

CASE REVIEW

Ocean Spray Cranberries Inc (“Ocean Spray”)

v

Registrar of Trade Marks

[2000] FCA 177

Appeal

This is a decision of a single judge of the Federal Court of Australia.

This is an appeal against a decision of the Registrar of Trade Marks to refuse to register the trade mark “Cranberry Classic” as it did not satisfy the requirements of s41 of the *Trade Marks Act 1995* (the “1995 Act”), in that the mark did not distinguish Ocean Spray’s goods.

Background

Ocean Spray is a company formed in the US. The company is mainly owned by cranberry growers and its main business is the manufacture and distribution of a range of fruit juice drinks made from cranberries and other fruits.

In 1993 Ocean Spray began using a local manufacturer to make the juices using an essence despatched by Ocean Spray. Ocean Spray released 6 different drinks which all bore the Ocean Spray trade mark which consisted of the words “Ocean Spray” and a

wave like blue background. All the drinks contained a two or three word identification of the drink in the bottle: RASPBERRY CRANBERRY, RUBY RED GRAPEFRUIT, CRANBERRY APPLE, CRANBERRY BLACKBERRY, PINK GRAPEFRUIT and CRANBERRY CLASSIC.

The Registrars Decision

Ocean Spray sought to register in class 32 “fruit juices, fruit drinks and soft drinks” the name “Cranberry Classic.” Rejection by the examiner was based on two grounds namely, s41 (unable to distinguish the goods) and s44 (that the mark was substantially identical with, or deceptively similar to another mark). The Registrar decided that the latter did not apply.

The scheme of s41 of the 1995 Act required the Registrar to firstly decide the extent to which the trade mark is inherently adapted to distinguish (s41(3)). The Registrar if the answer to the first question is in the affirmative must decide whether the mark is capable of distinguishing the designated goods or services from those of other persons.

The Registrar referred to dictionary definitions of the words “CLASSIC” as being of the highest rank or importance. “CRANBERRY” denoting the fruit from which the juice is made. The Registrar referred to the observation of Kitto J in *Clark Equipment Co v Registrar of Trade Marks* (1964) 111 CLR 511 at 515:

“the more apt a word is to describe the goods, the less inherently apt it is to distinguish them as the goods of a particular manufacturer.”

The Registrar decided that the interchanging of the various juice names added weight to the fact that the proposed mark described only the kind of juice in the bottle. This was reinforced by the use with the “Ocean Spray” mark, which was not only inherently distinctive but was also distinctive through use.

Appeal to the Federal Court

The appeal was under s35(b) of the 1995 Act and was well settled as a hearing *de novo*.¹

His Honour relied on Branson J in *Blount Inc v Registrar of Trade Marks* (1998) 40 IPR 498 at 505 that s41(3)-(6) governed entirely the question of whether the mark was capable of distinguishing the goods and services of the applicant from other persons.

After considering the definition of “trade mark” in s17 of the 1995 Act his honour concluded that an application is to be rejected if the mark is not capable of distinguishing the applicant’s goods or services from those of others. What the phrase “is not capable of distinguishing the applicant’s goods or services from those of others” was considered.

His honour concluded that this was to be tested by the likelihood that other persons trading in goods of the relevant kind and actuated only by proper motives

(not unfair competition) will think of the word/s in the mark and want to use it or them in connection with their goods.²

Does “Cranberry Classic” distinguish the mark?

His Honour said that he agreed with the proposition that the power of advertising may be able to turn almost anything (save pure description) into a trade mark.

However he was concerned here with the capability of the mark to distinguish not whether the mark has acquired a distinctive character.

Argument by Ocean Spray’s counsel Julia Baird included the argument that the alliteration was unusual as was the use of a noun followed by an adjective.

His honour returned to the “proper tests” and said that “Cranberry Classic” are words that other cranberry drink manufacturers might wish to use in future because of their significance namely that the juice is cranberry and is of the highest standard.

Notice was taken of the advertising that involved itself with “Ocean Spray” not the relevant mark which was in the market place for 2 years.

¹ See page 8 of the decision for precedent for the proposition.

² See *Clark Equipment* at p514; *Burger King Corporation v Registrar of Trade Marks* (1973) 128 CLR 417; *F H Faulding & Co Limited V Imperial Chemical Industries of Australia and New Zealand Limited* (1965) 112 CLR 537.

Point of interest

Ocean Spray adduced evidence of other marks on the register that contain or consist of the word “classic”. His honour disregarded that evidence relying on Jacob J in *British Sugar Plc v James Robertson & Sons Ltd* [1996] RPC 281 which says that the state of the Register is irrelevant because the state of the market is not known nor is the variable of the circumstances that led the registrar to put marks on the Register.³

³ See page 12 of the judgment