

## Article Information

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## Katy Perry and Katie Perry: Why fame is not paramount in trade mark litigation

**The High Court has recently concluded a 15 year trade mark battle between Australian fashion designer Katie Perry and globally renowned pop star Katy Perry, providing important guidance on reputation as well as deception and confusion in trade mark litigation.**

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### Background

The appellant, Katie Taylor, whose birth name is Katie Jane Perry and who used that name from around 2006 until her marriage in 2015,<sup>[1]</sup> is an Australian fashion designer (**Ms Taylor**). On 13 September 2007, she applied to register a trade mark in class 42 for “*clothing and fashion designing*”, with the prominent feature being the words “KATIE PERRY”.<sup>[2]</sup> At that time, she had no knowledge of the American singer-songwriter Katy Perry.<sup>[3]</sup>

In August 2008, Ms Taylor came to understand that she should seek registration of a word mark in respect of clothing for better brand protection.<sup>[4]</sup> Accordingly, on 29 September 2008 (**Priority Date**), she applied to register Australian Trade Mark No. 1264761 in class 25 for clothing (**Designer’s Mark**).<sup>[5]</sup>

The second respondent, Katheryn Hudson, who performs under the stage name Katy Perry, is an American singer-songwriter and famous popstar (**Ms Hudson**). She sought registration of the word mark “KATY PERRY” (Australian Trade Mark No. 1306481), which is presently registered in classes 9 and 41, but not in respect of clothing (**Singer’s Mark**).<sup>[6]</sup>

### Procedural History

#### Prior Proceedings

In July 2008, Ms Hudson’s career manager began considering the sale of branded clothing and merchandise in countries where Ms Hudson enjoyed significant popularity, including Australia.<sup>[7]</sup> By September 2008, merchandise including t-shirts bearing the Singer’s Mark had been approved for retail sale and were available via Ms Hudson’s online store.<sup>[8]</sup>

On 24 October 2019, Ms Taylor commenced proceedings in the Federal Court of Australia against Ms Hudson and her companies, alleging that they had infringed the Designer’s Mark by importing, marketing, and selling clothing in class 25 bearing the Singer’s Mark, in contravention of s 120 of the *Trade Marks Act 1995* (Cth) (**TMA**), or were otherwise liable as joint tortfeasors.<sup>[9]</sup>

Ms Hudson cross-claimed for rectification of the Register, seeking cancellation of the Designer’s Mark pursuant to ss 88(2)(a) and 88(2)(c) of the TMA. At first instance, the primary judge found in favour of Ms Taylor, holding that Ms Hudson had established a reputation in Australia within music and entertainment, but that this reputation did not extend to clothing.<sup>[10]</sup>

On appeal, the Full Court of the Federal Court (**FCAFC**) overturned those findings and ordered cancellation of the Designer’s Mark.<sup>[11]</sup> The FCAFC held that both s 88(2)(a) and s 88(2)(c) were satisfied, reasoning that the primary judge had placed undue weight on the absence of evidence of *actual* confusion, overlooked the similarity between the marks, and failed to account for the “*common practice*” of pop stars selling merchandise.<sup>[12]</sup> Their Honours further held that the

discretion in s 89 was not enlivened, as Ms Taylor had applied for registration with knowledge of Ms Hudson's reputation and the merchandising practices of pop artists.<sup>[13]</sup> Ms Taylor appealed to the High Court of Australia.

### Legislative Framework

Ms Taylor's appeal concerned the power of the Court to rectify the Register under s 88 of the TMA which deals with the "amendment or cancellation" of registered trade marks. Section 88(1) provides that, subject to ss 88(2) and 89, a prescribed court may, on application, order that the Register be rectified by, relevantly, "cancelling the registration of a trade mark".<sup>[14]</sup>

Section 88(2) limits the grounds upon which rectification may be sought. Relevantly, an application may be made where:

- "any of the grounds on which the registration of the trade mark could have been opposed" are established (s 88(2)(a));<sup>[15]</sup> or
- "because of the circumstances applying at the time when the application for rectification is filed, the use of the trade mark is likely to deceive or cause confusion" (s 88(2)(c)).

The ground in s 88(2)(a) engages s 60 of the TMA,<sup>[16]</sup> which concerns trade marks similar to other marks that have acquired a reputation in Australia. Under s 60, registration of a trade mark may be opposed if, before the Priority Date, "another trade mark had ... acquired a reputation in Australia" and, "because of the reputation of that other trade mark, the use of the [appellant's] trade mark would be likely to deceive or cause confusion".<sup>[17]</sup>

Together, these provisions invite the court to assess whether the continued registration of a trade mark is justified, having regard to the reputation of earlier marks, the likelihood of deception or confusion, and, where s 88(2)(c) is invoked, the circumstances existing at the time rectification is sought.

### Ms Taylor's Grounds of Appeal

Ms Taylor appealed the FCAFC's decision on multiple grounds.

Regarding s 88(2)(a), she argued that the FCAFC erred by conflating Ms Hudson's personal fame with the reputation of the Singer's Mark, and by treating the Singer's Mark as having acquired a reputation in relation to clothing before the Priority Date.<sup>[18]</sup>

In relation to s 88(2)(c), Ms Taylor submitted that the inquiry should be confined to actual, rather than notional, use of the Designer's Mark. Alternatively, even adopting a notional use construction, she agreed with the primary judge's emphasis on the absence of evidence of actual confusion, arguing that the "strength of the Singer's Mark reduced the likelihood of confusion",<sup>[19]</sup> with the reputation of the mark effectively acting as a double-edged sword. She also challenged the FCAFC's conclusion that the discretion in s 89 was not enlivened.<sup>[20]</sup>

## **Key Findings of the High Court**

### Reputation

The High Court reaffirmed that s 60 aims to protect well-known trade marks, whether registered or unregistered, by preventing later registrations where reputation would give rise to a likelihood of deception or confusion.<sup>[21]</sup> This inquiry involves two questions: whether the earlier mark had acquired a reputation in Australia before the Priority Date, and whether use of the later mark would be likely to deceive or cause confusion because of that reputation.<sup>[22]</sup>

"Reputation" was defined as "recognition of [the mark] by the public generally",<sup>[23]</sup> encompassing the credit, image and values associated with the mark.<sup>[24]</sup> Crucially, the High Court emphasised that a trade mark can acquire a reputation only in respect of particular goods or services, and that reputation in one category or class does not automatically extend to others.<sup>[25]</sup> Ms Hudson acquired reputation within music and entertainment, meaning such reputation did not extend to clothing as she contended.

The FCAFC therefore erred by inferring a reputation in clothing from Ms Hudson's fame and general merchandising practices, rather than focusing the inquiry on the use of the Singer's Mark in Australia before the Priority Date.<sup>[26]</sup>

### Deception and confusion

Consistent with *Self Care IP Holdings Pty Ltd v Allergan Australia Pty Ltd*,<sup>[27]</sup> the High Court held that the likelihood of deception or confusion must arise from the Australian reputation of the earlier mark, not from reputation in isolation, or reputation in the abstract. The Court was required to determine whether a "reasonable number of people may be caused to wonder" whether Ms Taylor's clothing was affiliated with Ms Hudson's i.e. whether a trade connection exists between the

two.<sup>[28]</sup>

This inquiry is necessarily hypothetical, focusing on notional normal and fair use rather than merely on actual use. However, the evidence of prolonged coexistence without actual confusion reduced the likelihood that “*people had been or would be deceived or confused*”.<sup>[29]</sup> The High Court rejected the FCAFC’s view that celebrity merchandising practices alone demonstrated a tangible risk of consumer confusion.<sup>[30]</sup> A mere possibility of deception or confusion is insufficient.<sup>[31]</sup>

#### Section 88(2)(c)

Regarding s 88(2)(c), the High Court confirmed that the provision requires consideration of notional use at the time rectification is sought. However, the FCAFC erred in concluding that Ms Hudson’s growing fame necessarily increased the likelihood of confusion. Where the marks had coexisted for over a decade without evidence of confusion, the statutory test was not satisfied.<sup>[32]</sup>

The High Court also cautioned against outcomes that could reward infringing conduct by allowing later market dominance to undermine a validly registered mark.<sup>[33]</sup> This is significant because Ms Hudson sold “Katy Perry” branded apparel at her concerts despite being fully aware of the Designer’s Mark.<sup>[34]</sup> The respondents effectively attempted to use their own long-running infringement to argue that the Designer’s Mark should be cancelled on the basis that its continued use had become confusing due to Ms Hudson’s fame.

#### **Takeaways**

This decision confirms that personal popularity is not paramount: trade mark rights remain limited by statutory tests of reputation, notional use and consumer confusion. Celebrity status or commercial success does not necessarily confer expansive trade mark rights beyond those grounded in reputation as a trade mark.

Importantly, the case serves as an important reminder that reputation attaches to the trade mark itself, not to the individual who uses it, and that such reputation is confined to the specific goods or services in respect of which it has been acquired, rather than extending automatically to others.

Piper Alderman has a nationally recognised intellectual property and technology team with significant experience in trade mark litigation. Please contact Tim O’Callaghan and his team if you require intellectual property advice.

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<sup>[1]</sup> *Taylor v Killer Queen LLC* [2026] HCA 5, [118] (*‘Taylor v Killer Queen’*).

<sup>[2]</sup> *Ibid* [25].

<sup>[3]</sup> *Ibid* [30].

<sup>[4]</sup> *Ibid* [31].

<sup>[5]</sup> *Ibid* [1].

<sup>[6]</sup> *Ibid* [2], [38].

<sup>[7]</sup> *Ibid* [27].

<sup>[8]</sup> *Ibid* [28].

<sup>[9]</sup> *Ibid* [39].

<sup>[10]</sup> *Ibid* [42].

<sup>[11]</sup> *Ibid* [44].

<sup>[12]</sup> *Ibid*.

<sup>[13]</sup> *Ibid* [46].

<sup>[14]</sup> *Trade Marks Act 1995* (Cth) s 88(1).

<sup>[15]</sup> See, eg, *ibid* ss 44, 58 or 60.

[16] *Taylor v Killer Queen* (n 1) [51].

[17] *Ibid* [174].

[18] *Ibid* [47].

[19] *Ibid* [47], [48].

[20] *Ibid* [49].

[21] *Ibid* [52].

[22] *Ibid* [10], [52].

[23] *McCormick & Co Inc v McCormick* (2000) 51 IPR 102, 127 [81] ('*McCormick*').

[24] *Ibid* 128–129 [85], citing *Hugo Boss AG v Jackson International Trading Co Kurt D Bruhl Gesellschaft mbH & Co KG* (1999) 47 IPR 423, 436.

[25] See, eg, *Taylor v Killer Queen* (n 1) [52], [53], [215], [238]–[239].

[26] *Ibid* [189].

[27] (2023) 277 CLR 186, 203 [13]. See also Australia, Senate, *Trade Marks Amendment Bill 2006*, Explanatory Memorandum, 9 [4.10(3)].

[28] *Taylor v Killer Queen* (n 1) [54], citing *Southern Cross Refrigerating Co v Toowoomba Foundry Pty Ltd* (1953) 91 CLR 592, 595 ('*Southern Cross* (1953)'), approved in *Southern Cross Refrigerating Co v Toowoomba Foundry Pty Ltd* (1954) 91 CLR 592, 608 (*Southern Cross* (1954)'). See also *McCormick* (n 23) 127–128 [82].

[29] *Taylor v Killer Queen* (n 1) [294].

[30] *Ibid* [72].

[31] *Southern Cross* (1953) (n 28) 595; *Southern Cross* (1954) (n 28) 608.

[32] *Taylor v Killer Queen* (n 1) [280], [293]–[294].

[33] *Ibid* [117].

[34] *Ibid* [125].

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