

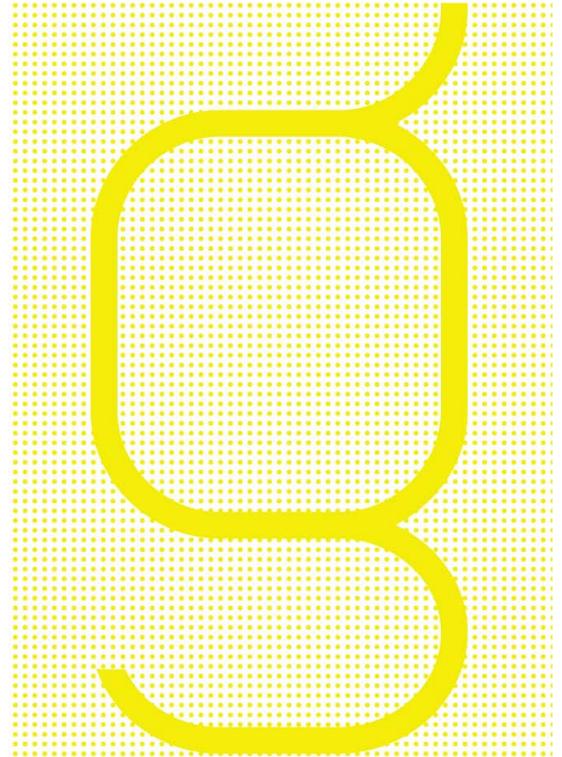
# “La Dolce Vita” or “La Vida Loca”?

## When foreign words become Australian trademarks

Presented by  
**Siobhán Ryan**  
Victorian Bar

sryan@vicbar.com.au

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[listgbarristers.com.au](http://listgbarristers.com.au)

### **The Trade Mark Registrar’s Approach**

If an objection exists to registration of an English word/s as a trade mark, a similar objection would exist to any (well-known) foreign language equivalent.

*“...It must therefore be determined whether the non-English language trade mark has a meaning which is likely to be required for use by other traders.”*

**IP Australia Trade Marks Office Manual of Practice and Procedure: Part 22.11.**

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Cantarella Bros own Australian trade mark registrations for Italian words:

**ORO** (since 24 March 2000)  
**CINQUE STELLE** (since 6 June 2001)

in respect of coffee

In Italian

**ORO** means “GOLD”

**CINQUE STELLE** means “FIVE STARS”

Accepted under 41(3)

Would **YOU** have allowed these?

**Registrability was put to the test in:**

*Cantarella Bros Pty Ltd v Modena Trading Pty Ltd* [2013] FCA 8,  
Emmet J

**“Yes”**

*Modena Trading Pty Ltd v Modena Trading Pty Ltd* [2013] FCAFC 110,  
Mansfield, Jacobson & Gilmour JJ

**“No”**

**Special leave to appeal HC granted:**

*Cantarella Bros Pty Ltd v Modena Trading Pty Ltd* [2014] HCATrans 53  
(14 March 2014) French CJ, Crennan J

**“Watch this Space”**

**5 August 2014**

## Background

### 1. Cantarella Bros Pty Ltd:

- Involved in the food/beverage business in Australia since 1947;
- Selling own coffee in Australia under “Vittoria” brand since 1958;
- has used “**Oro**” (“Vittoria Oro”) **since 1996** >> food service customers since 2000: 3,578,867 kg sold = 511.27 million cups of coffee from 2000 - 2011;
- has used “**Cinque Stella**” (“Vittoria Cinque Stella”) **since 2000** >> fine restaurants and Qantas: 403,618 kg or 57.66 million cups of coffee from 2000 - 2011

### 2. Modena Trading Pty Ltd:

Since 2009, **Modena** is the local distributor for Caffe Molinari SpA, including its:

- **Caffe Molinari Oro** blend, made in Modena, Italy since 1965 and exported to **Australia since July 1996**; and
- **Caffe Molinari Cinque Stelle** blend, made in Italy since 1997 and exported to **Australia since October 1998**;

Modena turns over approx \$140,000 of Molinari coffee per month >>> cafes bars & restaurants (trade sales)

FunFact: Owner/operator of Modena, Ian Pagent was behind the “legendary” *MG Garage* restaurant/dealership in Sydney in the late 1990s – served Vittoria coffee

**3. Other Coffee producers have used “Oro” to indicate fine quality coffee:**

- *Lavazza Qualita Oro* (imported since 1955)
- *Cafe Incas Oro*
- *Coffee Mio Brazil Oro*
- *Trombetta Oro*
- *Delta Chicco D’oro*
- *Crema D’oro*,...etc, etc, etc

(Only Cantarella and Molinari used “Cinque Stelle”)

**4. Italian was the second most spoken language in Australia c. priority dates:**

- 353,605 people spoke Italian at home: ABS Census 7 August 2001:

**In 2011, Cantarella sued Modena for trade mark infringement**

*Cantarella Bros Pty Ltd v Modena Trading Pty Ltd* [2013] FCA 8,  
Emmet J

**1. Modena’s defence**

- ORO and CINQUE STELLE not used as trade marks: s 120;
- ORO and CINQUE STELLE used in good faith to indicate the characteristics of coffee products: s 122(1)(b)(i);

**2. Modena’s Cross-claim**

- ORO and CINQUE STELLE not distinctive (inherently or factually): s 88(1)(a) and s 41
- ORO and CINQUE STELLE not used as trade marks for > 3 years: s 92(4)(b)

**Emmet J, refusing Modena's application under s 88:**

[117] *It may be clear enough to an Italian speaker that Cinque Stelle signifies five stars and that Oro signifies some connection with gold. However, neither Cinque Stelle nor Oro means anything in English. While an educated English speaker, with some knowledge of Romance languages or Latin may well be able to deduce those meanings, I am not persuaded that any more than a very small minority of English speaking people in Australia would understand the allusions made by Cinque Stelle and Oro.....*

[118] *I consider that both Cinque Stelle and Oro are sufficiently inherently adapted to distinguish goods of Cantarella from goods of other persons. That is to say, the Italian words are not so obvious to ordinary English speaking persons in Australia that Cinque Stelle and Oro have a specific meaning.*

**Emmet J's** approach drew from:

*Mark Foy's Ltd v Davies Co-op & Co Ltd (1956) 95 CLR 190 ("Tub Happy")*

*the test must lie in the probability of ordinary persons understanding the words in their application to the goods, as describing, indicating or calling to mind either their nature or some attribute they possess; per Dixon CJ*

**The Full Court** thought this approach was "*not apt to the present case*" and had led the primary judge into error.....

## Modena appealed

*Modena Trading Pty Ltd v Cantarella Bros Pty Ltd* [2013] FCAFC 110  
Mansfield, Jacobson & Gilmour JJ

Rising to the Occasion:

[61]...*at the threshold in this appeal is the issue as to just what is the test for answering the statutory inquiry as to whether a trade mark is inherently adapted to distinguish the designated goods from those of other traders.*

The Full Court favours the test in *Clark Equipment* (“Michigan”)

[62] The following general principle was stated by Kitto J in *Clark Equipment Co v Registrar of Trade Marks* (1964) 111 CLR 511 at 514

The 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 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.

[67] Full Courts have “consistently” treated *Clark Equipment* as setting out the general principal informing the inquiry concerning “*inherently adapted to distinguish*” under 1955 Act and 1995 Act.

**“the public”** -- is primarily *“members of the public who are or may become traders, and who in the future may want to use the word or words in question.”* However, an appreciation of the words beyond the class of traders and extending to consumers may also inform [80]

**“the common heritage”** -- is not necessarily Anglocentric in the Australian context, which has *“rich cultural and ethnic diversities within its population”* [85]

[85]..... the “common heritage” here included that of traders in coffee products sourced from Italy. Such traders may well be Italian or local importers. They may be local distributors who have in mind the large Italian speaking population in Australia as well as other Australians who, when it comes to coffee, want something with an Italian look and feel. Much of this country’s coffee heritage in its language has its provenance in the Italian language eg caffè latte; cappuccino; affogato; caffè machiatto and espresso. It is evident that pure coffee in Australia is often associated with Italy and Italian coffee products.

Unnecessary that consumers know what the words mean in English [88], e.g. “eutetic”

Do YOU know what “cappuccino”, “affogato”, “machiatto” actually mean in Italian?

**Distinctiveness is a question of FACT for the judge to decide:**

Factors supporting the Full Court's conclusion that other coffee traders are likely to wish to use ORO and CINQUE STELLE:

1. ORO and CINQUE STELLE are laudatory words signifying the highest quality;
2. Coffee in Australia is often associated with Italy >>> obvious to use Italian words to describe the quality of a coffee blend;
3. There are many Italian speakers in Australia
4. Cantarella uses ORO and CINQUE STELLE descriptively;
5. (Most importantly) other coffee traders have used ORO and CINQUE STELLE to describe the quality of their coffee products

6. [101] **Furthermore**, the TMO has generally determined that if an objection exists to registration of a trade mark in English, a similar objection would exist to any foreign language equivalent

*Re Applns by Hongkong and Shanghai Banking Group Ltd* (1990) 19 IPR 223 – Chinese characters translated as “abundance of remittances”, for banking services.

*Re Appln by Adrian Barr* (1990) 18 IPR 196 – “BLANC BLEU” the equivalent of “white blue”, for clothing.

*Re Applns by Maxam Food Products Pty Ltd* (1991) 20 IPR 381 - “deliziosa” the equivalent of “delicious”, for foods and beverages.

*Re Opposition by Cantarella Bros Pty Ltd* [2007] ATMO 3 – “GELATARIA” the equivalent of “ice cream parlour” for icecream/gelato making machines.

*Wong v Du* (2006) 68 IPR 553 - six Chinese characters translated as “Professional Driving School” versus nine Chinese characters translated as “Melbourne Professional Driving School” (Federal Court: injunction refused)

**The Full Court concluded:**

*[103] ....upon the application of the general principle described by Kitto J in **Clark Equipment** in a way which is apt to this particular case, we are satisfied that Cantarella's ORO and CINQUE STELLE trade marks are not inherently adapted to distinguish the designated goods from those of other traders.*

**Appealed allowed:**

- Cantarella's trade marks cancelled pursuant to s 88(1)(a); and
- A consequential finding that the trade marks had not been used: s 92(4)(b);
- Cantarella's trade mark infringement claim dismissed.

**Cantarella applied for Special Leave (and got it!)**

*Cantarella Bros Pty Ltd v Modena Trading Pty Ltd* [2014] HCATrans 53  
French CJ, Crennan J (14 March 2014)

- Tony Bannon SC (instructed by Clayton Utz) for Cantarella
- Ian Jackman SC (instructed by Corrs Chambers Westgarth) for Modena

**Issues:**

1. Did the Full Court put the “cart before the horse”? i.e. They determined ORO and CINQUE STELLE’s attractiveness to traders before determining their “ordinary significance” in Australia;
2. “Gold” and “Five Stars” are not descriptive but are “allusive laudatory metaphors”. Is this fatal?
3. Was the evidence of traders’ use reliable? i.e. Only distributors’ invoices tendered  
>> No way of telling how the marks were presented for retail

Expect the High Court to consider:

*Mark Foy’s v Davies* (1956) (“TUB HAPPY”);

*Clark Equipment* (1964) (“MICHIGAN”);

*FH Faulding & Co Ltd v ICI* (1965) 112 CLR 537 (“BARRIER”)

*RTM v W & G Du Cros Ltd* [1913] AC 624 (“W & G”)

**Thank you!**

