

Colour Branding and Trade Mark Protection

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The use of colour in products and packaging is an extremely valuable tool used by many traders to attract the attention of consumers and to differentiate a product from its competitors. It is well known that different colours and combinations are associated with different feelings and emotions and create different moods: yellow for joy, warmth or happiness; red for passion, danger or strength; and blue for trust, stability or coolness.

It is possible for a colour to become so distinctive of a particular brand or product that the use of that colour by another trader of similar goods or services would amount to an infringement of the first trader's rights. Although not particularly new, colour trade marks have been the basis for a couple of recent Federal Court cases, which are considered below.

Colour Trade Marks

Currently, as at the date of this article, there are 185 registered colour trade marks in Australia. Examples include the colours:

- orange, owned by Orange Personal Communications Services Limited for telecommunications equipment and services;
- yellow and black, owned by Telstra Corporation Limited for telephone directory services; and
- blue, owned by Tiffany & Co. for boxes for jewellery.

An application for a colour trade mark must include a clear and concise description of the trade mark and a pictorial representation showing the colour(s) claimed and the manner in which it is to be used.

The general practice is to identify the proposed colour by reference to a universal colouring system. The Pantone colour numbering system is the usual method. This system allocates a number to specific shades of colour. For example, Pantone colour code number 226C is a shade of purple/red.

As with any other trade mark application, a colour mark is only registrable if it is capable of distinguishing the goods and/or services of the applicant from those of other traders in the market. As such, evidence of use that the colour has been used 'as a trade mark' and that the colour has become distinctive or acquired a secondary meaning may be needed. You may also need to show that consumers clearly associate the colour to the applicant's specific goods or services. This was an important aspect of the BP case below.

Recent Cases

BP plc v Woolworths LTD [2004] FCA 1362

BP plc made two trade mark applications relating to the colour green. The delegate of the Trade Marks Registrar refused to register the marks on the basis that the marks were not capable of distinguishing the goods and services of BP from other trader. This case dealt with an appeal by BP to the Federal Court on that decision.

During the appeal, BP adduced evidence that they had been using the colour green as a way to identify themselves in the marketplace since at least the 1920's. Throughout the 1980's a major global branding exercise was undertaken in which BP service stations were given a standard layout and extensive use of the colour green to the buildings, canopies, pole signs, petrol pumps and other components of service station sites. During the 1990's, substantial advertising campaigns prominently featuring the colour green were undertaken, and by 1991, more than 1700 UK and Ireland BP petrol stations and over 1200 in Australia had been re-branded with a heavy emphasis on the colour green.

In 1996, Woolworths entered into the retail petrol market. Woolworths service stations used the colours red, white and green as part of their set up, including painting the canopies green.

The Court determined that in order for BP to succeed in its appeal, it had to establish two things:

1. that it had used the particular shade of green as a trade mark; and
2. that in the minds of the public the primary significance of that shade of green, when used in connection with the supply of petroleum products or services, identifies the source of those goods or services as originating from a particular, but not necessarily identifiable, trader.ⁱ

Although the Court conceded that other traders had used the colour green on their service stations, it concluded that BP was using the colour green as a 'badge of origin', an essential element to the registrability of a mark as a trade mark. BP's use of green had acquired a secondary meaning and had become distinctive of BP's goods and services and in isolation of any other elements of the BP brand, such as the shield logo.ⁱⁱ Survey evidence was provided which in essence supported the assertion that BP had used the colour green to distinguish its goods and services from others in the marketplace so as to lead the public to associate the colour specifically with BP. BP was therefore successful in its appeal and the Court directed that the trade mark applications proceed to registration.

Woolworths have initiated a further appeal against this decision. Given the outcome of the Cadbury case below, it will be interesting to see what the Full Federal Court's view is on the elements necessary to establish a trade mark in a colour, and in particular the degree to which a colour must signify a specific trader in isolation of other symbols and words contained within a mark.

Cadbury Schweppes Pty Ltd v Darrell Lea Chocolate Shops Pty Ltd (No. 4) [2006] FCA 446

Cadbury brought an action against Darrell Lea alleging contravention of sections 52 and 53 of the Trade Practices Act 1974 (Cth) and passing off relating to Darrell Lea's use in its business of a shade of purple in which Cadbury claimed it had a 'substantial, exclusive and valuable reputation and good will'.ⁱⁱⁱ Cadbury alleged that the colour purple in relation to chocolate had obtained a secondary meaning as an identifier of Cadbury chocolate products.^{iv} Cadbury sought to argue that Darrell Lea's conduct in using the colour purple had misled, or is likely to mislead, consumers into thinking Darrell Lea's products are those of Cadbury or that some kind of association existed between the two chocolate and confectionary producers.

Cadbury provided evidence of its use of purple for its Dairy Milk chocolate since the 1920's. In the 1990's Cadbury resolved to extend the use of purple from Dairy Milk to the rest of its moulded block chocolate range and to use significantly more purple in its packaging. Interestingly however, evidence was adduced that the majority (56%) of Cadbury's total sales

for confectionary products came from products which do not prominently feature the use of a dark purple shade.

Darrell Lea provided evidence of using a variety of colours in its packing since the 1950's including blue, purple, pink, green, yellow and red. From 1991 Darrell Lea used a light purple colour for its store fit out and uniforms as well as on packaging. Between 2000 and 2004 Darrell Lea had used a similar shade of purple like that used by Cadbury, and in particular Cadbury complained of Darrell Lea's use of darker shade of purple in the packaging of Christmas products during this period. The Court determined that if the decision by Darrell Lea to use the similar shade of Purple was made with the specific intention of misleading consumers into thinking Darrell Lea products had an association with Cadbury, then this would go to show such misleading conduct had in fact occurred.

Darrell Lea's witnesses strongly denied Cadbury's allegations that the use of a similar purple was to associate its goods with 'the good name of Cadbury' and 'used purple to copy Cadbury'.^v The Court accepted Darrell Lea's witnesses and determined that there was no 'secret purpose to misappropriate Cadbury's business by deliberately misleading consumers'.^{vi}

Evidence was also provided to the Court that for many years many other confectionary manufacturers used purple on the packaging of their products. Example given included:

- Violet Crumble
- Polly Waffle
- Wonka confectionary
- Quality Street assorted filled chocolates
- Milky Way
- Milka

In addition and of critical importance was the evidence given by Cadbury's Director of Brand Marketing that where competitors 'have sought to leverage off the positive association that consumers have with the Cadbury brand by adopting the use of similar shades of purple to Cadbury purple in a clear branding context, Cadbury has actively and aggressively sought to take action to protect its brand'.^{vii} This claim of exclusive reputation in the colour purple was held to be inconsistent with the fact that Violet Crumble and other Nestle products were the subject of a 'Co-existence Agreement' made in 2005 between the UK parent of Cadbury and the parent of Nestle in Switzerland. Under this Agreement, Cadbury's obligations included that it would:

"...not object to the continued use by Nestle in Australia of the Violet Crumble, Wonka, Quality Street and Polly Waffle Get Ups in respect of the Goods in Australia".^{viii}

Furthermore, Cadbury's responses to other chocolate and confectionary manufacturers using the colour purple were found to 'not follow a consistent pattern' whereby some demands made by Cadbury were ignored whilst others were firmly resisted or a negotiation was reached between the parties.

What the Court essentially found was that Cadbury did not have an exclusive right to use the colour purple with respect to chocolate and confectionary goods. Cadbury knew of other traders in the market that had been using the colour purple but had not enforced its alleged exclusive reputation to the colour on a consistent basis. In addition, Cadbury had an agreement in place with Nestle, its primary competitor, allowing the use of the colour purple in relation to a number of its products.

Of critical importance in relation to the BP case, it was found that Cadbury had never used the colour purple in isolation of the Cadbury logo as an indicator of the source of its goods. The Court determined that Cadbury's use of purple in its advertising efforts was inextricably bound up with the Cadbury logo in its distinctive script style.^{ix} As such it was held that Cadbury did not own the exclusive rights to the colour purple and that Darrell Lea is entitled to use the colour as long as it did not convey that an association existed between the two companies.^x

Conclusion

These recent cases show a progression of how to approach the question of what degree of colour association in isolation of other elements of a trade mark must be established for a company to have an exclusive right to a particular colour. The Cadbury case appears to have strengthened the notion that for colour marks to be registrable, and more importantly enforceable, a colour must be shown to be used to such an extent so as to identify a single, specific trader in isolation of other elements contained within the mark.

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July 2006
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ⁱ At [24].

ⁱⁱ At [65].

ⁱⁱⁱ At [1].

^{iv} At [82].

^v At [48].

^{vi} At [51].

^{vii} At [57].

^{viii} At [56].

^{ix} At [97] – [100].

^x At [121].