

Article Information

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Service: Intellectual Property

Allergan v Self Care IP Holdings: PROTOX - Not such an alternative

The recent decision of *Allergan Australia Pty Ltd v Self Care IP Holdings Pty Ltd* [2021] FCAFC 163 is a prime reminder that even promoting a product as an alternative to a competitor can result in trade mark infringement.

Introduction

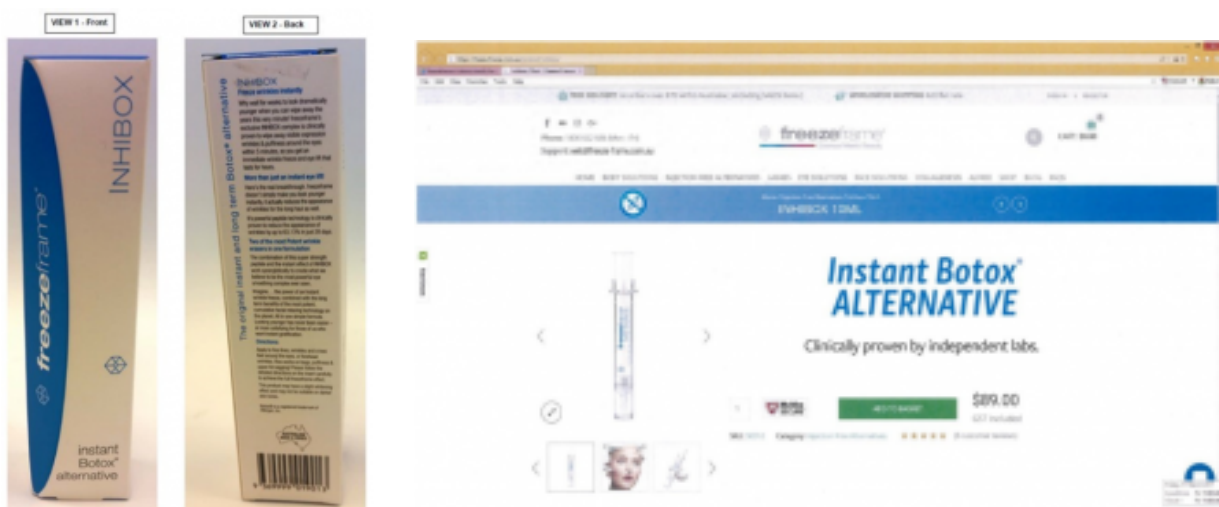
The Full Court found that the use of PROTOX and “*instant Botox® alternative*” by the Respondent were deceptively similar to the Appellant’s trade mark BOTOX, and that the product claim of “*clinically proven to prolong the effect of Botox®*” was misleading or deceptive to consumers.

BOTOX and the Self-Styled “Alternative” PROTOX

This decision concerned the famous anti-ageing product “Botox.” The manufacturer of Botox, Allergan, is also the owner of various trade marks for BOTOX, including the defensive word mark BOTOX for class 3 “...*anti-ageing creams; anti-wrinkle cream.*”

Self Care IP Holdings also sold cosmetic products, including an anti-ageing product trade marked as PROTOX, sold under the umbrella trade mark of FREEZEFRAME.

The PROTOX packaging stated that the product was “*clinically proven to prolong the effect of Botox®*” and “*instant Botox® alternative*”:



Allergan commenced proceedings in the Federal Court and alleged trade mark infringement pursuant to section 120 of the *Trade Marks Act 1995* (Cth) (**Act**) and contraventions of the *Australian Consumer Law (ACL)*, including misleading & deceptive conduct.

At trial, Justice Stewart held that BOTOX’s reputation prevented a finding of deceptive similarity under section 120 of the

Act – such was BOTOX’s fame and popularity, it was unlikely that consumers would be confused by PROTOX, or its use of BOTOX on those products, advertising and packaging.

Given these findings, Allergan appealed to the Full Court.

Appeal

Trade Mark Infringement – PROTOX

Allergan claimed that Self Care, in using PROTOX as a trade mark, infringed BOTOX under section 120(1) of the Act.

To determine whether section 120(1) of the Act states that:

“(1) 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.”

To determine deceptive similarity, 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.^[1] The threshold for this test is whether an ordinary person, with an imperfect recollection of the two trade marks, would be caused to wonder about that the products in respect of one trade mark come from the same source as products the subject of the trade mark said to be infringed.^[2]

However, the provisions of section 120(1) of the Act are not directed towards confusion between the trade marks or products themselves, but rather the *source* of the products.

Self Care reiterated the “*too famous a trade mark for confusion*” argument, however the Full Court did not accept it:

- PROTOX so nearly resembles BOTOX that there was a real risk that PROTOX would deceive or cause confusion as to whether the two products might come from the same source;
- While consumers would not have confused PROTOX for the actual BOTOX product, that did not mean that PROTOX would not cause consumers to wonder about the source of the differing products;^[3] and
- For example, consumers may consider that PROTOX was developed as an alternative product line to BOTOX, to improve or prolong results.^[4]

As a result, the Full Court held that PROTOX was deceptively similar to BOTOX for the purposes of section 120(1) and 10 of the Act.

Trade Mark Infringement – “Instant Botox® Alternative”

In respect of “*instant Botox® alternative*”, the Full Court also found that this constituted trade mark infringement.

Justice Stewart at first instance held that the word “*instant*” and “*alternative*” were descriptive in nature and emphasised that PROTOX was not a BOTOX product and simply an alternative. As such, the phrase “*instant Botox® alternative*” did not constitute trade mark infringement. The Full Court did not accept this argument:

- While the word “*alternative*” implies a choice of products, it does not imply or clarify that the *source of the products* is different;^[5]
- The phrase was prominently displayed on the packaging of the products, supporting an argument of use as a trade mark;
- Given the similarities in the words PROTOX vs BOTOX, the PROTOX labelling as “*instant Botox® alternative*” implied an association in the trade source between the respective products.^[6]

As a result, Self Care was held to have infringed the BOTOX trade mark pursuant to section 120 of the Act.

Comparative Advertising

Comparative advertising has been defined by the Court as meaning “*advertising which promotes goods or services by comparing them, to their advantage, with the goods or services of a competitor.*”^[7] Businesses utilise comparative advertising as a marketing strategy to advertise a product positively in comparison to a competitor’s product. The overall aim is to ensure that the advertised product is presented as superior and distinctly different to the competitor’s product.

Self Care argued that it had a defence of “comparative advertising” pursuant to section 122 of the Act.

Section 122(1)(d) of the Act provides that:

"in spite of section 120, a person does not infringe a registered trade mark when: ...the person uses the trade mark for the purposes of comparative advertising."

It was apparent that Self Care was intending to leverage off the significant reputation and goodwill of BOTOX, rather than advertise its products comparatively with BOTOX.

The Court rejected that Self Care could rely on this defence. Self Care had used the phrase *"instant Botox® alternative"* as a trade mark and was not used in good faith for comparative purposes.

"instant Botox® alternative" - "clinically proven to prolong..." - Contraventions of ACL

Allergan alleged that the use of *"instant Botox® alternative"* and *"clinically proven to prolong the effect of Botox®"* was misleading or deceptive under section 18 of the ACL as it conveyed that Self Care products would achieve:

- Results of the same standard of quality as Botox; and
- The same performance uses or benefits as Botox.^[8]

The Full Court considered *"reasonable members"* of the brand's target market to help define how *"instant Botox® alternative"* and *"clinically proven to prolong..."* was interpreted in the everyday market. A *"reasonable member"* of the target market was referred to as an individual that does not have extensive knowledge about cosmetic products. The Full Court agreed with the above - a reasonable consumer would have understood the phrase *"instant Botox® alternative"* to have lasted as long as Botox, or at least prolong its effects.^[9] Evidence submitted to the Court indicated that the Self Care products would only last for a period of 28-days from application;^[10] a lot shorter than 4-months.

Take Aways

Given the outcome of this appeal, businesses should be wary about using comparative advertising, particularly where that advertising relies on competitors' trade marks. While the *"comparative advertising"* defence of section 122 allows for some comfort, it does not protect a party wholly from risk of trade mark infringement, particularly if that party seeks to leverage off another brand's trade mark.

It is important that businesses critically evaluate their competitors' products and associated trademarks before applying comparative advertising. This will ensure that there is a distinct comparative element to their strategy and not a similarity.

Businesses should also consider how their marketing strategy will be interpreted by the reasonable consumer so as to mitigate unintended leveraging of another brand's reputation. In the situation of *Allergan*, the average reasonable consumer was noted to only have an introductory knowledge about cosmetic products and would likely be unaware of the different origins of PROTOX and BOTOX, given their similarity.

Piper Alderman has a nationally recognised intellectual property practice, dealing with issues of trade mark infringement issues and claims on a daily basis. Feel free to contact Tim O'Callaghan on 08 8205 3450 if you need any advice on your intellectual property rights.

^[1] *Trade Marks Act 1995* (Cth) s 10.

^[2] *Southern Cross Refrigerating Co v Toowoomba Foundry Pty Ltd* (1954) 91 CLR 592, 608 (Dixon CJ, McTiernan, Webb, Fullagar and Taylor JJ).

^[3] *Allergan Australia Pty Ltd v Self Care IP Holdings Pty Ltd* [2021] FCAFC 163, [41].

^[4] *Ibid* [43].

^[5] *Ibid* [57].

^[6] *Ibid*.

^[7] *Gillette Australia Pty Ltd v Energizer Australia Pty Ltd* [2002] FCAFC 223.

^[8] *Allergan Australia Pty Ltd v Self Care IP Holdings Pty Ltd* [2021] FCAFC 163, [84].

^[9] *Ibid* [109].

[\[10\]](#) Ibid [113].