

Article Information

Author: Tim O'Callaghan, Travis Shueard

Service: Competition & Consumer, Corporate & Commercial, Intellectual Property, Intellectual Property & Technology, Intellectual Property Litigation, Trade Marks

Why register your trade marks? Lessons from the Battle of the Beers

In this article, we review a recent decision on competing beer brands which highlights the importance of registering trade marks. *Brick Lane Brewing Co Pty Ltd v Torquay Beverage Co Pty Ltd* demonstrates the obstacles that companies face when enforcing unregistered trade marks.

Introduction

Brick Lane Brewing Co Pty Ltd (**Brick Lane**) was recently unsuccessful in claiming that Better Beer, a new zero carb, low calorie beer, produced through a partnership between Torquay Beverage Co Pty Ltd, Mighty Craft Ltd and the comedians "*The Inspired Unemployed*" contravened sections 18 and 29 of the *Australian Consumer Law* set out in Schedule 2 of the *Competition and Consumer Act 2010* (Cth) (**ACL**).[\[1\]](#)

A key part of this decision was the difficulty that Brick Lane had in establishing an association in the state of mind of relevant consumers between Brick Lane's new beer product and its get-up. Given how recently the brand (at the time) had been released to consumers, and a lack of registered trade marks, Brick Lane faced hurdles in convincing the Court that the public would be misled or deceived.

Brick Lane and Torquay Beverage

Brick Lane is a Victorian brewing company that has manufactured, distributed, advertised and sold beer since 2017. Brick Lane developed the new "Sidewinder" range of zero and low alcohol beer in September 2020, which was launched in July 2021, with sales commencing in August 2021.



(Pictured: "Sidewinder" beer can – source: Schedule to Judgment)

The first respondent, Torquay Beverage Co Pty Ltd (**Torquay**), is a producer of alcoholic beverages including beer, and is the applicant for various Better Beer trade mark registrations. The second respondent, Better Beer Co Pty Ltd (**Better Beer Co**) is jointly owned by Torquay, and The Inspired Unemployed, with a 60% and 40% interest respectively. The third respondent is Mighty Craft Ltd (**Mighty Craft**), a public company that specialises in craft beverages.

Shortly after the Sidewinder beer was released, on 26 July 2021, Mighty Craft announced its partnership with Torquay and The Inspired Unemployed to launch a new no carbohydrate full (alcohol) beer in Australia, branded as Better Beer. Production of Better Beer lager commenced in August 2021 with sales commencing in October 2021:



(Pictured: "Better Beer" can – source: Schedule to Judgment)

The Beer Branding

The get-up of both the Sidewinder and the Better Beer beer products had similar features:

- an off-white 355ml can;
- an off-white cardboard cluster and case (where sold by cluster or case);
- forms of orange, yellow and blue stripes wrapped around the can; and
- the use of a similar serif-like font in a dark colour.[\[2\]](#)

Misleading or deceptive conduct

Given these similarities, Brick Lane alleged under section 18 and 29 of the ACL that the packaging and promotion of Better Beer induced or was capable of inducing consumers into:

- mistaking the Better Beer products for the Sidewinder products or vice versa;
- mistaking the Better Beer products as being products in the Sidewinder range or vice versa; and/or
- mistaking the Better Beer products as being low or no alcohol beverages.[\[3\]](#)

Section 18 of the ACL prohibits a person from engaging in conduct, in trade or commerce, that is misleading or deceptive or is likely to mislead or deceive.[\[4\]](#)

Section 29(1) of the ACL states that a person must not, in trade or commerce, in connection with the supply or possible supply of goods, make a false or misleading representation in respect of certain matters such as the goods having particular sponsorship, approval or characteristics etc.[\[5\]](#)

When considering whether consumers are likely to be misled or deceived, it is necessary to review the conduct against surrounding circumstances, including:

- the strength of the applicant's reputation, and the extent of the distribution of its products;
- the strength of the respondent's reputation, and the extent to which the respondent has undertaken advertising of its product;
- the nature and extent of the differences between the products, including whether the products are directly competing;
- the circumstances in which the products are offered to the public; and

- whether the respondent has copied the applicant's product or has intentionally adopted prominent features and characteristics of the applicant's product.[\[6\]](#)

The Importance of Reputation?

An important factor of this case was that neither Brick Lane or the Respondents had registered their respective beer product get-up as trade marks.

When prosecuting a registered trade mark infringement claim, an applicant is not typically required to prove reputation. However, in relation to *unregistered* trade marks and get-up, sections 18 and 29 of the ACL require a claimant to prove the likelihood of consumers being misled or deceived "*having regard to the state of knowledge of consumers*" in relation to the product.[\[7\]](#) This involves proving a level of reputation in the brand.

Given this, Brick Lane needed to identify the features of their products' get-up which were known to consumers and distinctive of their brand.[\[8\]](#)

Stewart J held that on the relevant date of the Better Beer announcement on 26 July 2021, there was no appreciable knowledge amongst the relevant class of persons, that is consumers purchasing beer, of the Sidewinder get-up. Without this recognition, a consumer purchasing beer was unlikely to be familiar with the Sidewinder get-up, and then see the Better Beer product and confuse it with that of Sidewinder.[\[9\]](#)

As a result, Brick Lane was unsuccessful in establishing any appreciable reputation for its products' get-up.[\[10\]](#)

Similarities Between Products

Even if Brick Lane had established some widespread consumer recognition in their product, it was very unlikely that consumers would have been misled into thinking the two products were in some way associated due to any similarity in the get-up of the two beers.[\[11\]](#) While there were similarities between both beers', such as the three-curved stripe design, similar colouring and off-white background, the product's name was significant for consumers when identifying the product in comparison to other features.[\[12\]](#) There was also no proof that the Respondents had intentionally taken elements from the Sidewinder beer can. The Court also considered that the large variety of different beer on the market meant that reasonable consumers were likely to take more particular care in purchasing their products.

The Court held that the respondents' conduct was not misleading or deceptive, nor did it falsely represent any association between the parties' products.

Lessons learnt

This decision is a timely reminder of the importance of registering as a trade mark the distinctive features in the get-up of a product design, as it is difficult to establish strong reputation in a new product under the ACL.[\[13\]](#)

Registering a trade mark can make proving infringement much easier. Section 120 of the *Trade Marks Act 1995* (Cth) does not typically require an applicant to prove reputation, only that the infringing trade mark is "*substantially identical*" or "*deceptively similar*" and is registered in respect of the same/similar or closely related goods or services that the applicant's mark is registered. As can be seen above, if a trade mark is not registered, an applicant must undergo the much more difficult task of establishing reputation and a connection in the mind of the public.

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.

[\[1\]](#) *Brick Lane Brewing Co Pty Ltd v Torquay Beverage Co Pty Ltd* [2023] FCA 66 (*Brick Lane v Torquay*); *Competition and Consumer Act 2010* (Cth), Schedule 2 *Australian Consumer Law* ss 18, 29.

[\[2\]](#) *Brick Lane v Torquay* [8].

[\[3\]](#) *Ibid* [19].

[\[4\]](#) *Competition and Consumer Act 2010* (Cth), Schedule 2 *Australian Consumer Law*, s 18.

[\[5\]](#) *Ibid* s 29(1).

[\[6\]](#) *Verrocchi v Direct Chemist Outlet Pty Ltd* [2016] FCAFC 104; 247 FCR 570 [69] cited in *Brick Lane v Torquay* [34].

[7] *Cadbury Schweppes Pty Ltd v Darrell Lea Chocolate Shops Pty Ltd* [2007] FCA 70; 159 FCR 397 [99] (Black CJ, Emmett and Middleton JJ).

[8] *Mars Australia Pty Ltd v Sweet Rewards Pty Ltd* [2009] FCA 606; 81 IPR 354 [64] cited in *Brick Lane v Torquay* [41].

[9] *Ibid* [97].

[10] *Interlego AG v Croner Trading Pty Ltd* [1992] FCA 992; 39 FCR 348 [387] cited in *Brick Lane v Torquay* [98].

[11] *Ibid* [113].

[12] *Brick Lane v Torquay* [109].

[13] *Competition and Consumer Act 2010* (Cth), Schedule 2 *Australian Consumer Law*.