Federal Court of Australia

RB (Hygiene Home) Australia Pty Ltd v Henkel Australia Pty Ltd [2021] FCA 1094

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| File number: |  |
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| Judgment of: | **HALLEY J** |
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| Date of judgment: | 3 September 2021 |
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| Date of publication of reasons: | 10 September 2021 |
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| Catchwords: | **TRADE MARKS** – application for interim injunction restraining alleged trade mark infringement – whether applicants have established a prima facie case – use as a trade mark – deceptive similarity – cross-claim alleging non-use – balance of convenience – whether interlocutory relief decisive in resolution of dispute – justification for preservation of the *status* quo – reputation and goodwill of established incumbent compared to new entrant – assessment and recovery of damages – relevance of impact on competition – interim injunction granted |
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| Legislation: | *Trade Marks Act 1995* (Cth) ss 7, 10, 17, 20, 120 |
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| Cases cited: | *Anheuser-Busch, Inc v Budĕjovický Budvar, Národní Podnik* (2002) 56 IPR 182; [2002] FCA 390  *Australian Broadcasting Corporation v O’Neill* (2006) 227 CLR 57; [2006] HCA 46  *Australian Woollen Mills Limited v F. S. Walton and Company Limited* (1937) 58 CLR 641; [1937] HCA 51  *Beecham Group Limited v Bristol Laboratories Pty Limited* (1968) 118 CLR 618; [1968] HCA 1  *Beecham Group PLC v Colgate-Palmolive Pty Ltd* (2004) 64 IPR 45; [2004] FCA 1335  *Beecham Group Plc v Colgate-Palmolive Pty Ltd* (2005) 66 IPR 254; [2005] FCA 838  *Bullock v The Federated Furnishing Trades Society of Australasia (No 1)* (1985) 5 FCR 464; [1985] FCA 48  *Christodoulou v Disney Enterprises Inc* (2005) 156 FCR 344; [2005] FCA 1401  *GlaxoSmithKline Australia Pty Ltd v Reckitt Benckiser Healthcare (UK) Limited* (2013) 305 ALR 363; [2013] FCAFC 102  *Johnson & Johnson* *Australia Pty Limited v Sterling Pharmaceuticals Pty Limited* (1991) 30 FCR 326; [1991]FCA 402  *Levi Strauss & Co v Kimbyr Investments Ltd* (1993) 28 IPR 249; [1994] NZLR 332  *Martin & Pleasance Pty Ltd v A Nelson & Co Ltd* [2021] FCAFC 80  *Midas Australia Pty Ltd v Ravecroft Pty Ltd* [2004] FCA 771  *Mishawaka Rubber & Woollen Manufacturing Co v S S Kresge Co* (1942) 316 US 203  *Optical 88 Limited v Optical 88 Pty Limited (No 2)* (2010) 275 ALR 526; [2010] FCA 1380  *Paramount Pictures Corporation v Hasluck* (2006) 70 IPR 293; [2006] FCA 1431  *Parfums Christian Dior (Australia) Pty Ltd v Dimmey’s Stores Pty Ltd* (1997) 39 IPR 349; [1997] FCA 1232  *PDP Capital Pty Ltd v Grasshopper Ventures Pty Ltd* [2021] FCAFC 128  *Plimpton v Spiller* [1876] 4 Ch D 286  *Registrar of Trade Marks v Woolworths Ltd* (1999) 93 FCR 365; [1999] FCA 1020  *Samsung Electronics Company Ltd v Apple Inc* (2011) 217 FCR 238; [2011] FCAFC 156  *The Shell Company of Australia Limited v Esso Standard Oil (Australia) Limited* (1963) 109 CLR 407; [1963] HCA 66  *Warner-Lambert Company LLC v Apotex Pty Ltd* (2014) 311 ALR 632; [2014] FCAFC 59 |
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| Number of paragraphs: | 114 |
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| Date of hearing: | 2-3 September 2021 |
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| Counsel for the Applicants / Cross-Respondent: | Mr M Hall SC with Mr G Tsang |
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| Solicitor for the Applicants / Cross-Respondent: | Thomson Geer |
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| Counsel for the Respondent / Cross-Claimant: | Mr E Heerey QC with Ms F St John |
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| Solicitor for the Respondent / Cross-Claimant: | Ashurst Australia |

ORDERS

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|  | | NSD 823 of 2021 |
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| BETWEEN: | RB (HYGIENE HOME) AUSTRALIA PTY LTD ACN 629 549 506  First Applicant  RECKITT BENCKISER FINISH B.V.  Second Applicant | |
| AND: | HENKEL AUSTRALIA PTY LTD ACN 0001 302 996  Respondent | |
|  |  | |
| AND BETWEEN: | HENKEL AUSTRALIA PTY LTD ACN 0001 302 996  Cross-Claimant | |
| AND: | RECKITT BENCKISER FINISH B.V.  Cross-Respondent | |

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| order made by: | HALLEY J |
| DATE OF ORDER: | 3 september 2021 |

THE COURT NOTES THAT:

1. The applicants by their counsel give to the court the following undertaking jointly and severally:
   1. to submit to such order (if any) as the court may consider to be just for the payment of compensation, to be assessed by the court or as it may direct, to any person, whether or not a party, adversely affected by the operation of the interlocutory order set out below (with or without variation) thereof;
   2. to pay the compensation referred to in (a) above to the person there referred to; and
   3. to take the earliest possible date for the final hearing of these proceedings.

THE COURT ORDERS THAT:

1. Until the determination of these proceeding between the applicants and the respondent or further order of a judge of the court, the respondent, whether by itself, its directors, employees or agents, is restrained from offering for sale (except to the extent that having taken all reasonable steps, the respondent is not able to cancel advertisements that had been placed with third parties prior to the making of these orders) or selling dishwashing products under or by reference to:
   1. the trade mark, a visual image of which is annexed to these orders and marked “**A**” or any other trade mark substantially similar to that mark; and
   2. registered Australian trade marks 1008914 and/or 1211311 or under or by reference to any trade mark substantially identical or deceptively similar to either of those marks.
2. The costs of and incidental to the interlocutory hearing on 2 September 2021 be the applicants’ costs in the proceeding.
3. Order 3 hereof be suspended for a period of 21 days.
4. Any party wishing to apply for a costs order different to order 3 above may file and serve a written submission (limited to 3 pages in length) within 7 days.
5. Any party wishing to reply to any such written submission is to file and serve a written submission in reply (limited to 2 pages in length) within 14 days.
6. The balance of the proceeding be referred to the National Operations Registrar for allocation to a docket judge and be listed for further case management on a date to be fixed.

Note: Entry of orders is dealt with in Rule 39.32 of the *Federal Court Rules 2011*.

**ANNEXURE A**



REASONS FOR JUDGMENT

HALLEY J:

1. By an originating application dated 12 August 2021 the applicants, RB (Hygiene Home) Australia Pty Ltd (**RB**) and Reckitt Benckiser Finish B.V. (**RBF**), sought urgent interlocutory relief because of an alleged trade mark infringement under s 120(1) of the *Trade Marks Act 1995* (Cth) (**TMA**) by the respondent, Henkel Australia Pty Ltd (**Henkel**).
2. The applicants sought an interim injunction restraining the respondent from importing into Australia, offering for sale or selling dishwashing products under or by reference to:
3. the following sign or any other sign substantially similar thereto (noting that the applicants contend that the red background is not part of the sign):

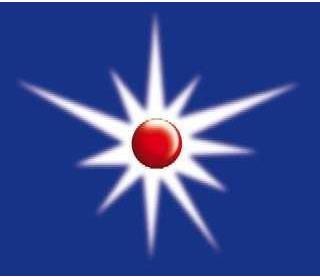


(the **SE Logo**); and

1. Australian trade mark registrations 1008914 (**914 Mark**) and/or 1211311 (**311 Mark**) or any trade mark substantially identical or deceptively similar to either of those registrations.
2. On 3 September 2021 I made orders restraining Henkel from offering for sale or selling dishwashing products under or by reference to the SE Logo, the 914 Mark or the 311 Mark. The orders were made on the basis of the provision to the Court by the applicants of the usual undertaking as to damages and an undertaking to take the first available final hearing date. These are my reasons for making those orders.
3. For the reasons that follow, I am satisfied that the applicants have established a prima facie case of registered trade mark infringement and that the balance of convenience favours the grant of an injunction to restore the *status quo* pending final determination of the applicants’ claims for trade mark infringement.
4. The applicants relied on two affidavits of Sachit Barooah sworn on 16 August 2021 (the first of which was initially signed on 12 August 2021), an affidavit of Trent Kennedy sworn on 13 August 2021 and an affidavit of Duncan Watson affirmed on 16 August 2021. The applicants also relied on the affidavits in reply of Jonathon Gale affirmed on 26 August 2021 and Peter Le Guay affirmed on 26 August 2021.
5. Henkel relied on affidavits of Dr Karen Scheunemann affirmed on 24 August 2021, Melissa Sherry affirmed on 24 August 2021 and Scott Hull affirmed on 24 August 2021.
6. RBF owns the 914 Mark and 311 Mark.
7. The 914 Mark relevantly carries an endorsement stating: “[t]he trade mark consists of the shape and colour of the goods as depicted in the representation attached to the application form …”. That representation is as follows:



1. The 914 Mark is registered in respect of goods including the following in class 3: “[b]leaching preparations and other substances for laundry use and dishwashing … dishwasher cleaner … laundry preparations for dry cleaning; … stain removing preparations; … all of the aforementioned goods being in gelcap form”.
2. The 311 Mark is registered in respect of goods in class 3 relevantly including “dishwashing preparations; …” and is registered in respect of the following image:



1. The applicants contend that both the 914 Mark and 311 Mark are used by RB (and its predecessor) in relation to the distribution and sale in Australia of the FINISH brand of dishwashing tablets. The FINISH range of dishwasher tablets has been available since approximately 1999, using the colours of white and light blue and a protruding red “powerball” that the applicants contend is depicted, in different forms, in both the 914 Mark and the 311 Mark.
2. The applicants contend that the 914 Mark has been used by RB and its predecessors over a number of years and predominantly in conjunction with RB’s “FINISH Quantum” tablets, including on product packaging, in television commercials and in online stores such as Amazon. The applicants further contend that the 311 Mark has been used in relation to almost all of the FINISH dishwasher tablets since the introduction of the red powerball in 1999.
3. In the year to 18 July 2021, FINISH tablet products had an approximate 63.3% (by value) share of the market for dishwashing tablets in Australia. The FAIRY branded products of Procter & Gamble have a market share of over 17%. The amount of revenue that RB generates from sales of its FINISH tablet products is very substantial.
4. Henkel has sold the SOMATbranded range of dishwashing products in Europe for over 50 years.
5. Henkel’s internal plans anticipated that “existing competitors are likely to react strongly with large-scale, sustained activities in order to derail the new launch” into the Australian market for dishwashing products.
6. The SE Logo appears on the packaging of, and promotional materials for, Henkel’s range of “SOMAT Excellence 4in1” dishwasher gel caps (**SE Capsules**). The SE Capsules are being offered for sale in packages of 15, 30 and 45 capsules, and have been available for purchase in retail supermarkets in Australia including at IGA since approximately 11 August 2021. It appears that Henkel’s intention is to sell the SE Capsules, in the impugned packaging, through IGA, Coles, Big W and Amazon. The applicants’ products are also sold through those retailers.
7. In May 2021, RB’s National Field Operations Manager, Mr Trent Kennedy, learnt, from reviewing a “new lines” spreadsheet prepared by one of its wholesale distributors, Metcash Limited (**Metcash**), that the latter was planning to supply a new range of 10 “SOMAT” branded dishwashing products from Henkel. Metcash’s spreadsheet did not identify any launch date. Nor did it disclose the form of any packaging in which the SOMAT products would be sold.
8. By June 2021, Mr Kennedy had come to believe that the SOMAT products would be launched in IGA stores in October 2021.
9. On about 8 July 2021, Mr Kennedy received from one of RB’s sales representatives several photographs of a trade presenter, apparently taken from the computer screen of a person working at Lloyds Supa IGA Panania. Whilst the photographs disclosed for the first time Henkel’s actual and intended use of the SE Logo in relation to the SE Capsules, they did not confirm that the SOMAT products had been accepted by IGA nor did they disclose any launch date.
10. It was not until 5 August 2021 that RB first learnt, through discussions with one of its sales representatives regarding information received from a staff member of Lloyds Supa IGA Hurstville, that the SE Capsules were to be launched in IGA supermarkets on 13 August 2021.
11. On 10 August 2021, RB’s solicitors, Thomson Geer, issued by email a letter of demand to Henkel seeking undertakings including relevantly to cease all use of the SE Logo. On 11 August 2021, a Henkel territory manager apparently unloaded stock from his car onto the shelves of Lloyds Supa IGA Springwood. On 12 August 2021, Thomson Geer received a substantive response from the solicitors for Henkel, Ashurst Australia. At 7.18 pm on 12 August 2021, RB electronically lodged for filing the originating application commencing these proceedings.
12. To date, the SE Capsules have been offered for sale in IGA stores across metropolitan Sydney. It is apparent from Henkel’s website that its intention is to sell SOMAT branded products to IGA, Coles, Big W and on Amazon.

# Legal principles

1. The principles which should generally be applied to an application for interlocutory relief were set out by the Full Court in *Samsung Electronics Company Ltd v Apple Inc* (2011) 217 FCR 238; [2011] FCAFC 156 (***Samsung***) at [52]-[74] (Dowsett, Foster and Yates JJ) and more recently in *GlaxoSmithKline Australia Pty Ltd v Reckitt Benckiser Healthcare (UK) Limited* (2013) 305 ALR 363; [2013] FCAFC 102 (***GSK***) at [81] (Bennett, Jagot and Griffiths JJ).
2. Arising from *Samsung* at [55], which quoted *Beecham Group Limited v Bristol Laboratories Pty Limited* [1968] HCA 1; (1968) 118 CLR 618 (***Beecham***) at 622-3 (Kitto, Taylor, Menzies and Owen JJ),the two main inquiries are:
3. whether the applicant has made out a prima facie case, in the sense that if the evidence remains as it is there is a probability that at the trial of the action it will be held entitled to relief; and
4. whether the inconvenience or injury which the applicant would be likely to suffer if an injunction were refused outweighs or is outweighed by the injury which the respondent would suffer if an injunction were granted.
5. Of particular relevance to these proceedings are the following principles:
6. the requirement to establish a prima facie case does not mean that the applicant must show that it is more probable than not that it will succeed at the trial. It is sufficient to show a sufficient likelihood of success to justify in the circumstances the preservation of the *status quo* pending the trial: *Samsung* at [57], quoting from *Australian Broadcasting Corporation v O’Neill* (2006) 227 CLR 57; [2006] HCA 46 at [65] (Gummow and Hayne JJ, with whom Gleeson CJ and Crennan J relevantly agreed at [19]);
7. how strong the probability of success needs to be depends upon the nature of the rights asserted and the practical consequences likely to flow from the grant of the injunction. The extent of the strength of a case that is required will vary from case to case: *GSK* at [81(g)]. If merely pecuniary interests are involved, “some” probability of success is enough: *Samsung* at [55] citing *Beecham* at 622;
8. where the merits and the question of balance of convenience are fairly even, there will be no injustice in requiring the party seeking an interlocutory injunction to demonstrate good prospects for success before imposing almost certain prejudice on the other party: *GSK* at [81(c)];
9. it is necessary to weigh the inconvenience of injury to the party against whom the injunction is sought and third parties against the inconvenience that the party seeking the injunction may suffer if the injunction is refused. The balance of convenience should not be considered independently of the strength of the prima facie case. A strong prima facie case might lead a Court more readily to grant an injunction if the balance of convenience is fairly even and less likely to do so in the absence of a strong prima facie case: *GSK* at [81(j)]; *Bullock v The Federated Furnishing Trades Society of Australasia (No 1)* [1985] FCA 48;(1985) 5 FCR 464 at 472 (Woodward J, with whom Smithers and Sweeney JJ agreed at 467 and 469 respectively);
10. it is not the Court’s function at the interlocutory stage to conduct a preliminary trial, nor to resolve conflict between the parties’ evidence. Where a conflict exists the use which may be made of the respondent’s evidence in determining whether a prima facie case has been made out is a limited one: *Warner-Lambert Company LLC v Apotex* *Pty Ltd* (2014) 311 ALR 632; [2014] FCAFC 59 at [72] (Allsop CJ, Jagot and Nicholas JJ), quoting with approval from *Shercliff v Engadine Acceptance Corporation Pty. Ltd.* [1978] 1 NSWLR 729 at 734;
11. whether or not the applicant will suffer irreparable harm for which damages will not be an adequate remedy is but one of the matters to be addressed in considering the balance of convenience, not a separate and antecedent requirement: *GSK* at [81(h)]; *Samsung* at [63];
12. in assessing the balance of convenience, the Court will give little weight to harm that would be caused by the grant of an injunction if “that was a risk that the [respondent] took with its eyes open”: *Beecham* at 626;
13. the Court should assess and compare the prejudice and hardship likely to be suffered by the respondent, third parties and the public generally if an injunction is granted, against that which is likely to be suffered by the applicant if no injunction is granted: *GSK* at [81(i)]. However, hardship visited on third parties or the public will rarely be decisive: *Samsung* at [68]-[69]; and
14. the question of whether there is a serious question to be tried or a prima facie case should not be considered in isolation from the balance of convenience because they involve related inquiries and the apparent strength of the parties’ substantive cases will often be an important consideration that needs to be weighed in the balance: *GSK* at [81(j)].
15. In these proceedings, the rights asserted are registered trade mark rights. The nature of those rights and what they are intended to protect is, as the applicants submit, usefully encapsulated in the following passage of Frankfurter J in *Mishawaka Rubber & Woollen Manufacturing Co v S S Kresge Co* (1942) 316 US 203 from which Williams J of the High Court of New Zealand quoted in *Levi Strauss & Co v Kimbyr Investments Ltd* [1994] NZLR 332; (1993) 28 IPR 249 at 254:

The protection of trade marks is the law’s recognition of the psychological function of symbols. If it is true that we live by symbols, it is no less true that we purchase goods by them. A trade mark is a merchandising short-cut which induces a purchaser to select what he wants, or what he has been led to believe he wants. The owner of a trade mark exploits this human propensity by making every human effort to impregnate the atmosphere of the market with the drawing power of a congenial symbol. Whatever the means employed, the aim is the same: to convey through the mark, in the minds of potential customers, the desirability of the commodity upon which it appears. Once this is attained, the trade mark owner has something of value. If another poaches upon the commercial magnetism of the symbol he has created, the owner can obtain legal redress.

1. Further, the *status quo* is generally the state of affairs existing during the period immediately preceding the commencement of the proceedings. Other than in circumstances where there has been unreasonable delay in issuing the motion for interlocutory relief, which is not the case here, the relevant *status quo* is the “state of affairs before the last change”: *Martin & Pleasance Pty Ltd v A Nelson & Co Ltd* [2021] FCAFC 80 (***Martin & Pleasance***) at [62] (Jagot, Yates and Jackson JJ), quoting *Garden Cottage Foods Ltd v Milk Marketing Board* [1983] 2 All ER 770; [1984] AC 130 at 140. Here, the last change occurred on 11 August 2021: see [[](#_bookmark0)21] above.

# Do the applicants have a prima facie case?

1. The applicants submit that they have a strong prima facie case of infringement under s 120(1) of the TMA*.*
2. Section 120(1) of the TMA provides:

A person infringes a registered trade mark if the person uses as a trade mark a sign that is substantially identical with, or deceptively similar to, the trade mark in relation to goods or services in respect of which the trade mark is registered.

1. Henkel accepts that the SE Capsules are goods in respect of which both the 914 Mark and 311 Mark are registered. They fall within the description of “substances for ... dishwashing … in gelcap form”(for the 914 Mark) and “dishwashing preparations”(for the 311 Mark). The packaging for the SE Capsules itself describes them as “4in1 Gel Caps”.
2. The applicants do not contend that the SE Logo is substantially identical to the 914 Mark or the 311 Mark.
3. Accordingly, the two issues that arise under s 120(1) for consideration in the present context are *first*, whether the SE Logo is being used as a trade mark and *second*, whether the SE Logo is deceptively similar to the 914 Mark and/or the 311 Mark.

## Use as a trade mark

1. The applicants allege that Henkel has used, is using and threatens to use the SE Logo as a trade mark.
2. Henkel contends that an orthodox application of well-established principles would lead to the conclusion that Henkel is not using the depiction of its SE Capsules “as a trade mark” and therefore the applicants’ claim under s 120 of the TMA fails at this threshold point.

### Legal principles

1. What constitutes use “as a trade mark” is construed as a reference to a use upon, or in physical or other relation to, goods as a sign used, or intended to be used, to distinguish goods dealt with or provided in the course of trade from goods so dealt with or provided by any other person: ss 7(1), 7(4) and 17 of the TMA.
2. The following principles are relevant in the current context.
3. *First*, there will be no infringement under s 120 of the TMA unless the applicants can establish the threshold requirement that Henkel is using the depiction of its SE Capsules “as a trade mark”. The mere application of a mark to packaging of goods so as to refer to those goods would not, without more, establish a trade mark use: *Johnson & Johnson* *Australia Pty Limited v Sterling Pharmaceuticals Pty Limited* [1991]FCA 402; (1991) 30 FCR 326 (***Johnson & Johnson***) at 348 (Gummow J), cited with approval by Burchett J (Hill and Branson JJ agreeing) in *Koninklijke Philips Electronics NV v Remington Products Australia Pty Ltd* (2000) 100 FCR 90; [2000] FCA 876 at [8].
4. *Second*, the Court’s task is to examine the way in which the sign has been used in each of its contexts to assess whether, from the perspective of the consumer, it would appear as possessing the character of a device or brand which the trader is using, or proposing to use, in relation to a product for the purposes of indicating a connection in the course of trade between that product and the trader: *The Shell Company of Australia Limited v Esso Standard Oil (Australia) Limited* [1963] HCA 66;(1963) 109 CLR 407 (***Shell***) at 425 (Kitto J); *E & J Gallo Winery v Lion Nathan Australia Pty Ltd* (2010) 241 CLR 144; [2010] HCA 15 at [43] (French CJ, Gummow, Crennan and Bell JJ), quoting with approval *Coca-Cola Company v All-Fect Distributors Ltd* (1999) 96 FCR 107; [1999] FCA 1721 at [19] (Black CJ, Sundberg and Finkelstein JJ).
5. *Third*, the display of a sign or mark in relation to goods may have more than one function. For example a word may have a role in identifying a geographical location, but also a trade mark or branding or distinguishing role. Provided that one of the roles is to distinguish the trader’s goods dealt with or provided in the course of trade from the goods of other traders, the display of the mark in advertising will be use as a trade mark: *Pinnacle Runway Pty Ltd v Triangl Limited* (2019) 375 ALR 251; [2019] FCA 1662 at [171] (Murphy J), quoting *Anheuser-Busch, Inc v Budĕjovický Budvar, Národní Podnik* (2002) 56 IPR 182; [2002] FCA 390 (***Anheuser-Busch***) at [189] (Allsop J, as he then was).
6. Thus, there may be a trade mark use and infringement even when, as here, a respondent adds words to indicate that it, rather than the applicant, is the trade origin of the goods in question: *Johnson & Johnson* at 349 (Gummow J).
7. As Allsop J (as he then was) stated in *Anheuser-Busch* at [191]:

It is not to the point, with respect, to say that because another part of the label ... is the obvious and important ‘brand’, that another part of the label cannot act to distinguish the goods. The ‘branding function’, if that expression is merely used as a synonym for the contents of ss 7 and 17 of the [TMA], can be carried out in different places on packaging, with different degrees of strength and subtlety.

1. *Fourth*, the test involves consideration of the context in which the allegedly infringing use occurs. This can encompass factors such as the positioning of the sign, the type of font, the size of words or letters and the colours which are used, as well as how the sign is applied to advertising materials or the packaging of the goods in relation to other features: *Christodoulou v Disney Enterprises Inc* (2005) 156 FCR 344; [2005] FCA 1401 at [35] (Crennan J).
2. Where the prominence or positioning of the mark on packaging or advertising material, including its font size, styling, colour and shading, suggest that it has greater significance than the respondent’s trade mark, the mark may well be found to be used as a trade mark: *Beecham Group Plc v Colgate-Palmolive Pty Ltd* (2005) 66 IPR 254; [2005] FCA 838 at [47]-[49] (Emmett J).
3. *Fifth*, a trade mark use will not be established in circumstances where the use made of the sign is “essentially descriptive” and not a “badge of origin” connoting a connection in the course of trade between the product and a person or entity. This is essentially an objective inquiry: *Pepsico Australia Pty Ltd and another (t/as Frito Lay Australia) v Kettle Chip Co Pty Ltd* (1996) 135 ALR 192 at 193-4 (Lockhart J), 200-1 (Sheppard J), 213 and 218-19 (Sackville J); *Johnson & Johnson* at 343-4 (Burchett J) and 350 (Gummow J); *Frucor Beverages Limited v The Coca-Cola Company* (2018) 358 ALR 336; [2018] FCA 993 at [163]-[167] (Yates J).

### Applicants’ submissions

1. The applicants contend that Henkel’s various uses of the SE Logo, whether on the product packaging or various other promotional materials, all constitute use as a trade mark.
2. The applicants placed particular emphasis on the various uses of the SE Logo by Henkel in the packaging and promotional materials for the SE Capsules**,** reproduced as follows:

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| Product packaging  (45 caps) | Proposed  aisle fin | Proposed bins | SOMAT website |

1. The applicants submit that the SE Logo is displayed prominently on the front of the packaging for the SE Capsules and is positioned substantially at its centre. They submit that:

[The SE Logo] is surrounded by white rays of light creating the visual effect of a ‘sunburst’. The bright blue, red and white colours present a stark visual contrast to the background, which can be in various colours. Measured vertically, the SE Logo is the largest object appearing on the packaging, being slightly larger than the text of the word ‘SOMAT’ and considerably larger than the descriptions “*Unique GEL Technology*”, “*Fast dissolving*”, and “*Deep clean*”. It appears three times on the plastic tub for the 30 and 45 gelcap SKUs and twice on the cushion packs. The effect is that the SE Logo is given prominence whatever the orientation of the pack.

(Original emphasis.)

1. The applicants contend that the SE Logo is the largest object appearing on both the aisle fin and the multi-level supermarket bin. They submit that on the shorter bin “the SE Logo is followed by a multi-coloured streak creating the visual effect of the SE Logo flying into the dishwasher” and that the SOMAT website image “speaks for itself, noting that this depicts the SE Capsule”. They submit:

In all of these instances, by virtue of its prominence, style and contrast, the consumer’s eye is drawn immediately and predominantly to the SE Logo or the depiction of the SE Capsule. What all of these instances of use are calculated to induce in the mind of the consumer is the response, adapting the words of Kitto J in *Shell* at 425: “*There I see something that the Henkel people are showing me as being a mark by which I may know that any dishwasher tablet in relation to which I see it used is theirs.”*

(Original emphasis.)

### Respondent’s submissions

1. Henkel submits that the following factors emerge from the authorities and must lead to the conclusion that the SE Logo does not operate as a trade mark.
2. *First*, the clear and dominant SOMAT brandindicates to consumers the commercial source of the product.
3. *Second*, the SE Logo denotes a variant within the SOMAT branded range of dishwashing products and serves to distinguish the SE Capsules from other SOMAT branded products, rather than operating as a trade mark to distinguish Henkel’s product from other branded dishwashing products.
4. *Third*, it is common in the tradeto include depictions on the packaging of dishwashing tablets of the different appearance of the various products therein. For example, the current ranges of FINISH and FAIRY products, which depict a range of differently appearing product variants sold under each of those brands:

1. *Fourth*, if a consumer only saw the depiction of the SE Capsules, without the SOMAT brand, the consumer would have no information as to the origin of the product.

### Consideration

1. On balance, I do not accept that the factors identified by Henkel establish that the SE Logo is not operating as a trade mark.
2. The “clear and dominant” use of the “SOMAT brand” does not, in itself, dictate a conclusion that the SE Logo cannot also operate as a trade mark.
3. Further, the use of the SE Logo on only the packaging for the SE Capsules does not mean that it can only be characterised as a use to distinguish those products from other SOMAT products offered for sale by Henkel. It may serve that function and also be used as a trade mark to identify the source of the origin of those goods.
4. A trader may use more than one trade mark on a product and may use a sign or logo on a product for more than one purpose.
5. Nor is it an answer to a contention that a sign was being used as a trade mark to claim that the impugned sign simply depicted the product to be sold. The relevant question is whether the impugned sign was being used as a trade mark and that question is not answered by asking whether it was common in the relevant trade to depict pictures of the products to be sold on packaging.
6. Further, the respondent’s contention that the SE Logo by itself could not provide a customer with any information about the origin of the SE Capsules does not relevantly advance matters, as it appears to proceed necessarily on the assumption that the SE Logo is not deceptively similar to the RBF’s 914 Mark and 311 Mark.
7. Due to the prominence given to the SE Logo by Henkel on the packaging for the SE Capsules and the use of the SE Logo on proposed aisle fins and product bins as outlined above, I am satisfied that the applicants have established a prima facie case that there has been a use of the SE Logo as a trade mark by Henkel.

## Deceptive similarity

1. Pursuant to s 10 of the TMA, a trade mark will 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.

### Legal principles

1. The definition of “deceptive similarity” requires an attempt to be made to estimate the “effect or impression” that would be produced on the minds of potential customers being persons of ordinary intelligence and memory by the normal use of the trade mark. The task is not to place the marks “side by side” in order to demonstrate how small the chance of error might be: *Australian Woollen Mills Limited v F. S. Walton and Company Limited* [1937] HCA 51; (1937) 58 CLR 641 (***Australian Woollen Mills***) at 658 (Dixon and McTiernan JJ); *Shell* at 415 (Windeyer J).
2. The test for deceptive similarity has been described as “a question never susceptible of much discussion” and a test that depends on a “combination of visual impression and judicial estimation of the effect likely to be produced in the course of the ordinary conduct of affairs”: *Australian Woollen Mills* at 659 (Dixon and McTiernan JJ).
3. In order to determine whether one mark is deceptively similar to another mark it is necessary to focus on “the impression or recollection which is carried away and retained of the registered mark, when conducting the comparison”: *PDP Capital Pty Ltd v Grasshopper Ventures Pty Ltd* [2021] FCAFC 128 (***PDP***) at [97] (Jagot, Nicholas and Burley JJ).
4. It is sufficient to establish likely confusion if the result of a mark’s use would be that a number of persons are caused to wonder whether it might not be the case that two closely related products come from the same source. It is enough if an ordinary person might entertain a reasonable doubt: *Registrar of Trade Marks v Woolworths Ltd* (1999) 93 FCR 365; [1999] FCA 1020 at [50] (French J) (as his Honour then was).
5. The determination of whether a sign used as a trade mark is deceptively similar to a registered trade mark involves an exercise that is evaluative and upon which reasonable minds may differ: *PDP* at [98].
6. Whilst surrounding circumstances have some relevance, the essential task remains one of trade mark comparison. The inquiry is thus a relatively limited one, but the context of surrounding circumstances cannot be ignored: *Optical 88 Limited v Optical 88 Pty Limited (No 2)* (2010) 275 ALR 526; [2010] FCA 1380 (***Optical 88***) at [94] (Yates J).
7. It is necessary to consider each mark as a whole. This is of particular significance with respect to composite marks which may consist of a number of elements. Each of those elements must be looked at in their context. This will include the size, prominence and stylisation of words and device elements used in the mark and their relationship to each other: *Optical 88* at [100].

### Applicants’ submissions

1. The applicants contend that the SE Logo consists of the stylised depiction of the capsule in blue, red and white, with white rays radiating from it.
2. The applicants submit that:

The similarities between the SE Logo and the 914 Mark are inescapable. Both feature a white-coloured gelcap with blue speckles. Both feature in the gelcaps’ centre a circular compartment in red. Both feature a blue component that partially surrounds the red centre, and which is contoured to resemble a swirling wave. The difference between the two is that the SE Logo includes an additional light blue wave component to complement the darker blue component. The overall impression created by the SE Logo remains that of a white tablet, with a red centre component, partially surrounded by waves of blue. In these circumstances, and bearing in mind the test is one of imperfect recollection, consumers will be caused to wonder whether the SE Capsules come from the same source i.e. they will be caused to wonder whether the SE Capsules are somehow associated with the Applicants’ FINISH products.

1. While the applicants place their strongest emphasis on the 914 Mark, they submit that the 311 Mark does have independent significance. They submit that:

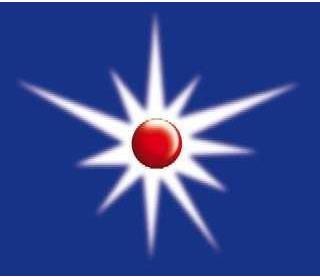
It calls up the idea of the star burst, and of light or energy radiating from the red powerball. The Respondent’s particular use of radiating lines does vary somewhat … But what is common to them is that same idea of white rays of light or energy radiating out from the red powerball, the powerball being surrounded by a blue background. Again, an overall impression of similarity emerges and the consumer will be caused to wonder whether this is another use of another of the familiar 311 Mark in a new context.

### Respondent’s submissions

1. Henkel submits that consumers who view the packaging for the SE Capsules as a whole would understand the dominant SOMAT trade mark as the brand of the product rather than the SE Logo. It submits that the SE Logo (that it chooses to refer to in its submissions as the “depiction of the SE Product”) distinguishes that product from other variants in the SOMAT range of dishwashing products, as shown below:



1. Henkel submits that the applicants’ claim is also likely to fail because there is insufficient resemblance between the respective marks to establish deceptive similarity within ss 10 and 120(1) of the TMA:

(RB’s **Rectangular Tablet Mark** and **Ball in Explosion Mark** and Henkel’s SE Logo).

1. Henkel submits that the SE Logo prominently displays two large swirling droplets which have no counterpart in either of RB’s asserted marks. Further, the two swirling droplets interact to surround a centre element and sit together on top of a base which is rounded, not rectangular. Henkel also submits that the SE Logo incorporates the red background which is consistent across all of the SOMAT range and absent from either of RB’s asserted marks.
2. Henkel submits that even if a consumer were to focus only on the SE Logo and ignore the dominant SOMAT branding on that product, it is difficult to see any real risk that the consumer would confuse the commercial source of the respective products.

### Consideration

1. I am satisfied that the applicants have established a prima facie case of deceptive similarity, at least between the SE Logo and the 914 Mark, but I am not persuaded, contrary to the applicants’ submissions, that it is a “strong” prima facie case.
2. In making that finding I have had regard to the difficulties of conducting on an urgent interlocutory basis what is essentially an evaluative and impressionist comparison involving visual interpretation and judicial estimation to determine deceptive similarity, a concept incapable of empirical measurement and ultimately largely intuitive. In that context I have had particular regard to the visual impression created by the juxtaposition of the bright blue, red and white colours on the dishwashing tablet and the effect or impression of the SE Logo on consumers of ordinary intelligence and imperfect recollection.
3. I also recognise the significance and force of the matters raised by Henkel but the question of deceptive similarity, however tempting, cannot be determined by conducting a simple “side by side” comparison of the respective marks. Nor do I agree that the use of the “swirling droplets” is determinative for the purposes of resisting the deceptive similarity contention advanced by the applicants or that the apparent absence of a rectangular prism on which the swirling droplets and red circle sit is a complete answer. I consider that the objective impression that is conveyed by the SE Logo to consumers, at least at first glance and having regard to imperfect recollection, is of dynamic blue shapes surrounding a red dot sitting on a white object of largely rectangular shape with perhaps rounded edges.
4. I accept, as forcefully submitted by Henkel, that it is necessary to conduct a “mark to mark” comparison and that in that context the 914 Mark is a rectangular shaped capsule with a red cylindrical compartment embedded in the capsule, rather than a red ball bursting out of the capsule. I consider, however, that it is reasonably arguable that having regard to all the circumstances and at least for the purpose of determining whether a prima facie case has been established, that the differences between the SE Logo and the 914 Mark could be characterised as additions or alterations that do not substantially affect the identity of the trade mark for the purposes of s 7(1) of the TMA.
5. Ultimately, while I accept that the applicants have not established a strong prima facie case, I am not persuaded that on the material before me that it is a case without any substantial foundation or that it could be described as so weak or fanciful or lacking in substance to preclude the grant of interim injunctive relief.

# Cross-claim

1. An additional reason advanced by Henkel that the applicants’ trade mark case is likely to fail and they have thereby not established the existence of a prima facie case is Henkel’s cross-claim for cancellation or removal of each of RBF’s asserted trade mark registrations. The grounds advanced in the cross-claim include that the 914 Mark and the 311 Mark have not been used as trade marks by the applicants. Cancellation or removal of RBF’s asserted registrations would remove any basis for any ongoing injunction after trial.
2. Henkel contends that there has been no use of the 311 Mark (the Ball in Explosion) other than in a truncated form as a constituent part of the dominant stylised FINISH mark.
3. Henkel submits that the 914 Mark (the Rectangular Tablet) has never been used “*as a trade mark*” – rather it has simply been presented as the appearance of one of many differently appearing tablet products sold under the FINISH brand. Moreover, the applicants’ case for a special and valuable trade mark significance in the appearance of the Rectangular Tablet Mark is submitted to be undermined by the fact that its current FINISH products use a range of different tablets:

1. On the limited evidence before me as to the use of the 914 Mark and the 311 Mark by the applicants, I do not consider that it is possible to reach any view as to the merits of the challenge to the registration of those trade marks. For present purposes, I have proceeded on the basis that the 914 Mark and the 311 Mark have the status of registered trade marks and have determined this application on that premise.

# Balance of convenience

1. The applicants and Henkel approach the balance of convenience from fundamentally different perspectives.

## Applicants’ submissions

1. The applicants submit that the exclusive rights afforded by s 20 of the TMA – to use, and authorise others to use, the 914 Mark and 311 Mark in relation to the goods in respect of which they are registered – is an exclusivity that, once lost, cannot be readily compensated or regained given the difficulty of measuring such damages in monetary terms. They contend that permitting Henkel to continue infringing the 914 Mark and the 311 Mark would be to sanction an ongoing interference with the goodwill residing in those marks. The applicants seek to adopt the words of Heerey J in *Midas Australia Pty Ltd v Ravecroft Pty Ltd* (2004) 62 IPR 387; [2004] FCA 771 at [7]:

Unauthorised use of the marks would erode their value in a way that would not be compensable.

1. The applicants contend that their consumers have been taught to recognise the marks as signifying a product they know and can trust. They adopted the language of Frankfurter J, quoted at [26] above, and submitted: “[i]f they once use it and get the wrong product, they will not trust the short cut again”. They submit that damages cannot make good that loss to the trade mark owner.
2. The applicants submit, by contrast, that any harm suffered by Henkel by the granting of an injunction would be purely monetary, relatively easy to calculate and limited to the period pending final hearing. They point to the fact that the SE Capsules have only very recently been launched for sale, whereas the FINISH Quantum products have been on the market since 1999. They maintain that the task of calculating the compensation payable to Henkel under an undertaking as to damages is conceptually more straightforward.
3. They submit that the suggestion “that an injunction will cause Henkel to suffer irreparable reputational harm is founded on little more than supposition. The reality is that genuine trading partnerships built over several years and a considerable portfolio are not endangered by the fate of the packaging and advertising for three SKUs [stock keeping units]”.
4. The applicants contend that the harm to Henkel is further reduced here by the fact that the applicants attack only a subset of the products in the new SOMAT range. There is no criticism of the SOMAT Gold product or of their gels or accessories. There therefore need be no loss of supermarket shelf space: other SKUs in the SOMAT range can be expanded. Henkel is also a large company with many other prominent consumer brands. Any pre-booked promotional activity or advertising space could therefore more readily be diverted to another of its own products. As demonstrated by the actions of its own territory manager at Lloyds Supa IGA Springwood on 11 August (see [21] above), Henkel is well able to adapt quickly to changing circumstances.
5. The applicants submitted that there is no evidence that the grant of an injunction would materially affect the interests of third parties or the public generally. As already noted, Henkel has other lines, both of dishwashing products and other goods, with which to fill advertising or promotional commitments. The applicants conceded that this would no doubt have a cost to Henkel, but contended it is disingenuous to suggest, as Henkel’s witnesses do, that their concern is for the third party. They submit that retailers are experts at using their shelf space profitably. Henkel does not suggest that any retailer is contractually obliged to hold space exclusively for SE Capsules.
6. Finally, the applicants submit that the fact that they have taken issue with the use of the SE Logo in Australia should come as little surprise to Henkel given the commencement of similar proceedings in Germany in March 2021. To that extent, the applicants contend, any prejudice visited upon Henkel by the grant of an interim injunction was a calculated risk that Henkel took with its eyes wide open, pointing to the principle from *Beecham* at 626 referred to at [25(g)] above.

## Respondent’s submissions

1. Henkel submits that the applicants have said “remarkably little about any prejudice [they] would suffer pending trial if the interlocutory injunction were not granted”. Given the weak claim for trade mark infringement advanced by the applicants, Henkel contends that “this alone ought to be reason enough to deny interlocutory relief”. It submits that due to this alleged weak claim, it is necessary for the applicants to establish a marked balance of convenience in their favour, which they have failed to do, citing *Bullock* at 472 (Woodward J, with whom Smithers and Sweeney JJ agreed at 467 and 469) and *GSK* at [81(j)].
2. Henkel contends that an interlocutory injunction would cause it significant damage. In summary, it submits that an interlocutory injunction would:
3. lead to a disruption and loss of momentum for the launch of the whole SOMAT range, given that the SE Capsules are its flagship lead product;
4. cause unquantifiable damage to its reputation with its retailer based customers;
5. cause it to incur costs and suffer delays in designing new packaging and having existing products repackaged;
6. give rise to a loss of efficacy in the promotional effect of the redesigned packaging because customers would have no way of knowing what the product they were considering buying looked like; and
7. cause it to incur costs in ceasing its marketing campaign and redesigning campaign materials, which presently focus on the SE Capsules.
8. Henkel contends that if the injunction is granted and the applicants’ case ultimately fails, it would be very difficult, if not impossible, to predict what levels of sales and market share it could have achieved if the launch of the SOMAT range had not been disrupted.
9. Henkel also submits that if an interlocutory injunction were granted: consumers and retailers would be denied the immediate benefit of a major new competitor; business plans of retailers who had agreed to sell the SOMAT range in the expectation that it would be profitable to them would be disrupted; and retailers would lose the benefit of the significant investments that they had made with Henkel and planned joint marketing activities for the SOMAT range, which included store promotions, catalogue placements and “collectables” promotions.

### Consideration

1. I am satisfied that in this case the balance of convenience strongly favours the granting of the injunctions sought by the applicants for the following reasons.
2. *First*, the granting of the interlocutory relief would not be decisive in resolving the dispute between the parties. It is not suggested that the effect of the relief sought would, from a commercial perspective, prevent Henkel from recommencing the launch of the SE Capsules in Australia if it were successful at a final hearing or that it would prevent Henkel from otherwise continuing with the launch of the balance of the SOMAT range in Australia.
3. This consideration is of particular significance in this case, given that I am not satisfied that the applicants have established a strong prima facie case of trade mark infringement. Had the balance of convenience been less decisive in the present context, the absence of a strong prima facie case would have weighed very heavily against the grant of the interlocutory relief sought by the applicants.
4. *Second*, the Court is in substance in this case being asked to weigh a potential diminution in value of registered trade marks of an established incumbent against potential harm to a new entrant if it is precluded until the final determination of the proceedings from using a particular logo or sign on the launch of one of a number of products that it wishes to launch in the Australian market. I am satisfied that the applicants have, at least on a prima facie basis, an established reputation and substantial goodwill in the 914 Mark and the 311 Mark by reason of *first*, the length of time they have been used (acknowledging that this alleged use is challenged by Henkel in its cross-claim) and, *second*, the dominant market share and the quantum of the revenue that it has generated from products bearing those marks.
5. Here, by way of contrast, Henkel has no established reputation or goodwill in any Australian market for the sale of dishwashing products and has only just commenced selling its product in a limited range of retail stores in this country.
6. Subject to particular prejudice, the *status quo* would best be served by suspending the use of that particular logo or sign until the Court can make a final determination of the respective merits of the alleged trade mark contraventions. As Brett JJA stated in *Plimpton v Spiller* [1876] 4 Ch D 286 at 292-3, cited with approval by Tamberlin J in *Beecham Group PLC v Colgate-Palmolive Pty Ltd* (2004) 64 IPR 45; [2004] FCA 1335 (***Beecham Group***) at [37]:

Now if the trade of a Defendant be an old and established trade, I should say that the hardship upon him would be too great if an injunction were granted. But where, as here, the trade of the Defendant is a new trade, and he is the seller of goods to a vast number of people, it seems to me to be less inconvenient and less likely to produce irreparable damage, to stop him from selling, than it would be to allow him to sell and merely keep an account, thus forcing the plaintiff to commence a multitude of actions against the purchasers.

1. Further, the following analysis by the Full Court in *Martin & Pleasance* at [60]-[61] is apposite in the current context:

[60] The appellants argued that [55] of the primary judge’s reasons discloses a logical error, in that it does not follow from the length of time the respondents’ products had been on the market (since 1993), compared to the length of time the appellants’ products had been on the market (since mid-February 2021, two weeks before the respondents filed an application for interlocutory relief), that, in granting the interlocutory injunction: (a) there would be any harm to the respondents, and (b) the harm to the respondents from the failure to grant the interlocutory injunction would be greater than that to the appellants, third parties and the public interest from the grant of the injunction.

[61] We have already quoted [55] of the primary judge’s reasons. It does not reveal any illogical reasoning. The relative length of time the competing products had been on the market was an important consideration. It founded the primary judge’s conclusion that the respondents had an established reputation and substantial goodwill: [45]. In contrast, the appellants did not have an established reputation and substantial goodwill, which is why the primary judge considered the fact of recent entry by the appellants to be a factor of “considerable weight”: [62]; see also [70].

1. *Third*, the granting of the interlocutory relief sought by the applicants will not preclude Henkel from proceeding with a launch of a substantial proportion of its SOMAT range of products in circumstances where suppliers of dishwashing products do not necessarily compete across all product segments. Part of Henkel’s recent business plan showed selective participation by competitor brands across a number of distinct product segments in the Australian dishwashing product market.
2. *Fourth*, I am satisfied that the applicants would face considerable, if not insurmountable, hurdles in seeking to quantify the diminution in the value of their trade marks if the respondent was permitted to continue to use the SE Logo in the period up to the final determination of these proceedings. Henkel’s submissions regarding the lack of precision in the harm that the applicants claim they would suffer if the interlocutory relief was not granted serve to highlight these hurdles.
3. The Courts have recognised that an applicant might be entitled to damages referrable to the devaluation of a trade mark or reputation and goodwill associated with a trade mark, but have emphasised the difficulty of making any award for damages in the absence of a principled assessment or rational basis and the difficulty of obtaining specific evidence from which such harm can be quantified : *Paramount Pictures Corporation v Hasluck* (2006) 70 IPR 293; [2006] FCA 1431 at [50]-[51] (French J); see also, *Bing! Software Pty Ltd v Bing Technologies Pty Limited (No 1)* (2008) 79 IPR 454; [2008] FCA 1760 at [125] (Collier J); *Halal Certification Authority Pty Limited v Scadilone Pty Limited* (2014) 107 IPR 23; [2014] FCA 614 at [84]-[87] (Perram J); see also in a copyright context, *Facton Ltd v Rifai Fashions Pty Ltd* (2012) 199 FCR 569; [2012] FCAFC 9 at [24]-[28] (Lander and Gordon JJ); *Elwood Clothing Pty Ltd v Cotton on Clothing Pty Ltd* (2009) 81 IPR 378; [2009] FCA 633 at [33]-[34] (Gordon J); and in a designs context, *Review Australia Pty Ltd v Innovative Lifestyle Investments Pty Ltd* (2008) 166 FCR 358; [2008] FCA 74 at [30]-[31] (Jessup J).
4. The diminution in value of a trade mark caused by the raising of doubt in relation to similar products has been considered persuasive in determining whether damages could be an appropriate remedy, given that it would be difficult to assess damages in that context: *Parfums Christian Dior (Australia) Pty Ltd v Dimmeys Stores Pty Ltd* [1997] FCA 1232; (1997) 39 IPR 349 at 354-5 (Branson J); *Beecham Group* at [32]-[33] (Tamberlin J).
5. *Fifth*, I am not persuaded that the majority of the potential substantive harm identified by Henkel to its interests could not be quantified and recoverable pursuant to an undertaking as to damages from the applicants. The costs of revising advertising and promotional campaigns and repackaging could be expected to be calculated with some precision. Further, a determination of lost revenue due to the suspension of sales of SE Capsules with the SE Logo and any loss of momentum in the launch of the SOMAT range more generally could, at least as a starting point, be informed by comparisons of sales achieved if Henkel is successful at the final hearing and resumes the launch of the SE Capsules with the SE Logo.
6. I acknowledge that there would necessarily be some difficulties in quantifying with precision the extent of the impact of any loss of momentum in the launch of the SOMAT range in Australia, but I consider that it is likely to be a much easier exercise than any attempt to quantify the diminution in value of the 914 Mark and the 311 Mark to the applicants if an interlocutory injunction were not granted and the applicants were ultimately successful in establishing the alleged trade mark infringements by Henkel.
7. I accept that any loss of reputation would be difficult to quantify, but given the relatively short period in which Henkel has had to establish a reputation in the Australian market for dishwashing products and that Henkel’s reputation is unlikely to be materially harmed in circumstances where the explanation for the disruption to business plans is an interlocutory injunction imposed by the Court (rather than any inherent problems with the product or Henkel’s technical capacity to supply it), I do not give this consideration much weight.
8. *Sixth*, retailers’ loss of the benefit of the investments that they had made with Henkel and planned joint marketing activities for the SOMAT range including store promotions, catalogue placements and “collectables” promotions would only be partially lost and then only temporarily pending the final determination of the proceedings. The costs of necessary amendments and revisions to those marketing activities by reason of the grant of an interlocutory injunction could be expected to be quantifiable and recoverable pursuant to an undertaking from the applicants as to damages.
9. *Seventh*, I am not able to place any significant weight on the alleged harm to competition. I appreciate that a new entrant may be beneficial for competition and that a new entrant may increase sales in a market, but those are not matters that can be accepted as propositions independently of any competition analysis. No such analysis has been advanced and in any event, the interlocutory relief sought will not preclude Henkel from entering the market with its SOMAT range. The only restriction will be that it cannot use the SE Logo to promote, market and sell its SE Capsules, which will only be temporary if Henkel is ultimately successful at the final hearing.
10. It is necessary to bear in mind that the inquiry in the present case is not whether any restrictions placed on the Henkel launch of the SOMAT range of products will be likely to have a harmful impact on the market for dishwashing products in Australia. Rather, the relevant inquiry is whether the applicants have established the existence of a prima facie case of trade mark infringement and whether the balance of convenience favours the grant of an interim injunction.

# Disposition

1. For the reasons outlined above, I made orders on 3 September 2021 restraining Henkel from offering for sale or selling dishwashing products under or by reference to the SE Logo (or any other trade mark substantially similar to that mark) and the 914 Mark and/or the 311 Mark (or under or by reference to any trade mark substantially identical or deceptively similar to either of those marks). I noted the undertaking from the applicants to submit to any order of the Court that the Court may consider to be just for the payment of compensation, to pay that compensation and to take the earliest possible date for the final hearing of these proceedings. Finally, I ordered that the costs of and incidental to this interlocutory hearing be the applicants’ costs in the proceedings.

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| I certify that the preceding one hundred and fourteen (114) numbered paragraphs are a true copy of the Reasons for Judgment of the Honourable Justice Halley. |

Associate:

Dated: 10 September 2021