

## Article Information

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## BIG MAC v BIG JACK: Burger battles over trade mark registrations

***Fast food giants, McDonald's and Hungry Jack's have been embroiled in a meaty fight over the well known 'Big Mac' burger, and Hungry Jack's "cheeky" 'Big Jack' range. Importantly, this is one of the first Federal Court interpretations of the High Court's recent decision in Self Care IP Holdings v Allergan Australia Pty Ltd [2023] HCA 8. We reported on Self Care [here](#).***

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### Background

McD Asia Pacific LLC (**McD Asia**) and McDonald's Australia (collectively, **McDonald's**) are respectively the licensor, and authorised user of the branding associated with the "McDonald's" chain of fast food restaurants. McDonald's is, in particular, well-known for its "BIG MAC" hamburger, which has been sold in Australia since 1971.<sup>[1]</sup>

Hungry Jack's Pty Ltd (**Hungry Jack's**) is a competitor of McDonald's, most well known for its "Hungry Jack's" fast food restaurants which also sell hamburgers.<sup>[2]</sup> Hungry Jack's has also been operating in Australia since 1971.<sup>[3]</sup>

McD Asia is the owner of two Australian trade mark registrations for the words "BIG MAC", being Trade Mark Nos 271329 and 271330, in classes 29 and 30 respectively. Both of these registrations were filed on 14 August 1973 (**BIG MAC registrations**).<sup>[4]</sup> McD Asia is also the owner of Trade Mark No 1539657 for the words "MEGA MAC" which was filed on 7 February 2013 in class 30 (**MEGA MAC registration**).<sup>[5]</sup>

Hungry Jack's is the owner of registered Australian Trade Mark No. 2050899 for "BIG JACK" filed on 14 November 2019 in classes 29 and 30 (**BIG JACK registration**).<sup>[6]</sup> Hungry Jack's trade mark application No. 2115199 for "MEGA JACK" was filed on 27 August 2020 in classes 29 and 30, and is currently opposed by McDonald's.

In early 2020, Hungry Jack's began to sell hamburgers by reference to the trade marks "BIG JACK" and "MEGA JACK", an arguable play on McDonald's "BIG MAC" and "MEGA MAC" hamburgers. Hungry Jack's also claimed that its "BIG JACK" hamburgers contained 25% more Aussie beef than an 'unnamed competitor's product' (**Aussie Beef Claim**).<sup>[7]</sup>

### Mac v Jack

McDonald's alleged that Hungry Jack's infringed its BIG MAC registration through Hungry Jack's use of the BIG JACK registration.<sup>[8]</sup> Section 120(1) of the *Trade Marks Act 1995* (Cth) provides that a trade mark is infringing a registered trade mark if it is "substantially identical" or "deceptively similar" to that trade mark in respect of the same or similar goods or closely related services as that of the registered mark.<sup>[9]</sup> Assessing whether a trade mark is "substantially identical" requires a side-by-side comparison and is a high threshold; in this instance, the respective trade marks were not substantially identical.

To determine deceptive similarity, the trade mark must be assessed on the basis of "whether there is a real, tangible danger of deception or confusion occurring."<sup>[10]</sup> It is a lower threshold than "substantially identical". This required the Court to compare the impression that the notional buyer would have of the BIG MAC registration against that notional buyer's view of the BIG JACK registration and decide if it was likely that a consumer would confuse a Big Mac burger for a Big Jack burger, or be "caused to wonder" if the Big Jack burger was actually a McDonald's product. That risk of confusion must "finite and non-trivial".

In the past, there has been conflicting authority over whether reputation in a trade mark can be a factor in determining deceptive similarity under section 120(1). At the time of the hearing, the issue of reputation in a trade mark, and its relevance (if any) to an assessment of deceptive similarity, was still being considered by the High Court in *Self Care IP Holdings Pty Ltd v Allergan Australia Pty Ltd*<sup>[11]</sup> (**Self Care**). His Honour delayed handing down judgment until *Self Care* was delivered.

In *Self Care*, the High Court definitively held that, when assessing deceptive similarity under section 120(1), reputation of the registered trade mark and its owner is not relevant.<sup>[12]</sup> Noting this, Burley J held that McDonald's significant reputation in its trade marks was irrelevant in determining if the BIG JACK registration was deceptively similar with the BIG MAC registration.<sup>[13]</sup>

His Honour held that the word "BIG" is descriptive, and that a consumer who does not know of McDonald's would understand the word to describe the size of a hamburger, noting the relevant class of the registration.<sup>[14]</sup> "BIG MAC" and "BIG JACK" must be compared based on the typical consumer's imperfect recollection, rather than side by side.<sup>[15]</sup> His Honour did not believe that typical consumers would confuse "JACK" for "MAC" or BIG JACK for BIG MAC, or be "caused to wonder" if Hungry Jack's BIG JACK hamburger is affiliated with McDonald's.<sup>[16]</sup>

### **MEGA Battle**

McDonald's also alleged that Hungry Jack's infringed its MEGA MAC registration through its use of MEGA JACK.<sup>[17]</sup> This infringement claim was, however, also unsuccessful and Burley J was not convinced that consumers would confuse "MEGA JACK" with "MEGA MAC" or be caused to wonder whether the hamburgers sold under the MEGA JACK brand were associated with the trader selling MEGA MAC hamburgers.<sup>[18]</sup> His Honour held that as with the word "BIG", a person unfamiliar with McDonald's would understand the word "MEGA" to convey something about the size of a hamburger.<sup>[19]</sup>

### **"25% more Aussie Beef"?**

McDonald's also alleged that Hungry Jack's engaged in misleading or deceptive conduct in contravention of section 18 of the *Australian Consumer Law (ACL)* in two of its television commercials promoting the BIG JACK and MEGA JACK hamburgers.<sup>[20]</sup>

Hungry Jack's employed a marketing slogan claiming that when compared to an 'unnamed competitor's product', the BIG JACK and MEGA JACK hamburgers had 25% more Aussie Beef.<sup>[21]</sup>

The primary issue in dispute regarding the Aussie Beef Claim was whether the commercials referred to the cooked or uncooked weight of the "BIG JACK" and "MEGA JACK" meat patties.<sup>[22]</sup> Hungry Jack's claimed that a viewer of its commercials would see that the displayed meat patty was not fully cooked, and understand that the Aussie Beef Claim referred to the pre-cooked patty weight, rather than the cooked weight.<sup>[23]</sup> Hungry Jack's also submitted that the standard practice in the food industry was to refer to the pre-cooked weight of meat, and that a consumer would understand that the Aussie Beef Claim referred to the pre-cooked patty, not the cooked patty.<sup>[24]</sup> Burley J disagreed with Hungry Jack's and held that "a not insignificant number of reasonable customers in the class likely to see the advertisements" would believe that the commercials referred to the cooked weight of the hamburger, rather than the uncooked weight as alleged by Hungry Jack's.<sup>[25]</sup>

Two experts assessed the weight of the BIG JACK and BIG MAC burgers and found that across three samples, the difference in combined weight of the cooked BIG JACK and BIG MAC patties was only 12.5%, 13.9% and 15.3% respectively, substantially less than the 25% advertised by Hungry Jack's.<sup>[26]</sup>

Having regard to this evidence, his Honour held the Aussie Beef Claim misled consumers, as the BIG JACK patties did not contain 25% more Aussie beef than the BIG MAC patties, and therefore misrepresented the size of the hamburger to consumers.<sup>[27]</sup> As such, Hungry Jack's was found liable under section 18 of the *Australian Consumer Law* for misleading or deceptive conduct.

### **Key Takeaways (Pun Intended)**

Whilst McDonald's trade mark infringement case against its biggest rival was unsuccessful, it did have some success in its ACL claim against Hungry Jack's. Adopting the principles of *Self Care* regarding the role of reputation in determining "deceptive similarity" under section 120(1), his Honour disregarded the sizeable reputation that McDonald's likely had in its registered BIG MAC and MEGA MAC trade marks. For context, as at 2020, McDonald's had over 890 outlets in Australia, all selling the popular Big Mac hamburger to consumers across the nation.

This case also demonstrates the importance of context in assessing misleading and deceptive conduct under the ACL, and reviewing the impugned conduct within the context of the consumer's purchase or knowledge of the product. It may be

common at a steak restaurant to advertise the pre-cooked weight, but not a quick-service / fast food restaurant.

Piper Alderman has a nationally recognised intellectual property practice which has experience in both registering trade marks and in enforcing intellectual property rights in all Australian jurisdictions.

[1] *McD Asia Pacific LLC v Hungry Jack's Pty Ltd* [2023] FCA 1412, [2].

[2] *Ibid*, [3].

[3] *Ibid*.

[4] *Ibid*, [8].

[5] *Ibid*, [9].

[6] *Ibid*, [10].

[7] *Ibid*, [184].

[8] *Ibid*, [26].

[9][9] *Trade Marks Act 1995* (Cth) s 120(1).

[10] *McD Asia Pacific LLC v Hungry Jack's Pty* [2023] FCA 1412, [36] citing *Southern Cross Refrigerating Company v Toowoomba Foundry Pty Ltd* (1953) 91 CLR 592, 595; *Registrar of Trade Marks v Woolworths Ltd* [1999] FCA 1020; (1999) 93 FCR 365, [50]; *Campomar Sociedad Limitada v Nike International Ltd* (2000) 202 CLR 45, [83].

[11] (2023) 408 ALR 195.

[12] *Ibid* [36].

[13] *McD Asia Pacific LLC v Hungry Jack's Pty* [2023] FCA 1412, [94].

[14] *Ibid* [96].

[15] *Ibid* [101].

[16] *Ibid* [105].

[17] *Ibid* [124].

[18] *Ibid*.

[19] *Ibid* [119].

[20] *Ibid* [182].

[21] *Ibid* [184].

[22] *Ibid* [190].

[23] *Ibid* [190].

[24] *Ibid* [202].

[25] *Ibid* [207].

[26] *Ibid* [215].

[27] *Ibid* [216] – [217].