

IN THE SUPREME COURT OF NEW ZEALAND

I TE KŌTI MANA NUI

SC 32/2019
[2019] NZSC 71

BETWEEN INTERNATIONAL CONSOLIDATED
BUSINESS PROPRIETARY LIMITED
Applicant

AND S C JOHNSON & SON INCORPORATED
Respondent

Court: Glazebrook, O'Regan and Williams JJ

Counsel: G C Williams for the Applicant
G F Arthur and K McHaffie for Respondent

Judgment: 9 July 2019

JUDGMENT OF THE COURT

- A** The application for leave to appeal (*International Consolidated Business Pty Ltd v S C Johnson & Son Inc* [2019] NZCA 61) is granted to the extent set out in B. It is otherwise dismissed.
- B** The approved ground of appeal is whether the Court of Appeal correctly interpreted s 68(2) of the Trade Marks Act 2002.
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REASONS

Introduction

[1] The issue is registration of the word mark ZIPLOC. The respondent (Johnson) first registered the trade mark in 1974. This and subsequent registrations were cancelled over ten years ago. The appellant, International Consolidated Business Pty Ltd (ICB), applied to register the mark in 2001 and obtained registration in 2006, with effect from the date of registration.

[2] On 19 April 2013, Johnson applied again to register the mark and three days later filed a revocation application in relation to ICB's mark. ICB's mark was revoked for non-use on 26 June 2014, taking effect as at 22 April 2013. ICB filed a further application for registration of the mark on 26 September 2014. If valid, Johnson's application had priority over ICB's application as it was first in time.

[3] The Assistant Commissioner for Trade Marks upheld ICB's opposition to Johnson's application primarily on the ground that, as at the date of the application (19 April 2013), ICB was still the owner of the trade mark.¹

[4] The High Court held that the effective date of revocation was 19 April 2013, quashed the finding that ICB was the owner on that date and referred the issue of ownership back to the Assistant Commissioner.²

[5] The Court of Appeal held that the backdating of the revocation application to 19 April 2013 by the High Court was in error.³ The issue, in its view, was whether the Trade Marks Act 2002 changed the law that permitted the filing of an application to register a trademark prior to an application for removal of a trade mark.⁴ The Court held that it did not.⁵ The resolution of this issue turned on the interpretation of s 68(2) of the Trade Marks Act.

[6] The Court of Appeal quashed the order remitting the matter back to the Assistant Commissioner and directed that Johnson's application was to proceed to registration.⁶ This was because the only conclusion on the evidence was that Johnson had a legitimate claim to ownership which was not defeated by any qualifying use of the trademark by ICB.⁷

¹ *International Consolidated Business Pty Ltd v S C Johnson & Son Inc* [2017] NZIPOTM 4 (Assistant Commissioner Alley).

² *S C Johnson & Son Inc v International Consolidated Business Pty Ltd* [2017] NZHC 3238 (Cull J) at [128]–[129].

³ *International Consolidated Business Pty Ltd v S C Johnson & Son Inc* [2019] NZCA 61 (Kós P, French and Brown JJ) at [45].

⁴ At [48].

⁵ At [61].

⁶ At [97]–[98].

⁷ At [95].

Application for leave

[7] ICB submits that the question in respect of which leave should be granted should be:

Did the Court of Appeal err in allowing [Johnson's] application to proceed to registration?

[8] In its submission, this would also require this Court to answer the following questions:

Did the Court of Appeal err when it did not find the presence of ICB's Registered Trade Mark No. 648953 on the Register on 19 April 2013 to be a bar to [Johnson's] application for registration of the same mark?

Did the Court of Appeal err by failing to hold that [Johnson's] application for the mark ZIPLOC was not made in accordance with the Act, as it was not made by a person who was at the relevant date (19 April 2013) the owner of the mark?

Our assessment

[9] The only issue of principle involved is the interpretation of s 68(2) of the Trade Marks Act and leave is confined to that question. We accept that the leave encompasses what the legal position would be should this Court hold that the interpretation of the Court of Appeal was erroneous.

[10] The wider issues encompassed in the suggested questions put forward by ICB relate to the particular facts of this case and do not meet the criteria for leave.

Result

[11] The application for leave to appeal is granted to the extent of whether the Court of Appeal correctly interpreted s 68(2) of the Trade Marks Act 2002. It is otherwise dismissed.

Solicitors:
Bell Gully, Auckland for Applicant
A J Park Law Ltd, Wellington for Respondent