



## TRADE MARKS ACT 1995

### DECISION OF A DELEGATE OF THE REGISTRAR OF TRADE MARKS, WITH REASONS

Re: Opposition by Nicklaus Companies LLC to registration of trade mark application 1142198(28) - **DROP BEAR GOLF** - filed in the name of Michael Randazzo.

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<b>DELEGATE:</b>	<b>Terry Williams</b>
<b>REPRESENTATION:</b>	<b>Opponent: Blake Dawson Waldron, solicitors, written submissions Applicant: Phillips Ormonde Fitzpatrick, patent attorneys, written submissions</b>
<b>DECISION:</b>	<b>2009 ATMO 63 S 52 opposition: s 44, 60 and 42 not established – s 58 not established, applicant’s intention to use contingent on use by another but not impugned. Registration proceeding</b>

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### Background

1. Michael Randazzo (“Randazzo”) applied, on 22 October 2006, to register the following trade mark (“the opposed trade mark”) in class 28 in respect of a wide range of golfing equipment<sup>1</sup>.



2. Golden Bear International Inc (“Golden Bear”) has filed a notice of opposition to registration of the opposed trade mark. However, the right or interest on which Golden Bear relied in opposing registration has been assigned to Nicklaus Companies

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<sup>1</sup> Bag stands for golf bags; caddie bags for golf clubs; covers for golf club heads; golf bag travel covers; golf bags, with or without wheels; golf ball retrievers; golf balls; golf buggies (hand propelled); golf club bags; golf club covers; golf club grips; golf club head covers; golf club heads; golf club shafts; golf clubs; golf gloves; golf irons; golf putters; golf tees; handles for golf clubs; head covers for golf clubs; heads of golf iron sets; nets for practising golf; portable golf driving ranges; shafts for golf clubs; shaped covers for golf bags; shaped covers for golf clubs; stands for golf bags; trolley bags for golf equipment.

LLC (“the opponent”). As per s 53 of the *Trade Marks Act 1995* (“the Act”), the opposition commenced by Golden Bear proceeds now in the name of the opponent.

3. The parties have served and filed evidence in support, in answer and in reply. Ultimately, s 55 of the Act requires the Registrar of Trade Marks to decide the opposition, having given the parties the opportunity to be heard. The matter was set down for a hearing, which I was assigned to conduct under delegation from the registrar, in Melbourne on 25 May 2009. Neither party appeared at the appointed time and place. Both sides, however, had the benefit of professional representation - Blake Dawson Waldron lawyers for the opponent, and Phillips Ormonde Fitzpatrick patent and trade mark attorneys for Randazzo – and both firms made written representations.

### **Issues and decision**

#### *Deceptive Similarity*

4. This opposition arises from the opponent’s belief that the opposed trade mark is deceptively similar to certain registered trade marks of the opponent. That issue is pivotal to the opposition as it arises under sections 44. In view of the filing date of the application, the issue of deceptive similarity arises also under s 60 of the Act<sup>2</sup>. I will deal with s 44 first. The relevant portion reads:

44.(1) Subject to subsections (3) and (4), an application for the registration of a trade mark (*applicant's trade mark*) in respect of goods (*applicant's goods*) must be rejected if:

(a) the applicant's trade mark is substantially identical with, or deceptively similar to:

(i) a trade mark registered by another person in respect of similar goods or closely related services; or

(ii) a trade mark whose registration in respect of similar goods or closely related services is being sought by another person; and

(b) the priority date for the registration of the applicant's trade mark in respect of the applicant's goods is not earlier than the priority date

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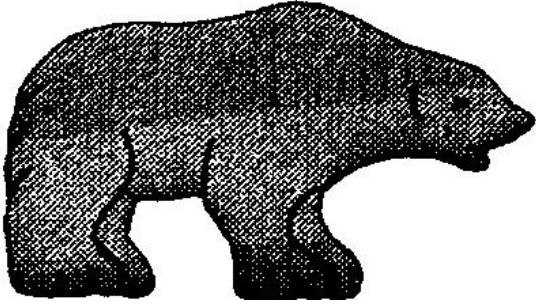
<sup>2</sup> The present application is subject to s 60 as it stood before being amended by the *Trade Marks Amendment Act 2006*. See *Apple Computer Inc. v Todaytech Group Pty Ltd*, 2007 ATMO 40. (Remarkably, the application was filed the day before the amended form became operative, on 23 October 2006. As will become obvious, however, the outcome would not have been different under the amended legislation.)

for the registration of the other trade mark in respect of the similar goods or closely related services.

Note 1: For *deceptively similar* see section 10: “For the purposes of this Act, a trade mark is taken to be *deceptively similar* to another trade mark if it so nearly resembles that other trade mark that it is likely to deceive or cause confusion.”

Note 2: For *similar goods* see subsection 14(1)

5. Thus, the opposition must fail unless I am satisfied that the opposed trade mark is deceptively similar (or substantially identical) to one or more of the following trade marks (“the opponent’s trade marks”), all of which predate the opposed trade mark.

Trade Mark No.	Trade Mark	Class	Goods
230365	GOLDEN BEAR	28	Sporting goods, including golf clubs
353746	GOLDEN BEAR	25	Clothing, excluding footwear
353747		25	Clothing, excluding footwear

As regards s 44 the opponent relied only on registration 230365. I set out the details of the trade marks shown in registrations 252746 and 353747 for a better understanding of the issues that arise under s 60 and 42, to which I will come in due course.

6. I have had the benefit of the written submissions of the opponent’s lawyers. However I do not find any of the opponent’s trade marks to be deceptively similar to the opposed trade mark, let alone substantially identical. My reasons for this are as follows.
7. The opponent submits that the opponent’s trade marks and the opposed trade mark are deceptively similar due to what the submissions describe as “the notoriety of the opponent’s GOLDEN BEAR brand in conjunction with the visual and aural similarities of the competing trade marks”. The opponent argues that the necessarily

imperfect recollection of consumers means that consumers would be, at the least, likely to be caused to wonder whether the opposed trade mark is associated with the opponent, and/or likely to be deceived regarding such an association.

8. In *Australian Woollen Mills Ltd v FS Walton & Co Ltd* (1937) 58 CLR 641 at 658, Dixon and McTiernan JJ stated in relation to the question of deceptive similarity:

In deciding this question, the marks ought not, of course, to be compared side by side. An attempt should be made to estimate the effect or impression produced on the mind of potential customers by the mark or device for which the protection of an injunction is sought.

In *Southern Cross Refrigerating Co v Toowoomba Foundry Pty Ltd*<sup>3</sup> Kitto J said that a trade mark will be likely to cause confusion where:

... the result of the use of the mark will be that a number of persons will be caused to wonder whether it might not be the case that the two products came from the same source.

9. As the opponent's submission correctly notes, "likely to deceive or cause confusion" is a lower threshold than "likely to deceive". In *Registrar of Trade Marks v Woolworths Ltd* (1999) 45 IPR 411 at 426, French J confirmed that while the terms of s 44 require that a real tangible danger of deception or confusion be shown this does not require deception or confusion to be more probable than not.
10. The submission goes on to argue that in comparing the opposed trade mark with any one of the opponent's (in the light of the opponent's reputation, for the purposes of s 60) I should put considerable weight on the presence, in both trade marks, of the word BEAR. This is said to be (my emphasis) "**the** essential feature of both trade marks". It is here that I must part company with the opponent. I accept, as does Randazzo, that, in golfing circles, GOLDEN BEAR is well known as the nick-name of Jack Nicklaus, who, with his family, runs and owns the opponent. The fame of Jack Nicklaus as a golfer is not in question and I will accept that, from the evidence, the products bearing the opponent's trade marks had achieved a significant reputation at the priority date of the opposed application.
11. Even so, the opposition fails on the simple basis that, in the opposed trade mark, the presence of the word BEAR is entirely controlled by the word DROP. That element

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<sup>3</sup> (1954) 91 CLR 592 at 595 and subsequently confirmed on appeal by the High Court

is the first of the words in the trade mark and would emerge with equal force whenever the opposed trade mark is used either aurally or in print.

12. I think that many Australians would be aware a “drop bear” is a non-existent species of “killer koala”. It exists only in jokes and in tales used to frighten tourists<sup>4</sup>. It matters not that, as the opponent’s submission argues, a koala is not a bear in the first place. Whether a koala is a bear or not, a drop bear is so far from being an ordinary bear, of the sort shown in trade mark 353747, or a GOLDEN BEAR, that no ordinary Australian golfer, let alone an uniformed non-golfer buying a present for a golfer relative, would be confused by its use as a trade mark.
13. I note the opponent’s argument that the paw-print device contained in the opposed trade mark could not have been made by a koala, and is in fact the device of an ordinary bear paw-print. That fact would carry little weight in the minds of people who have prior knowledge of the drop bear’s inherent implausibility.
14. The opponent’s submission notes that a number of golf courses around the world, which Mr Nicklaus has in fact designed, include the word BEAR in their names but I note that most of them do so in a way that gives the look of being a simple geographical name: Bear Creek Golf Club, Bear Lakes Country Club and so forth. Again, these golf courses are in the USA and Canada, and I do not think their names shed any additional light on likely perceptions of golfers, or the non-golfing consumer for that matter, in Australia.
15. I have relied, so far, on my own opinion that the nature of the drop bear would be well known to a reasonably large proportion of relevant Australian customers. However, the same outcome would result if a potential customer, aware of either the opponent’s trade marks, *or* the opposed trade mark, but not aware of the coexistence of these, encountered a trade mark of the other party without having any prior knowledge of the mythical Australian killer koala. The short, sharp word DROP, an obvious visual element in the opposed trade mark, would seem to such a person to identify some particular and notable species of bear, a bear outside the ordinary run of brown bears, black bears, grizzly bears and so forth. Allowance must be made for the proper

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<sup>4</sup> Randazzo’s evidence in answer provides an extract from the 1996 edition of *The Penguin Book of Australian Slang* showing the tale was originated to take advantage of over-credulous US servicemen during World War 2.

degree of potentially imperfect recollection, of course. Even so, there is very little in common between the likely recollection of the opposed trade mark (as a “drop bear” trade mark) and any of the opponent’s trade marks in terms of either s 44 or s 60.

16. Thus, in terms of s 44, I find that the opposed trade mark is not deceptively similar to registered trade mark 230365.
17. Section 60 turns on a comparison of the opposed trade mark with the trade marks actually used by the opponent. The opponent’s evidence shows that the opponent’s trade marks are used in various combinations, with or without the name Jack Nicklaus, which is also used as a trade mark. The bear shown in trade mark 353747 is typically coloured gold. There is nothing about these facts that would suggest any subtleties about the s 60 matter in comparison to s 44. The lack of sufficient resemblance between the opposed trade mark and opponent’s trade marks simply precludes a finding of deceptive similarity, and the s 60 ground is not established.
18. My comments above will also dispose of the opposition in so far as it arises, under s 42(b), from any alleged passing off of goods bearing the opposed trade mark as being those of the opponent. There is simply nothing about the opposed trade mark, and nothing that emerges from the evidence, that would suggest such an allegation could be supported.
19. Had I been required to reach a decision on those aspects alone, all would have gone smoothly. However, the matter took an interesting procedural turn shortly after the opponent filed its summary of argument in the run-up to the hearing of this opposition. The new development is relevant to the ground under s 58, to which I now turn.

***Who owns the trade mark?***

20. Section 58 allows that:

**58.** The registration of a trade mark may be opposed on the ground that the applicant is not the owner of the trade mark.

Note: For *applicant* see section 6.

21. The right to apply for registration derives, in the absence of use, and leaving other issues aside, from an intention to use the trade mark. But such a claim is defeated by another party’s prior use of a substantially identical trade mark for the same kind of

thing. This flows from cases since *Aston v Harlee Manufacturing Co* (1960) 103 CLR 391 at 401. The opponent has, in its evidence in reply and again in its written summary, seized on the point that Randazzo is both a director and General Manager of Kialoa Pty Ltd (“Kialoa”). Kialoa manufactures golf equipment, and it is Kialoa that has used the trade mark. The opponent therefore argues that Kialoa, rather than Randazzo, was the owner at the time of filing.

22. Consistently, by deed dated 11 May 2009, Randazzo assigned the presently-opposed application to Kialoa. The Trade Marks Office, pursuant to s 108, which deals with assignment of pending applications, recorded the assignment of the application to Kialoa on 19 May. I will have more to say about Kialoa’s role shortly.
23. In an attempt to bolster his position, on 15 May 2009, Randazzo sought permission to file, serve and rely on further evidence about the matter. Having filed that request, Randazzo’s lawyers indicated that they would not be attending the hearing.
24. For their part, the opponent’s lawyers objected on principle to the introduction of the further evidence and made representations accordingly. Those representations go, quite correctly, to the lack of any explanation of why the further evidence was not introduced at an earlier time. The opponent’s lawyers also said that, if Randazzo’s attorneys were not going to appear, neither would they. This was done by email on Friday 22 May, with the hearing of the substantive matter set for the afternoon of the coming Tuesday.
25. The opponent had not objected to the introduction of the further evidence when Randazzo’s lawyers last contacted the Trade Marks Office. At that time, Randazzo had not been given an express opportunity to be heard in relation any possible objection, either by me or by the opponent, to the introduction of the further evidence. Consequently, it was not clear to me if, in the face of an objection by the opponent to the introduction of the further evidence, Randazzo might want to be heard on that separate question. This created something of a dilemma for me since, under reg 5.15, I cannot refuse the grant of permission to bring in further evidence without giving the requesting party an opportunity to be heard.
26. The opponent’s attorneys have reserved the right to be heard in the event that I am minded to register the trade mark, in order to deal formally with Randazzo’s further

evidence and any issues it raises. I understand their caution. As matters have turned out, my decision is to allow in the further evidence and to register the trade mark. This latter decision is not, however, a consequence of Randazzo's further evidence. I could and would have reached the same decision on the basis of Randazzo's evidence in answer. Because my decision on the substantive matter is not in any way contingent on the further evidence I am able to resolve all of the outstanding matters without the need for any further submissions from either party.

27. Randazzo's evidence in answer to the opposition was that the filing of the presently-opposed application resulted from Kialoa's intention to use the trade mark. Kialoa did not use the opposed trade mark until 2007; that is, subsequent to the filing of the presently-opposed application. The further evidence simply adds detail to this picture: Kialoa is a company owned and controlled by Randazzo's father, Samuel Randazzo. At the time of filing it was the apparent intention of Randazzo's father to divide up the business operated by Kialoa, with the (yet to be commenced) business in the opposed trade mark to form the basis of new a company that would be owned and operated by Randazzo. Randazzo declares that he intended to assign the application to this new company.
28. So far as it goes, the further evidence would tend to support the opponent's case rather than answer it. The further evidence does not dispute that, as the opponent argues, the trade mark has been used by Kialoa and that any involvement by Randazzo, the General Manager of Kialoa, has been only in his capacity as an officer of that company. For whatever reason, Kialoa is apparently now not to be divided up and, as I have already noted, Randazzo has assigned the presently-opposed application to Kialoa.
29. The opponent's written submission maintains that these facts establish that Kialoa, not Randazzo, was the owner at the time of filing. At the time of the hearing I found this argument attractive but it cannot be sustained. It is true that Randazzo's intention to use the trade mark, and thus his claim to be entitled to register it, in October 2006, was contingent on Kialoa's intention to assign the relevant (at that time, still to be commended) part of the business to Randazzo at some future date. The same facts would have equally well supported an application filed by Kialoa but, significantly, there is no evidence that Randazzo lacked the requisite intention to use at the filing

date. There is, likewise, no evidence that use by Kialoa had impugned the right that Randazzo asserted in making an application based on intended use. Kialoa's own property rights, based on actual use, did not come into being until later, when Kialoa apparently first used the trade mark in 2007. The opponent's s 58 ground, in other words, is fundamentally flawed and cannot succeed.

### **Conclusion and Costs**

30. No ground of opposition has been established. The application may therefore proceed to registration after one month from the date of this decision. If the Registrar has been served with a notice of appeal before that time, I direct that neither amendment nor registration shall occur until either the appeal is discontinued or a court so orders.
31. Ordinarily, costs follow the cause. That seems appropriate here, and I award costs against the opponent, to be paid to Randazzo, who was, at least until recently, a party to proceedings.



T.E. Williams  
Hearing Officer  
Trade Marks Hearings  
11 August 2009