sign be supported by evidence of its use. In those cases where the sign has some level of inherent adaptability to distinguish, but falls short of being capable of distinguishing, the applicant will be required to provide post-filing evidence, including details of the use of the trade mark. That evidence is then assessed in combination with the degree of inherent adaptability possessed by the mark and whatever other circumstances upon which the applicant seeks to rely. In those cases where the trade mark has no inherent adaptability to distinguish

28. Re. Australian Rugby Union Ltd (2002) 53 IPR. The degree of creativity (discussed at p. 444) in arrangements of the elements, it is submitted, should have qualified the trade mark for acceptance without recourse to S. 41(5).
distinguish, the applicant must establish that, because of the extent to which the trade mark was used prior to the application date, it distinguishes the applicant’s goods or services and, on that basis, the mark will be taken to be capable of distinguishing the applicant’s goods and services from those of other traders.\(^{30}\) For such trade marks, this is entirely a question of fact.\(^{31}\) It is irrelevant whether other traders are likely to desire to use the trade mark.\(^{32}\)

In considering the registrability of a trade mark under Section 41(6), Judge Branson in Blount Inc. v. Registrar of Trade Marks (1998) 40 IPR 498 expressed the view that, although evidence of promotion and use did not, without more, demonstrate distinctiveness, the significant promotion and use of a trade mark among people concerned with the relevant market must have a tendency to enhance, rather than diminish, the trade mark’s capacity to distinguish the goods.\(^{33}\) Despite defects in the evidence, Judge Branson was prepared to look at the overall impact of such evidence and did not consider it necessary that a statistically sound market survey be undertaken to establish the distinctiveness of the trade mark. Moreover, in a more recent Federal Court decision involving an application to register a single color as a trade mark under Section 41(6), Judge Mansfield was unperturbed by the absence of any market survey evidence or testimony of any independent marketing experts.\(^{34}\)

Notwithstanding this willingness by the courts to assess the overall impression of the evidence offered by an applicant, it is obvious that the Office applies a very rigorous assessment of the evidence tendered in support of applications for new signs not only in the context of Section 41(6), but also in relation to trade marks that are conceded to have some level of inherent adaptability to distinguish.\(^{35}\) While the courts have now provided some guidance in relation to the applicant’s evidentiary burden in respect of trade marks lacking inherent adaptability to distinguish under Section 41(6), those trade marks proceeding under Section 41(5) that have some level of adaptation to distinguish are susceptible to whatever shifting level of evidence is considered appropriate by an examiner at the Office.

Apart from the concession reflected in the New Act that evidence after the filing date of the application is admissible under Section 41(5), the Manual discusses the examination of the

\(^{30}\) Section 41(6) Trade Marks Act 1995 (Cth).
\(^{31}\) Blount Inc. v. Registrar of Trade Marks (1998) 40 IPR 498 at 508.
\(^{32}\) Id. at 508.
\(^{33}\) Id. at 509.
\(^{34}\) Philmac Pty Ltd v. Registrar of Trade Marks (2002/2003) 56 IPR 452 at 475.
\(^{35}\) Section 41(5) Trade Marks Act 1995.
evidence for both Section 41(6) and Section 41(5) under the same heading—examination of evidence.\textsuperscript{36} Given the clear perception by the Working Party\textsuperscript{37} that qualification for registration under the New Act equates to Part B under the Prior Act and, given the low-key assessment of evidence tendered for Part B trade marks,\textsuperscript{38} an applicant for a trade mark under Section 41(5) undeniably bears a more onerous burden in achieving acceptance of a trade mark than was the case in relation to trade marks under Part B of the Prior Act.

Without doubt, this unevenness in Office practice in relation to the evidence required under Section 41(5) has inhibited the statutory protection of many new signs, including signs consisting of the trade dress of a product.

\textbf{E. Presumption of Registrability}

The Working Party responsible for reviewing Australia’s trade mark legislation in 1992 recommended that the New Act should include an expressly articulated presumption of registrability when examining an application for registration of a trade mark.\textsuperscript{39} This recommendation is reflected in Section 33 of the New Act.\textsuperscript{40} However, the process by which the Office or a court reaches a conclusion regarding the capacity of a trade mark to distinguish is said to be “controlled” by the series of subsections under Section 33 and the extent to which that section is influenced by the presumption of registrability is therefore uncertain.\textsuperscript{41}

According to one judge of the Federal Court, it is doubtful that the presumption of registrability can have any practical effect so far as the specific question of capacity to distinguish is concerned.\textsuperscript{42} The Office has rigorously applied this interpretation.

\textsuperscript{37} Working Party to Review Trade Marks Legislation—see footnote 14 supra.
\textsuperscript{40} Application accepted or rejected
\textsuperscript{33}(1) The Registrar must, after the examination, accept the application unless he or she is satisfied that:
(a) the application has not been made in accordance with this Act; or
(b) there are grounds for rejecting it.
\textsuperscript{41} Per Judge Branson in Blount Inc v. Registrar of Trade Marks (1998) 40 IPR 498 at 503.
\textsuperscript{42} Id. at 503-04. At p. 505 the judge said: “It is thus not the case, as might otherwise be concluded from the terms of s 33(1), that if the Registrar is uncertain whether a trade mark is capable of distinguishing the applicant’s goods or services from the goods or services
Current practice is that if the Office is uncertain whether a trade mark is capable of distinguishing the applicant’s goods or services from those of other traders, the trade mark should not be accepted. Inevitably, this interpretation of the relevant provisions in the New Act is detrimental to most new signs sought to be registered under the New Act.

The uncertainty regarding the role of the presumption of registrability has been highlighted in a passage by a judge of the Full Court of the Federal Court in Kenman Kandy when considering the registrability of a shape trade mark:

It is necessary to bear in mind that this trade mark is still at the (application) stage. It enjoys the benefit of the presumption of registrability mandated by section 33. To the extent that critical criteria upon which registration might be rejected are in doubt, the application should be accepted.43

Notwithstanding the difficulty in reconciling this statement with its current practice, the Office continues to make determinations regarding the capability of a trade mark to distinguish without any reference to the presumption of registrability. This is so despite the very clear recommendation of the Working Party that the Act should be expressed in terms that make it clear that there is to be a presumption of registrability when examining an application for registration.44

**F. Functional Features**

There are no provisions in the New Act that make any reference to the functional features of a sign. Initially, the proposed changes to the New Act contained an exclusionary provision regarding any trade mark that consisted wholly or principally of a shape possessed by the nature of the goods or a shape necessary to achieve a particular technical result.45 That legislation was repealed prior to the enactment of the New Act.46

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45. Section 39 of the Trade Marks Act 1994 (repealed).
46. Enacted to ensure TRIPS compliance and subsequently repealed. The Working Party also recommended that signs not be registered which consist “. . . wholly or principally of elements, such as shape, which necessarily result from the nature of the specified goods or which are necessary to obtain a technical result” (Rec 6A(8) p 48). This was reflected in s 39 of the short-lived 1994 version of the Act. However, as Stone J observes, that provision,
Nevertheless, despite the absence of any specific exclusion from registration of particular functional features, there is a clear perception by the courts that any shape dictated by the nature or function of the goods is not capable of distinguishing between one trader and another in those goods and, hence, would be precluded from registration on that basis. It is equally clear, however, that the mere presence of certain features of functionality need not be fatal to the registration of a trade mark.

In relation to shape marks, the Manual indicates that a shape will be regarded as functional if the shape: (1) is essential to the use or purpose of the article; (2) is needed to achieve a particular technical result; (3) has an engineering advantage; or (4) results from a comparatively simple, cheap method of manufacture. Following the decision in Kenman Kandy, there can be no basis for objecting to a shape merely because it is attractive or aesthetically pleasing. Furthermore, Judge Stone expressed the view that even though a sign may evoke a positive emotional response, this factor does not infer a functional significance.

In relation to color, the Australian Federal Court has outlined the circumstances in which color applied to goods (or services) is likely to be inherently adapted to distinguish those goods or services: (1) where the color does not serve a utilitarian function or convey a recognized meaning; (2) where the color does not serve an economic function; and, perhaps most importantly, (3) where there is no proven competitive need for the use of the color. Nevertheless the practical application of these guidelines presents difficulties.

In re Application by Cadbury Ltd, where the applicant sought to register the color purple for chocolate, the Registrar’s delegate viewed purple as a simple secondary color. She considered the color “attractive” with connotations likely to appeal to consumers and concluded that there was a competitive need for traders to use purple packaging. In the author’s view, attributes of attractiveness and pleasing connotations should not preclude a
color from registration as a trade mark. There is a marked difference between those attributes of a color and the finding in Philmac that the color terracotta was an obvious and apt choice for application to fittings for irrigation pipes.\textsuperscript{53} It is submitted that, while there might be some justification for the judge’s conclusions in relation to the color terracotta, the color purple for chocolates is neither apt nor obvious.

Similarly, in relation to shape, the Registrar’s delegate in Reemtsma Cigarettenfabriken Gmbh’s application saw the applicant’s octagonal prismatic shaped cigarette packet as being less obtrusive and more discreet and, for those reasons, “entirely functional.”\textsuperscript{54} In the author’s view, the stylish shaping of the packet was neither essential to the use or purpose of the packet nor was there any basis for equating what the delegate viewed as a “discreet” packaging as achieving a particular technical result. This decision, and other decisions by the Office, illustrate a tendency on the part of the Office to detect aspects of functionality, or competitive need, in circumstances which simply do not justify such findings.\textsuperscript{55}

\textbf{G. Public “Recognition” That the Sign Functions as a Trade Mark}

Following the introduction of new signs under the New Act, the requirement that potential consumers be “educated” to recognize that a sign, especially a new sign, functions as a trade mark has acquired a life of its own in Australian trade mark law. In an early decision under the New Act, relating to an application to register seashell shapes as a trade mark for chocolates,\textsuperscript{56} the Registrar concluded that the seashell shapes were not to any extent adapted to distinguish the applicant’s goods from those of other traders. In that decision, the Registrar’s delegate stated that the criterion for establishing whether a sign is inherently adapted to distinguish, should be addressed in terms of the test put forward in the English case of British Sugar plc v. James Robertson & Sons Ltd:\textsuperscript{57}

\begin{quote}
The phrase [“devoid of any distinctive character”] requires consideration of the mark on its own assuming no use. It is the
\end{quote}

\textsuperscript{53} Philmac Pty Ltd v. Registrar of Trade Marks (2002-2003) 56 IPR 452 at 474: “I conclude from (the) evidence that Philmac struck on the color terracotta not because it was an unnatural and unusual choice for application to compression fittings for irrigation piping, but because it was an obvious and apt choice for application to that type of goods.”

\textsuperscript{54} Re Application by Reemtsma Cigarettenfabriken GmbH (2001-2002) 52 IPR 449 at 452.

\textsuperscript{55} Re Application by Cadbury Ltd (2002) 55 IPR 561 at 568.

\textsuperscript{56} Re Application by Chocolateria Guylian NV (1999) 46 IPR 201.

\textsuperscript{57} 1996 RPC 281.
sort of word (or other sign) which cannot do the job of distinguishing without first educating the public that it is a trade mark. A meaningless word or a word inappropriate for the goods concerned (“North Pole” for bananas) can clearly do. But a common laudatory word such as “Treat” is, absent use and recognition as a trade mark, in itself . . . devoid of any inherently distinctive character.58

This “test” has persisted in numerous Office decisions related to new signs. In Minnesota Mining and Manufacturing Company’s application for the color canary yellow,59 it was the delegate’s view that the application could not succeed because of the applicant’s failure to “first educate the public” that the color canary yellow was a trade mark. In Kenman Kandy’s application for its bug shape, the Registrar’s decision turned on the finding that the proposed trade mark did not appear to the Registrar to have trade mark significance.60 A similar view was reflected on appeal in the dissenting judgment of Judge Lindgren of the Full Court61 who reiterated the need to educate the public to recognise the trade mark significance of the bug shape. The same argument was raised in Cadbury’s application to register the color purple where the Registrar’s delegate asked the following question: Is purple packaging the sort of sign that can distinguish Cadbury’s chocolate without first educating the public that it is a trade mark?62

In the author’s view, the Office is in error in persistently requiring that an applicant demonstrate that it has undertaken a process of “educating” the public to recognise that the sign has the function of a trade mark.63

58. Id. at 306.
60. Kenman Kandy Australia Pty Ltd v. Registrar of Trade Marks (2001-2002) 52 IPR 137 at 139.
61. Kenman Kandy Australia Pty Ltd v. Registrar of Trade Marks (2002) 56 IPR 30 (at p. 56). The decision in British Sugar has no relevance to issues of registrability under Section 41 of the Australian Trade Marks Act, especially trade marks—such as the present trade mark—which relate to COLOR. Nor is there any requirement under Section 41 that an applicant for registration be bears the burden of actually showing that it has “educated the public” that the sign sought to be registered is a trade mark.
63. British Sugar PLC v. James Robertson & Sons Ltd (1996) RPC 281. In his judgement Jacob, J. makes statements, inter alia, as follows: ‘There is an unspoken and illogical assumption that ‘use equals distinctiveness.’ . . It is precisely because a common laudatory word is naturally capable of application to the goods of any trader that one must be careful before concluding that merely its use, however substantial, has displaced its common meaning and has come to denote the mark of a particular trader.” (at p. 302 at line 25 and at line 41). That case was concerned with the infringement of a UK trade mark registration for the trade mark TREAT for confectionery. Registration of the trade mark had been allowed in PART B of the register and the issues in the case were assessed under the UK Trade Marks Act 1994.
The correct approach is reflected in Judge Mansfield’s decision in relation to the color terracotta. Having looked at the evidence of the use of the color by the applicant, Judge Mansfield then turned to consider whether the applicant’s use amounted to use of a trade mark in the sense provided for in the New Act. His conclusion took into account that there were other reasons for the applicant’s adoption of the color: “While I accept that color coding between Philmac’s own products was one initial motivation for the decision to apply color to components of its rural fittings, I am also satisfied that the use of the color terracotta was, in addition, for use as a trade mark purpose. It is enough that the color was so used, notwithstanding that it also served the functional purpose of color-coding between Philmac’s own products.”

There is a wide difference between evidence that shows that a sign is used in a trade mark context and evidence demonstrating a process of educating the public that a particular sign is a trade mark. There is a well-established body of case law relating to what constitutes use as a trade mark and, it is submitted, that is the law that should be applied in the present context.

H. “Subsidiary” or Supporting Trade Marks

In Cadbury’s application for the color purple there is an interesting comment by the Registrar to the effect that signs, such as color, are “non-verbal” indicators of origin and will generally be used with a word trade mark. According to the Registrar, it was not fatal to the applicant’s case that it had only used the purple packaging in tandem with the word trade mark CADBURY. This statement is to be contrasted with many other rulings that question the capacity of a so-called “secondary” mark—especially a color or shape or aspects of packaging to distinguish a trader’s goods or services. This is well illustrated in Woolworths Limited v. BP Amoco PLC where the Registrar said:

[M]y considered view is that the yellow letters BP, rather than the background color, are the predominant item, the driving force in any identification of the applicant. Because of this, showing that the background color is capable of distinguishing becomes much more difficult. The color green is, in such a case, what judge Jacob referred to as a “limping mark,” Philips Electronics N.V. v. Remington Consumer Products (40 IPR 64.

64. Philmac Pty Ltd v. Registrar of Trade Marks (2002-2003) 56 IPR 561 at 574.
65. See Johnson & Johnson Australia Pty Ltd v. Sterling Pharmaceuticals Pty Ltd 21 IPR 1 “the relevant context”; WINGATE v. Levi Strauss 28 IPR 193 at pp. 237-38: “the purpose and nature of the use”; Coca Cola Co v. All-Fect Distributors Ltd 43 IPR 47: “presented . . . in a manner which has the likely effect of indicating . . . a connection.”
279 at page 301); one “always used with what is obviously a proper trade mark.”

Significantly, the U.K. Court of Appeal gave short shrift to Judge Jacobs’ reference to a “limping” trade mark. In Philips Electronics N.V. v. Remington Consumer Products Ltd, the Court of Appeal was pointedly dismissive of the statement. Specifically, Lord Justice Aldous said that:

As the trade mark had by use become such as to denote goods of Philips, it must have been capable of distinguishing their shavers from those of other manufacturers... but the trademark has been used. I would not have referred to it as “limping” whatever that may mean. Its use is better seen as supporting.

Nevertheless, there is a persistent view in the Office that any new sign, be it shape or color or aspects of packaging, usually used in combination with a distinctive and well-recognised word trade mark, cannot, without the word mark, function as a trade mark. This is so despite the commonplace occurrence of multiple trade marks on packaging and in advertising. The courts have indicated that there is nothing improper in such use of trade marks, subject to the usual guidelines governing the correct use of trade marks and, in relation to the multiple use of word marks, the fact that “one and possibly two separate words or phrases are used as trade marks, does not necessarily mean that the same packet cannot contain a third set of words used as a trade mark.”

Despite that statement, and with particular reference to trade dress, any application to register that trade dress as a trade mark without the word elements that usually accompany the marketing of such goods will inevitably give rise to an objection by the Trade Marks Office that the “dress” does not function as a trade mark. This attitude not only fails to accept the commonplace usage of multiple trade marks on products but also does a disservice to those businesses that strive to distinguish their products and services by adopting a trade dress or visual image that is an

68. The passage from Jacob, J’s decision (at p. 301 lines 10 to 18) is as follows:

. . . what we have here is a kind of “limping mark,” always used with what is obviously a proper trade mark. The same was true of TREAT which was always used with SILVER SPOON. Neither sign was ever used by the proprietor on its own. And that was evidence of a lack of a capacity to distinguish. I do not of course say that you cannot have two trade marks used for the same goods, or that a part of a sign—a “subsign”—cannot also be a trade mark: both FORD and FIESTA are obviously valid marks. But there are these other cases, where the sign proffered as a valid mark cannot really stand up on its own.


70. Pepsico Australia Pty Ltd v. Kettle Chip Co Pty Ltd (1996) 33 IPR 161 at 182.
effective, if not the most effective, means of distinguishing their products and services from those of other traders.\footnote{Red Bull Australia Pty Ltd v. Sydneywide Distributors Pty Ltd (2002) 53 IPR 481: color and color combinations override brands.}

\section*{I. Special Considerations Applicable to New Signs}

The Manual\footnote{Trade Marks Office Draft Examiner's Manual of Practice and Procedure, Part 21 at 4.3.1.} states that applications for single color marks must be subject to “special considerations.” Those special considerations include: (1) the nature of the goods; (2) the market in which they are sold; (3) the particular color for which registration is sought; and (4) whether that color serves a particular function in respect of the goods, or there is a competitive need for it within the market concerned. These considerations have been applied in many decisions by the Office.\footnote{Re Application by Multix Pty Ltd (1999) 47 IPR 153; Re Application by Minnesota Mining and Manufacturing Co ATMO 24 January 2002; Re Application by Cadbury Ltd (2002) 55 IPR 561.} The same or very similar considerations are reflected in the Federal Court decision regarding the color terracotta.\footnote{Philmac Pty Ltd v. Registrar of Trade Marks (2002-2003) 56 IPR 452 at 470-71.} Judge Mansfield identified three situations in which the rights of other traders would be at risk by allowing registration of a single color mark. A trader might legitimately choose a color to apply to goods to denote a meaning that that color might ordinarily possess. For example, the concepts of hot, cold, environmentalism, danger, stop, go, communism, mourning and femininity are universally conveyed as colors. Second, a trader might legitimately choose a color for its practical utility. That is, the color may be a feature of a product that serves to improve the functionality or durability of the product. The function of visibility is, for example, served by the color yellow; heat absorption by the color black; light reflection by the color white; military camouflage by a combination of khaki, brown and green. Finally, a product may be produced in a particular color being the naturally occurring result of the manufacturing process.

In relation to the last of these considerations, Judge Mansfield made reference to the color depletion theory by stating that the range of colors available to an honestly motivated trader is limited and, in the case at issue, another trader might naturally and legitimately choose the specified color for application to goods in the same class.\footnote{Id. at 471.}

A consideration having particular relevance to shape marks—but which also has relevance to color and aspects of packaging—is whether the definition of sign includes the shape of the goods. This
question was considered by Judge Lehane in Philips v. Remington in the following terms:

But if “shape” does not include the shape of goods, or of a part of goods, within the class for which a trade mark is registered, it is not easy to see what “shape” adds to “device”; it hardly seems a sensible construction to limit “color” or “scent” to a color or scent used in relation to goods, but not as the color or scent of the goods, or part of the goods, themselves; and if that is so in relation to “color” and “scent,” why should “shape” be construed in a more limited way? . . . but to limit “shape” in that way would give it no field of operation not already covered by “aspect of packaging.”

Judge Lehane’s view was endorsed in the majority judgment of Judge Stone of the Full Federal Court who stated that he could see no reason why a shape that is the whole of the shape of a good should for that reason alone be incapable of registration as a trade mark. While signs such as color and shape, not to mention scent and sound, are clearly different from word marks, it is submitted that the basic criteria for establishing inherent adaptability to distinguish should be the determining factor as to whether the sign should be protected as a trade mark. In the author’s view, other considerations, if appropriate, should be part of that determination rather than a separate test applied over and above the threshold requirement of inherent adaptability to distinguish. This concludes the author’s discussion of the protection available under the New Act for trade dress and color as registrable trade marks in Australia. Outside the trade marks legislation the common law—and the Australian Trade Practices Act 1974—provide significant opportunities for protection.

IV. PROTECTION OF TRADE DRESS UNDER THE COMMON LAW OF PASSING OFF AND UNDER THE AUSTRALIAN TRADE PRACTICES ACT

A. Introduction

Decisions of the English courts early in the last century shaped many aspects of the law applicable to the protection of trade dress in Australia. In those decisions—and subsequent decisions by the Australian courts—the common law concept of passing off has been relied upon to safeguard a plaintiff’s rights in the trade dress of his or her products. Since 1974, this common law


77. J. B. Williams Co v. H. Bronnley & Co Ltd (1909) 26 RPC 765 at 773/4 and William Edge and Jons Ltd v. William Nicolls and Sons Ltd (1911) AC 693.
cause of action has been supplemented in Australia by the Australian Trade Practices Act.78

At common law, it has been long established that, if the get up or trade dress of a product is distinctive of a product and its trade source, then a remedy for passing off may be available in circumstances where another person misrepresents that the product that he or she is selling is that of the plaintiff. Over the years there have been many attempts to define the tort of passing off.79 For present purposes, the elements of the tort may be summarised as those identified in Reckitt & Colman Products Ltd v. Borden Inc80 and adopted by the Australian Full Federal Court in Vieright Pty Ltd v. Myer Stores Ltd81 as follows: (1) that the trader’s get-up, including any brand name, is recognised by the public as distinctive specifically of the plaintiff’s goods; (2) that there has been a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that the goods offered by the defendant are the plaintiff’s goods (whether the public is aware of the plaintiff’s identity as the manufacturer or supplier of the goods is immaterial provided they are identified with a particular source, e.g., by means of a brand name that is in fact the plaintiff’s); and (3) that the plaintiff suffers or, in a quia timet action—a quia timet action is an action brought to prevent a wrong that is apprehended82—is likely to suffer, damage by reason of the erroneous belief engendered by the defendant’s misrepresentation that the source of the defendant’s goods is the same as the source of those offered by the plaintiff.83

It is clear from the authorities, both English and Australian, that the basis of a cause of action for passing off “lies squarely in misrepresentation.”84 An intention to deceive has not been a necessary ingredient for passing off since early in the nineteenth century.85 The misrepresentation need only be likely to lead the public to believe that the goods are those of the plaintiff. There is no requirement that actual deception be proven.86 In the context of trade dress, it is generally the case that the mere copying of that dress, or the copying of the shape of the article does not constitute

80. (1990) 17 IPR 1 at 7.
85. Id. at 231.
a misrepresentation by the defendant. Subject to some statutory right preventing the copying, the necessary misrepresentation proscribed under the common law for passing off does not arise unless the defendant does something further, either directly or indirectly, to represent that the dress or article is that of the plaintiff.87

**B. Trade Practices Act, 1974**

In addition to the common law cause of action of passing off, the Commonwealth government in Australia enacted the TPA, which came into operation in 1974. Part V of the TPA is concerned with consumer protection. Section 52 is especially relevant for purposes of preventing conduct that is misleading or deceptive or is likely to mislead or deceive.88 The intentions of the offending party are not of primary significance under the TPA. Rather, a determination of whether the conduct offends the statutory provisions of the TPA depends on the consequences, or likely consequence of, the other party's conduct.89

**C. Interaction Between Passing Off and Section 52**

Section 52 of the TPA is aimed at conduct likely to be harmful to consumers. The common law tort of passing off, on the other hand, is concerned with protecting a trader's goodwill in its business. Given that there is usually a strong nexus between the deception of consumers in the course of trade and the injury caused by the unfair practices of a trade rival, it is not unusual for the two causes of action to be considered together and this is increasingly the approach taken by the courts.90

The differences between passing off and Section 52 of the TPA were the subject of judicial commentary, especially during the years immediately following the enactment of the TPA in 1974. In an important ruling by the Australian High Court in 1978, it was contended that, in determining the meaning of “misleading or deceptive” in Section 52 and in applying it to particular circumstances, the law which has developed around the tort of passing off may not always be a safeguard given that passing off is directed at the protection of a plaintiff's intangible property

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87. Parkdale Custom Built Furniture Pty Ltd v. Puxu Pty Ltd IA IPR 684 at 703 citing Judge Graham of the UK Court of Appeal in Benchairs Ltd v. Chair Centre Ltd (1974) RPC 429 at 435.

88. Section 52 of the Trade Practices Act provides: (1) A corporation shall not, in trade or commerce, engage in conduct that is misleading or deceptive or is likely to mislead or deceive. (2) Nothing in the succeeding provisions of this Division shall be taken as limiting the generality of sub-section (1).

89. Parkdale Custom Built Furniture Pty Ltd v. Puxu, IA IPR 684 at 700.

rights. It was also emphasized that the scope of operation of Section 52 was broader than that involved in the tort of passing off.

Perhaps the most emphatic attempt to differentiate the respective causes of action arose in the Taco Bell case. In a joint judgment, Judges Deane and Fitzgerald stated that the backgrounds of Section 52 and of the law of passing off are quite different. It was the judges’ view that the respective purposes of these laws and the interests that these laws primarily protect are contrasting and that their areas of operation did not coincide. According to the judges, the indiscriminate importation into Section 52 cases of principles and concepts involved in passing off and the associated area of trade mark law were likely to produce error and to give rise to arguments founded on false assumptions. Despite these initial attempts to demarcate the two causes of action, it was readily conceded that many of the principles developed by the common law were equally applicable under Section 52 and more recent decisions indicate a trend away from any strict demarcation of the causes of action.

In Philips v. Remington, the court ruled that a claim for passing off has the same basis as a claim under the TPA and the alleged misrepresentation, essential for passing off, was to be found in the same conduct. On appeal, the claim for passing off and breach of Section 52 were argued together, with reliance being placed on the same evidentiary material. Likewise in the Red Bull case, the court emphasized that both causes of action centered upon the notion of misrepresentation and, for the reasons underlying its conclusions regarding passing off, the court found that the respondent’s conduct gave rise to misleading and deceptive conduct within the meaning of Section 52 of the TPA. The appeal court concurred with that finding.

Given the general wording of Section 52, it is perhaps not surprising that a court’s finding of passing off should almost invariably be followed by a statement to the effect that a
contravention under Section 52 is, therefore, also made out.\textsuperscript{98} In similar vein, in Conagara Inc v. McCain Foods,\textsuperscript{99} Judge Lockhart agreed that the threshold under the TPA might be lower than it was for passing off, but even so the reasons for the plaintiff’s failure under passing off contributed to the court’s finding that the case under Section 52 likewise failed.

\section*{D. Relevance of Labelling}

To the extent that trade dress consists of shape and/or color and/or aspects of packaging, the presence or absence of effective labelling is likely to play a crucial role in situations of misleading conduct or misrepresentation.

The High Court of Australia had an early opportunity to consider this issue, and the application of Section 52 of the Trade Practices Act, in circumstances where a defendant manufactured furniture that closely resembled in construction, materials and appearance the furniture of the plaintiff.\textsuperscript{100} Chief Justice Gibbs in the course of his judgment, made a general statement that the sale by one manufacturer of goods that closely resemble those of another manufacturer was not a breach of Section 52 “if the goods were properly labelled.”\textsuperscript{101} In the case before the court, the defendant’s furniture was labelled in accordance with standard practices within the furniture trade. Judge Brennan articulated an important point of law by stating that a manufacturer who exercises his freedom to manufacture goods according to a design that is not protected by valid registration does not engage in conduct that is misleading or deceptive or that is likely to mislead or deceive.\textsuperscript{102} According to the High Court’s judgment in this case, if an article is properly labelled so as to show the name of the manufacturer or the source of the article, then its close resemblance to another article will not mislead an ordinary reasonable member of the public.

This statement of the law is especially relevant to trade dress. In key respects, it reflects an earlier trade dress case involving the sale of lemon squash in yellow colored cans.\textsuperscript{103} The plaintiff claimed that the defendant’s sale of a similar product in cans similarly colored constituted passing off. Accepting that the mere copying of the yellow colored cans could not constitute passing off, the judge nevertheless emphasized that it was incumbent on the

\begin{footnotesize}
\textsuperscript{98} Cat Media Pty Ltd v. Opti-Healthcare Pty Ltd (2003) FCA 133 4 March 2003 at paragraph 54.
\textsuperscript{99} 23 IPR 193.
\textsuperscript{100} Parkdale Custom Built Furniture Pty Ltd v. Puxu Pty Ltd 1A IPR 684.
\textsuperscript{101} Id. at 689.
\textsuperscript{102} Id. at 706.
\textsuperscript{103} Cadbury Schweppes Pty Ltd v. The Pub Squash Co Ltd (1980) 2 NSWLR 864.
\end{footnotesize}
defendant, when adopting packaging similar to that of another, to adequately distinguish its packaging. On the facts, it was found that the defendant had sufficiently differentiated its product—principally by virtue of the different names PUB SQUASH and SOLO—from that of the plaintiff and the claim of passing off failed. This decision was affirmed on appeal by the Privy Council.

Similarly in Philips v. Remington, Judge Lehane said that, if the true source is displayed with sufficient clarity on an article, in that case a rotary shaver, then that trader’s conduct is unlikely to be regarded as misleading or deceptive. In terms almost identical to those of the court in the Cadbury Schweppes case, Judge Burchett on appeal in Philips v. Remington said that, in view of the similarity of the Remington triple rotary to the Philips, and in view of the similarity of the image each competitor sought to project for its product, it was incumbent upon Remington to distinguish the shaver it was putting on the market from the rival shaver that was already there. This was effectively accomplished by Remington’s product being very clearly marked with the Remington name, itself a well-known trade mark in Australia. As Judge Burchett said, it was difficult to see what more Remington could reasonably be expected to have done to emphasize that the product was its own triple rotary shaver.

An even more recent example of deliberate copying of trade dress arose in the claims made on behalf of Dr Martens Australia Pty Ltd before the Federal Court regarding its “Z welt” boots and shoes. The boots and shoes exhibited a combination of features that included the appearance of the welt, a yellow welt stitch thread, a grooved sole edge, a two-toned effect in sole side view and an angled heel on the sole instep. Judge Goldberg emphasized that the manner in which the relevant products are presented to the public dictated the approach necessary to determine the effect or likely effect on consumers. In relation to footwear, in particular the type of footwear at issue, the judge was satisfied that the article to be purchased was examined, handled and tried on the foot before purchase, that branding of such goods is a matter of importance and significance to potential purchasers, and that the

104. Id. at 103.
108. Id. at 281.
110. Id. at 361.
trade marks would be observed by customers on the sock and sole of the footwear. Each of the defendants, in addition to adopting aspects of the DR MARTENS trade dress, or a substantial part of that dress, prominently applied and displayed their own trade marks on the footwear. In these circumstances the plaintiffs’ claims for passing off and breach of Section 52 failed other than in the case of defendant Windsor Smith. Like the other defendants, Windsor Smith had imitated the distinctive features of the DR MARTENS Z welt footwear but, unlike the other defendants, Windsor Smith had also used the words THE ORIGINAL in a form identical to that used on DR MARTENS footwear. Passing off against Windsor Smith was established and the Full Court, on appeal, affirmed the judge’s findings.

E. Labelling Not Effective

Inevitably, there have been many cases where a defendant’s labelling, even though prominent, was not sufficient to avoid passing off and/or breach of Section 52 of the TPA. An oft-cited example is the House of Lords decision in Reckitt & Colman where the evidence established that purchasers identified the trade dress of a lemon juice product with a specific trade source and paid little attention to the labelling of such goods. In that case, it was established that the label or trade mark on the product had little impact on, or significance for, the purchasers. Apart from evidence showing that shoppers did not read the labels on the lemon-juice containers, the court concluded that the defendants had not adequately distinguished their lemons from the plaintiff’s.

In considering the trade dress and labelling of detergent products, Judge Jenkinson of the Australian Federal Court commented that these are inexpensive articles commonly gathered into a shopping trolley for purchase after a few seconds examination and consideration by a person unwilling to accord more than short time to making the purchasing decision. In such circumstances, the judge considered that a substantial number of consumers were likely to be misled despite each product being clearly labelled. A similar case involved hair care products offered for sale in bottle containers that were strikingly similar. Notwithstanding that each container plainly featured different trade marks, it was found that the aspects of the respective

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111. Id. at 366.
112. (1990) RPC 408.
113. Id. at 416.
containers that immediately attracted the eye were the general shape of the containers and their caps, the vivid fruit or floral labels and similar rectangular arrangements with similar black print. Given the reputation that the plaintiff’s trade dress enjoyed, the court found that a substantial proportion of consumers of hair care products were likely to be misled by the similarities in the trade dress of the respective products.

A more recent trade dress case that proceeded to the Australian Full Court involved energy drink products in cans that clearly featured the trade marks of the respective parties—RED BULL and LIVEWIRE. In these proceedings, it was established that RED BULL’s color scheme of red, blue and silver with a diagonal feature across the face of the can was unusual within the market for energy drinks and that its product in that trade dress was well known and a leading brand in the market. The defendant introduced into the Australian market an energy drink in cans of the same shape and size under a red, blue and silver colored trade dress but trade marked LIVEWIRE. Apart from the similarities of shape and size and the colors red, blue and silver, the judge at first instance discerned a very similar diagonal thrust design in the lightning bolt depicted on the LIVEWIRE can. Taking this particular feature in combination with the various other elements, the judge was impressed with what he described as “an instantaneous perception of the similarity of the get up of the two packagings.”

Of particular significance in the judgment at first instance were the comments by the judge regarding the role of the type of product at issue in the case. In relation to standard size cans of energy drinks, the judge was clearly of the view that color and color combinations or patterns tend to attract attention before brand names. The judge considered this to be the case for many products within the “impulse market.” That market, according to the judge, is distinguishable from—by way of example—the furniture or clothing retail markets where potential buyers will customarily tend to first identify brand names before making their commitment to purchase. On appeal, the Full Court concluded that there was no basis for the appellant’s contention that the trial judge exceeded the permissible limits of the concept of get up or trade dress. The court also confirmed the trial judge’s conclusion that the LIVEWIRE trade dress constituted a misrepresentation of

118. Id. at 510.
119. Id. at 516.
that product as one that either was the same as the RED BULL product or was produced by, or with the approval of RED BULL.\textsuperscript{121}

\textbf{F. Trade Dress and Copying Actual Goods}

In many cases involving trade dress, attempts have been made to draw a distinction between the get-up or trade dress of goods and the copying of the actual goods. In a nutshell, this demarcation is explained by saying that similarity in trade dress may constitute passing off but, in relation to copying actual goods—statutory monopoly apart—all are free to copy the goods themselves. However, even in seeking to make this demarcation, the courts have been quick to emphasize that the actual application of the demarcation presents "questions of nicety and difficulty."\textsuperscript{122}

In Dr Martens, on appeal, it was argued for Dr Martens that a distinction should be drawn between the copying of design and the copying of trade dress or get up.\textsuperscript{123} However, the Full Court could not discern any logical basis in principle for that distinction—in part because of the difficulty in distinguishing between design features and trade dress.

Nevertheless, in cases where the actual goods have an unusual shape or where a capricious feature distinguishes an article, there may well be situations where a copying of the actual goods provides a basis for alleging misleading conduct or passing off.\textsuperscript{124}

\textbf{G. Gestalt (or the So-Called "Total Imagery")}

Following the unanimous judgment of the Full Court in the RED BULL appeal,\textsuperscript{125} it is now accepted that a court’s consideration of the total imagery conveyed by packaging and other product presentations does not extend the permissible limits of the traditional concept of trade dress. It is also clear that, in certain circumstances and depending on the nature of the product, aspects of such “imagery”—especially color and color combinations—will have a tendency to attract consumers’ attention before brand names.

In trade mark infringement actions, the essential issue rests on the similarities between the trade marks and the courts will not take into account the totality of the conduct of a defendant as is the case in passing off actions. This need to take account of the

\textsuperscript{121} Id. at 391.
\textsuperscript{122} Parkdale Custom Built Furniture Pty Ltd v. Puxu Pty Ltd, 1A IPR 684 at 704/5.
\textsuperscript{123} Dr Martens Australia Pty Ltd v. Figgins Holdings Pty Ltd & Others (1999) 47 IPR 499 at 513.
\textsuperscript{124} Benchairs Ltd v. Chair Centre Ltd 1974 RPC 429 at 436.
\textsuperscript{125} Sydneywide Distributors Pty Ltd v. Red Bull Australia Pty Ltd (2002) 55 IPR 354.
totality of the conduct of the alleged deceiver in passing off was recognised by the Full Court in C.A. Henschke & Co v. Rosemont Estates Pty Ltd126 and is equally applicable to proceedings under the TPA.

**H. Guidelines for Protection of Trade Dress at Common Law and Under The TPA**

The foregoing discussion of selected Australian Federal Court decisions suggests that there has been a reasonably consistent approach by the Australian courts in their assessment of claims related to the copying of trade dress at common law and under the TPA. Based on these decisions, several conclusions may be drawn. First, in relation to the mere copying of products, including trade dress, a trader who sets out to produce goods according to a design that is not protected by some form of statutory registration does not engage in conduct that is misleading or deceptive or that is likely to mislead or deceive. Second, in general terms, where a product is properly labelled to show the name of the manufacturer or the source of the product, the close resemblance of that product to another product, including its trade dress, may not mislead an ordinary reasonable member of the public.

However, in cases of trade dress imitations that include labelling, the courts have sought to make a distinction based on the nature of the product. In the case of goods likely to be purchased inexpensively without long consideration127 or goods falling within the impulse market, the trade dress of the products has a tendency to override the importance of labelling.128 In situations involving, for example, furniture and fashion clothing, prospective customers will tend to more closely examine the commodity and, in particular, the label attached to the product before committing to a purchase. It follows that the nature of the product at issue is a significant factor in the outcome of such cases.

Third, the traditional assessment of trade dress in the context of passing off and/or the TPA may properly take into account the “total imagery” or “gestalt” by means of which the respective goods or services are presented to consumers. Further, for misrepresentation, or misleading/deceptive conduct, it is not necessary to establish any intent on the part of the defendant.129 An intention to deliberately copy may indicate nothing more than

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129. Dr Martens Australia Pty Ltd v. Figgins Holdings Pty Ltd & Others (1999) 44 IPR 281 at 365.
that the plaintiff has a useful idea that the defendant can turn to its own advantage.\textsuperscript{130} Fifth, both in relation to passing off and breach of Section 52 under the TPA, a likelihood of misrepresentation or misleading or deceptive conduct will suffice, but such that likelihood must be real and not a remote chance or possibility. Finally, and in general terms, a false assumption by the consumer as to the source of the goods will be viewed as being self-induced and therefore irrelevant in any determination of misleading conduct. There are clear statements by the court that there can be no contravention of Section 52 unless error or misconception results from the conduct of the defendant and not from other circumstances for which the defendant is not responsible.\textsuperscript{131}

Outside the Trade Marks Act and the common law (and the TPA) there remains the prospect of obtaining protection for trade dress as a registered design or as a copyright work.

\section{V. COPYRIGHT AND DESIGNS PROTECTION FOR TRADE DRESS}

\subsection{A. Protection of Trade Dress Under Copyright Law}

The Australian Copyright Act, 1968 ("Copyright Act, 1968") provides protection for artistic works including works of artistic craftsmanship. The Copyright Act, 1968 also provides protection for literary works. To the extent that the "dress" of a product might incorporate artistic or literary works, the Copyright Act, 1968 may have some relevance in protecting trade dress.

However, subject to certain exceptions, there is limited copyright protection in artistic works that are embodied in a "corresponding design" registered under the Designs Act or that have been industrially applied. Industrial application\textsuperscript{132} is taken to have occurred where a corresponding design is applied to more than 50 articles. The reference to a corresponding design, in the context of an artistic work means a design that, when applied to an article, results in the reproduction of that work, but does not include a design consisting solely of features of two-dimensional pattern or ornament applicable to a surface of an article. In effect, the provisions in the Copyright Act, 1968 in relation to corresponding designs seek to preclude from copyright protection three-dimensional embodiments of a two-dimensional drawing. By these means, the copyright legislation in Australia has purposely

\textsuperscript{130} ConAgro Inc v. McCain Foods (Aust) Pty Ltd (1992) 23 IPR 193 at 236.

\textsuperscript{131} (Equity Access Pty Ltd v. Westpac Banking Corp (1989) 16 IRP 431 at 440/1 and cited by Goldberg, J. in DR MARTENS at p. 363).

\textsuperscript{132} Copyright Regulations 1969 (Cth).
sought to exclude most commercially produced three-dimensional articles from acquiring protection under the Copyright Act, 1968.

New legislation—the Designs (Consequential Amendments) Bill 2002 (Cth) (hereafter, or the “Copyright Amendments”)—is likely to introduce a number of Amendments to the Copyright Act, 1968. In particular, the Copyright Amendments would amend the definition of “corresponding design” in the Copyright Act, 1968 as being visual features of shape or configuration which, when embodied in a product, result in a reproduction of the artistic work, whether or not the visual features constitute a design that is capable of being registered under the proposed new designs law in Australia (to be discussed in the next section). These new provisions are unlikely to extend the scope of copyright protection for commercially produced three-dimensional articles.

It follows that the existing Copyright Act, 1968 and the Copyright Amendments, afford very limited scope for protecting the trade dress of any product as an artistic work. Nevertheless, some separate parts of trade dress may well be protectable by copyright, either as artistic works or literary works. A single letter device was found to be an artistic work in Roland Corp v. Lorenzo & Sons Pty Ltd133 and the depiction of a six-pointed star within a polygon-shape border being a part of a composite trade mark was accepted as an artistic work.134 Importantly, the courts have declined, subject to some qualification, to recognize copyright in names, titles, slogans and even very short phrases on grounds of insubstantiality and thus failure to qualify as a literary work.135 Even so, it is not unusual that product packaging will incorporate drawings, photographs or other artistic works and/or some written material and, to the extent that such material qualifies as an artistic or literary work, protection under the Copyright Act is available. In practice, this will be only a minor part of the overall trade dress of a product but, in those cases where a substantial reproduction of the artistic and written material included in the packaging has occurred, and where such material qualifies as an artistic or literary work, a claim to copyright will be helpful to the owner of the trade dress.

B. Protection of Trade Dress
Under the Present Designs Act

Under the existing design legislation in Australia (the Designs Act, 1906), a design can be registered only if it is new or original. Furthermore, the definition of “design” in the Designs Act, 1906 refers to shape, configuration, pattern or ornamentation applicable

133. Copyright Regulations 1969 (Cth).
to an article. These fundamental features of the legislation require that any person seeking to register the trade dress of an article can only do so if the dress or get-up of the product is new or original as of the date of application. A claim to novelty or originality will fail where the design has already been applied to the article.136

The limitations of relying on design registration were apparent in the Federal Court proceedings of Philips v. Remington, which included a claim for infringement of the Philips registered design for a shaving razor.137 At first instance, Judge Lehane noted significant similarities between Philips’ registered design and the Remington product and referred to the products being “very much alike.” However, it was the judge’s view that the monopoly claimed by Philips related to the features of shape and configuration of the whole and the whole had to be compared with the Remington product.138 Assessing the respective “wholes” the judge found substantial differences of a material kind that gave the Remington product a distinctively different appearance from Philips’ registered design. The principal differences, concluded the judge, were the differences in size of the head base of the Remington razor and the size and shape of its handle. In these circumstances, Philips failed to establish the obvious imitation necessary for success under the Designs Act.

On appeal, the Full Federal Court came to the same conclusion. Judge Burchett stated that he could find no dishonest concealment of the reality of Remington’s copying and that there was consequently no fraudulent imitation of the registered design.

The limitations of the existing designs legislation in Australia have given rise to numerous proposals for reforming and updating that legislation.

**C. Proposed Changes to the Designs Law**

Changes in designs law in Australia are included in the Designs Bill 2002 (Cth) that was introduced in the Australia House of Representatives on 11 December 2002 (hereafter, the “Designs Bill”). Once enacted, the Designs Bill will introduce a new definition of “design” to cover the overall appearance of a product resulting from one or more visual features of the product (Part 2—Interpretation). A “visual feature” of a product is defined to include the shape, configuration, pattern and ornamentation of the product (Clause 7).

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136. J.W. Tomlin Pty Ltd v. Malleys Ltd (196) 77 WN (NSW) 723 at 726 and Lahore [66,165].
138. Id. at 586 and 587.
The registrability of a design under the Designs Bill is dealt with in Clause 15 of the Designs Bill. To be registrable, it is required that a design be new and distinctive when compared with the prior art base for the design as it existed before the priority date of the design. The prior art base consists of designs publicly used in Australia or published in or outside Australia. Collectively, this is the “prior art base” for a design. A design will not be distinctive if it is substantially similar in overall impression to a design that forms part of the prior art base for the design. Infringement of a design under the Designs Bill takes place if a person, without the consent of the owner of the registered design, makes, imports, sells, hires or offers for sale or hire, or uses for trade or business, a product embodying the registered design or a design that is substantially similar in overall impression to the registered design (Clause 7). Of particular importance is the concept of “substantial similarity.” Under the existing Design Act, 1960, a design registration is likely to be effective only where the infringing design is very close to the design as registered. It is apparent that the Designs Bill specifically seeks to focus attention on the similarities between the designs rather than the differences and is intended to make infringement easier to establish.

D. Designs and Copyright as Trade Marks

The provisions in the designs and copyright statutes that seek to preclude dual copyright and designs protection for three-dimensional designs industrially applied are not reflected in the Australian Trade Marks Act. There is no prohibition against the registration of a three-dimensional article, or aspect of packaging, as a trade mark under the Trade Marks Act as well as a design under the Designs Act. Likewise, any literary or artistic work protectable under the Copyright Act may also qualify as a trade mark under the Trade Marks Act. Subject to issues of distinctiveness, such works as well as names, titles and slogans that are used or proposed to be used as trade marks are registrable as trade marks.

A benefit of dual designs and trade mark registration is that while it is necessary for purposes of infringement under the Trade Marks Act to establish that the offending mark is used as a trade mark, there is no corresponding inhibition under the Designs Act. Nevertheless, under the existing Designs Act, the need for the owner of the registered design to establish the required degree of similarity between the visual appearances of the two articles has been very onerous.

VI. CONCLUSION

This article has reviewed the extent to which trade dress and color marks might be protected under the existing laws in Australia. The following concluding comments draw attention to some of the shortcomings in the present law—in particular, under the Trade Marks Act 1995 (the New Act). Thanks to the capacity of the common law cause of action for passing off to adjust to changed commercial practices and perceptions, it remains an effective means in Australia for the protection of a trader’s goodwill or reputation, including any distinctive trade dress. That protection is well complimented by the consumer protection provisions of the Australian Trade Practices Act. However, relying on this form of protection involves extensive and costly legal proceedings before the Federal Courts and, despite a reasonable level of consistency in the courts’ determinations in these proceedings, there are obvious elements of unpredictability. For these and other reasons, it is necessary that the Australian Trade Marks Act function more effectively to safeguard the proprietary rights of traders in relation to the so-called new signs—in particular aspects of packaging or color or shape—and combinations of such signs in the form of trade dress.

It has been contended that current marketing and advertising trends have developed to a point where the role of the traditional trade mark is being eclipsed. Many manufacturers, promoters and marketers have lost patience—and faith—in the protection afforded by trade mark legislation and unfair competition laws that are reflective of market conditions applicable in the 1970s and earlier. Despite good intentions to reform and update Australia’s trade mark laws, those laws are at risk of becoming irrelevant in the face of rapidly changing marketing techniques and advertising and consumer responses to those changes in marketing. This concern is readily apparent in relation to the protection sought by traders for the visual imagery under which they present their goods and services to the consuming public. So long as the law, in particular the law and practice under the present Australian Trade Marks Act, denies or makes it very difficult to properly protect such trade indicia, it is inevitable that the incipient disenchantment with the trade mark registration system will take root and expand.

141. Part V of that Act, in particular Section 52.