



HIGH COURT OF AUSTRALIA

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Details of Filing

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**IN THE HIGH COURT OF AUSTRALIA
SYDNEY REGISTRY**

No. S79 of 2022

BETWEEN:

SELF CARE IP HOLDINGS PTY LTD (ACN 134 308 151)
First appellant

SELF CARE CORPORATION PTY LTD (ACN 132 213 113)
Second appellant

AND:

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ALLERGAN AUSTRALIA PTY LTD (ACN 000 612 831)
First respondent

ALLERGAN, INC
Second respondent

RESPONDENTS' SUBMISSIONS

PART I: CERTIFICATION

1. These submissions are in a form suitable for publication on the internet.

PART II: STATEMENT OF ISSUES ON THE APPEAL

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2. The case concerns use by the Appellants (**Self Care**) of the marks PROTOX and *Instant Botox® Alternative* on packaging and otherwise in the promotion of their products, not to describe their products or to compare them to those of the Respondents (**Allergan**), but rather to “leverage off” the fame of BOTOX (primary judgment (**PJ**) [73], [208] Core Appeal Book (**CAB**) 33, 64); Full Court judgment (**FC**) [127] CAB259). That was achieved by the use of deceptively similar marks to Allergan’s registered mark.

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3. Self Care misstates the issues for consideration at [2] of their submissions (**AS**). *First*, there is no dispute between the parties as to whether it is permissible to have regard to the owner of a registered mark’s reputation in a registered mark in considering whether the registered mark has been infringed under s 120(1) of the *Trade Marks Act 1995* (Cth) (**TM Act**). The parties are in agreement that it is not permissible to have regard to reputation in such circumstances. *Secondly*, there is no principled disagreement between the parties concerning the operation of s 122(1)(b)(i) and (d) of the TM Act. The only issue between the parties is whether those provisions apply in the circumstances of this case. *Thirdly*, the question of when a trader may legitimately present a product as an alternative to the market leader does not arise, as Self Care did not present its products as an alternative to those of Allergan.
4. The central issues on the appeal are as follows (*cf.* AS[2]-[6]). Was the Full Court correct in its conclusions that (a) PROTOX is deceptively similar (in the statutory sense) to

Allergan’s registered mark BOTOX; (b) Self Care used *Instant Botox® Alternative* as a trade mark; (c) Self Care’s use of *Instant Botox® Alternative* as a trade mark was deceptively similar to Allergan’s registered mark BOTOX; (d) s 122(1)(b)(i) and (d) did not apply to Self Care’s use of the *Instant Botox® Alternative* mark; and (e) use of *Instant Botox® Alternative* on Self Care’s packaging and website represented that the effect of its Inhibox product would last for a period equivalent to that which would be achieved with treatment by Botox injection? The answer to each of these questions is “yes”, for the reasons elaborated below. In challenging each of these conclusions of the Full Court, Self Care asks this Court to interfere with a series of evaluative judgments involving the application of settled principles to the rather particular circumstances of this case, being—to use the Full Court’s language—matters “*of impression about which differing views can be reached*”: FC[76] CAB245. This Court would be slow to interfere with the Full Court’s conclusions in those circumstances, absent the clear identification of error. No such error has been identified.

PART III: SECTION 78B NOTICE

5. No s 78B notice is considered necessary.

PART IV: MATERIAL FACTS

6. The facts as set out at AS[10]-[16] omit the following critical findings, and further require correction and elaboration in the following respects.
7. It should be emphasised (*cf.* AS[16]) that Allergan’s infringement case, as pressed in the Full Court and challenged in this Court, relates *only* to Allergan’s class 3 defensive mark BOTOX, registered for products such as “*anti-ageing creams; anti-wrinkle cream; beauty care preparations; beauty preparations; beauty care products;... eye wrinkle lotions;... skin care preparations and creams (cosmetic); skincare cosmetics*”: PJ[216]; [293] CAB66, 82; FC [1] CAB225. As an invented portmanteau word (PJ[5] CAB20), BOTOX is distinctive of these class 3 goods. Self Care’s Prottox and Inhibox products are goods in respect of which the BOTOX defensive mark is registered: PJ[216] CAB66.
8. BOTOX has a significant and valuable reputation amongst consumers in Australia, including as a highly effective injectable product reducing the appearance of wrinkles for 4 months after treatment: PJ[11]; [21]; [151]; [499]; [528] CAB21, 23, 51, 127, 132; FC[1]; [91] CAB225, 248. The target market for Self Care products would have included reasonable consumers who understood that this BOTOX product continued to have effect for this 4-month period: FC[91], [109]-[110] CAB248, 254.

9. By contrast, Inhibox does not have long-lasting effects: PJ[84] CAB36; FC[112]-[113] CAB255.
10. The names INHIBOX and PROTOX were chosen by Self Care’s sole director, Sonia Amoroso, “to leverage off” the fame of the BOTOX mark: PJ[73] CAB33; FC[127] CAB259. The name PROTOX was also “intended to be an allusion to BOTOX”: PJ[208] CAB64. While there was no positive finding that there was an intent by Self Care to cause confusion, Ms Amoroso’s evidence that she meant to refer to ‘botulinum toxin’ was rejected as a “convenient reconstruction”: PJ[73] CAB34 (*cf.* AS[14]).
- 10 11. The phrase *Instant Botox® Alternative* was used by Self Care in a number of contexts. Contrary to AS[11], there are not one but two types of packaging for the Inhibox product in issue in these proceedings: one used from 2009 to February 2017 (**Packaging A**) (FC[104] CAB252; PJ[77] CAB34)¹, and another used from September 2016 to about June 2021 (**Packaging B**) (FC[47] CAB238; PJ[78]-[79] CAB34-35)². Advertising also appeared in various forms on Self Care’s website (**Website**) from at least October 2012 (see FC[48] CAB238; PJ[83] CAB35)³. Other advertising for Inhibox is described at PJ[237]-[238] CAB70.
- 20 12. Finally, contrary to the impression given by AS[12] (and the submission at AS[31]), there was no finding that competitors of Allergan supply non-injectable anti-wrinkle creams and liquids using phrases akin to *Instant Botox® Alternative*. In fact, the primary judge found that evidence of the use of the term BOTOX by competitors was limited (PJ[242] CAB71) and as the Full Court observed at FC[37] CAB235, no independent trade evidence was adduced. Critically, there was no evidence (or finding) that the term “instant” was used together with “*Botox® alternative*” by anyone other than Self Care.

PART V: ARGUMENT

A. Uncontentious matters

13. Allergan understands that the following three matters are uncontentious.
14. *First*, the infringement findings Self Care seeks to overturn in respect of the phrase *Instant Botox® Alternative* were not limited to its use of *Instant Botox® Alternative* on Packaging A and Packaging B, but extended to Self Care’s Website advertising: FC[69],
30 [70] CAB243. In order to obtain the relief sought in this Court, Self Care thus needs to

¹ See also Respondents’ Book of Further Materials (**RBFM**) at pp 8-9.

² RBFM at pp 10-11.

³ RBFM at pp 12-17.

overturn the infringement findings in respect of each category of use of the phrase *Instant Botox® Alternative*.

15. *Secondly*, in circumstances where Inhibox does not have long-lasting effects (above at [9]; AS[11]), it is not in dispute that, if use of *Instant Botox® Alternative* on Self Care’s marketing materials conveyed the representation that the effect of Inhibox would last for a period equivalent to that which would be achieved with treatment by Botox injection, the representation was misleading or deceptive, and the Full Court was correct to grant relief in respect of Allergan’s Australian Consumer Law (ACL) claims.
16. *Thirdly*, and critically, reputation should not, as a general matter, be taken into account when assessing deceptive similarity under s 120(1). That is, the parties are *ad idem* on what was framed as the central issue on the special leave application. As explained below, the dispute between the parties is as to the proper interpretation of the Full Court’s judgment, not as to the principles applicable to questions of deceptive similarity.

B. Infringement by PROTOX

17. The sole issue is whether PROTOX is deceptively similar to BOTOX. An example of the packaging is shown at FC[17] CAB229.⁴ An example of website use is in the RBFM.⁵
18. Self Care’s challenge to the validity of BOTOX as a defensive mark (registered under s 185) was rejected and was not appealed: PJ[339] CAB91. There is no challenge to the findings of trade mark use: PJ[198] CAB63; FC[18] CAB229. Further, there is no dispute that the goods in relation to which PROTOX is used are those in respect of which the trade mark is registered in class 3: s 120(1); PJ[215]-[216] CAB66. (Other findings concerning Allergan’s class 5 registrations and use of its injectable product are irrelevant: *cf.* AS[15]-[16], [30], [34].) There are no defences.
19. The statutory inquiry by s 120(1) and s 10 is whether PROTOX so nearly resembles BOTOX that it is likely to deceive or cause confusion. The confusion is as to the source of the products to which the mark relates: s 17.
20. Deceptive similarity occurs if there is a real risk that the result of the use of PROTOX will be that a number of persons will be caused to wonder whether it might not be the case that the two products came from the same source: *Southern Cross Refrigerating Co v Toowoomba Foundry Pty Ltd* (1954) 91 CLR 592 at 608.

⁴ See also RBFM at p 5.

⁵ RBFM at pp 6-7.

21. The assessment of deceptive similarity involves a comparison of the marks from an imperfect recollection of them and an estimation of their effect on the minds of potential consumers: *Shell Co of Australia Ltd v Esso Standard Oil (Australia) Ltd* (1963) 109 CLR 407; *Australian Woollen Mills Ltd v FS Walton & Co Ltd* (1937) 58 CLR 641. The deceptiveness flows not only from the degree of similarity itself, but also from its effect considered in relation to the circumstances of the goods, the prospective purchaser and the market covered by the proprietor's monopoly: *Polaroid Corp v Sole N Pty Ltd* [1981] 1 NSWLR 491 at 498. There may be situations in which a mark may be found to be deceptively similar to another mark even though the differences between them would be readily apparent to the consumer: *Vivo International Corp Pty Ltd v Tivo Inc* (2012) 294 ALR 661 at [145] (Nicholas J, Dowsett J agreeing) citing, among others, *Re John Fitton & Co Ltd's Application* (1949) 66 RPC 110 at 114 ll 28-36 (JESTS and EASYJESTS) (UK Reg).
22. The primary judge found that: the class 3 goods “*are essentially cosmetics that are sold as retail products directly to the public*” (PJ[329] CAB89); class 3 goods and pharmaceutical treatments for skin ageing and wrinkling such as Botox “*share a substantially common market*” and there is “*ample evidence of complementary use of certain skin care products and pharmaceuticals*” (PJ[330] CAB89). Those findings were undisturbed on appeal. They provide the “*setting*” against which the ordinary consumers’ reaction to the marks is measured: *Woollen Mills* at 658-659.
23. At PJ[211] CAB65, the primary judge noted PROTOX and BOTOX “*are undoubtedly very similar in look and sound*” but, at [209] CAB65, rejecting imperfect recollection, he said that “*a consumer is not on seeing or hearing PROTOX likely to mistake it for BOTOX; they are more likely to be reminded of BOTOX*”. His Honour considered that persons of ordinary intelligence and memory are not likely to confuse them.
24. The Full Court held that the primary judge did not ask the correct question: FC[30], [32], [35] CAB232-234. His Honour did not ask whether, by reason of the similarity between PROTOX and BOTOX in relation to the same goods, it might not be the case that consumers would be caused to wonder as to the source of the products. Self Care does not take square issue with the finding of error but seeks to impugn the Full Court’s evaluation of the marks as being deceptively similar in partial reliance on the primary judge’s consideration of product differentiation.

25. The Full Court’s principal reasoning is at FC[41]-[42] CAB236. As to similarity, their Honours endorsed the primary judge’s conclusion that PROTOX would have reminded consumers of BOTOX, which was the reason why the name was chosen. The Full Court recognised that consumers would not have confused the marks themselves on account of their differences. Still, their Honours concluded that the similarities between the marks “*would naturally have led consumers to wonder if perhaps the underlying products came from the same source*”. Those similarities “*imply an association*”.
- 10 26. The Full Court’s evaluation of the effect of the similarities is correct. The visual similarities are strong, with the marks commencing with short consonants before the identical and distinctive -OTOX. The visual similarity is echoed aurally. When spoken, the marks begin with the softer consonants (sounded by the lips initially together then separating) before moving to the identical rhyme contained in the two syllables. The primary judge described it this way: “*The first syllable of each word is similar, having the ‘oh’ sound. The words obviously have the second syllable in common, namely TOX*”: PJ[204] CAB64. While the primary judge regarded the opening letters as generating recognisable difference between the marks (a point on which Self Care focusses), this does not detract from the assessment that they are “*undoubtedly very similar in look and sound*”.
- 20 27. It is those similarities in impression of the marks that “*imply an association*”, as found at FC[42] CAB236, so that consumers will be caused to wonder whether it might not be the case that the beauty products came from the same source. It does not matter whether consumers might wonder if PROTOX were associated so as to “*prolong the look of BOTOX*” (as was intended by Self Care’s director, but not accepted at PJ[206] CAB64), or as being indicative of some favour or advantage, or even as a colloquialism for professional (posed at PJ[206] CAB64). Whatever the nature of the implied association may be, the unchallenged finding below is that upon seeing PROTOX consumers would immediately have been reminded of BOTOX. This is not a case of mere recall: *cf.* AS[43], [50]. The taking of a distinctive word is “*bound to cause confusion*”: *Polo Textile Industries Pty Ltd v Domestic Textel Corp Pty Ltd* (1993) 42 FCR 227 at 232⁶, as is the use of the “*essential and distinguishing feature of the registered mark*”: *Edwards v Liquid*
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⁶ Where confusion from the taking of the distinctive “Polo” was not dissolved by the addition of “Club”.

Engineering 2003 Pty Ltd (2008) 77 IPR 115 at [22]⁷. The closeness of PROTOX with the distinctive registered mark BOTOX in the context of the same goods and the unchallenged findings as to the consumer market compel a conclusion of deceptive similarity. It is no different to the finding of deceptive similarity of NO-TOX to BOTOX in *Allergan, Inc v Di Giacomo* (2011) 199 FCR 126 at [33].⁸

28. Self Care seeks to undermine that result by challenging the Full Court’s reasoning at FC[43] CAB236 where their Honours explained the nature of the confusion that would arise by reference to PROTOX as “*an alternative product being offered by those behind BOTOX, perhaps targeted to those who did not like injections or who wanted the convenience of a home treatment*” or “*developed by those behind BOTOX as a topical treatment to be used in conjunction with Botox treatment, perhaps to improve or prolong results*”. Self Care says this does not compare the right products and erroneously imports the reputation of Botox.
29. It was Self Care who urged on both the primary judge and the Full Court the position that the reputation of BOTOX should be taken into account to counter a finding of deceptive similarity for trade mark infringement under s 120(1): PJ[150]-[151]; [209] CAB51, 65; FC[34(3)] CAB234. No explanation is given by Self Care for its about-face in this appeal.
30. Self Care’s argument below against infringement under s 120(1) relied on the limited proposition identified by the Full Court in *CA Henschke & Co v Rosemount Estates Pty Ltd* (2000) 52 IPR 42 at [52] (an infringement case), said to be suggested by *Registrar of Trade Marks v Woolworths Ltd* (1999) 93 FCR 365 (a registration case), that “*in assessing the nature of a consumer’s imperfect recollection of a mark, the fact that the mark, or perhaps an important element of it, is notoriously so ubiquitous and of such long standing that consumers generally must be taken to be familiar with it and with its use in relation to particular goods or services is a relevant consideration*”. Even on that narrow basis, the Full Court emphasised that, *first*, a wider inquiry of the kind that might be undertaken in a passing off action or in a proceeding in which contravention of the (now) ACL is alleged, is not appropriate, and, *secondly*, any wider proposition concerning the relevance of reputation would not be consistent with authority. The authorities to which

⁷ This finding was not disturbed on appeal: *Liquideng Farm Supplies Pty Ltd v Liquid Engineering 2003 Pty Ltd* (2009) 175 FCR 26.

⁸ Grounds of opposition under s 60 (similarity to a trade mark that has acquired a reputation) and s 44 (identical and deceptively similar trade marks) were upheld. Allergan relies on the finding of deceptive similarity at [33] (read with [26]-[27]) which was “*without recourse to ... reputation*”.

the Full Court referred include *Woollen Mills, Shell, Saville Perfumery Ltd v June Perfect Ltd* (1941) 58 RPC 147, *Aristoc Ltd v Rysta Ld* [1945] AC 68; *de Cordova v Vick Chemical Co* (1951) 68 RPC 103, *Colgate-Palmolive Ltd v K F Pattron* [1978] RPC 635, *Coca-Cola Company v All-Fect Distributors Ltd* (1999) 96 FCR 107 and *Woolworths*.

31. In *Australian Meat Group Pty Ltd v JBS Australia Pty Ltd* (2018) 268 FCR 623 at [41], the Full Court stated that *Henschke* rejected the proposition that reputation is relevant generally to deceptive similarity. The Full Court at [42] declined to entertain the challenge to the limited proposition given it arose in “*unsatisfactory circumstances*” and applied *Henschke* as it was not then persuaded it was plainly wrong (see at [68]-[70]).
- 10 32. The correctness of the limited proposition in *Henschke* has been doubted in commentary: see, e.g., *Shanahan’s Australian Law of Trade Marks and Passing Off* (6th ed) [85.690] (noting the reluctantly resigned position in 7th ed based on *Meat Group*); *cf.* an alternative view in R Burrell and M Handler, *Australian Trade Mark Law* (2nd ed) at p 406.
33. Self Care did not challenge below either *Henschke* or any of the subsequent cases that have applied it. To the contrary, Self Care embraced it. Hence, the Full Court below did not address the legal issue Self Care wishes to pose in this appeal.
34. Despite this, if the point is to be decided, the limited proposition in *Henschke* for infringement under s 120(1) by deceptive similarity under s 10 should be overruled. It departs from the statutory text that focusses on the trade marks. It is inconsistent with
20 long-standing authority. It represents a departure from principle by importing concepts into trade mark law that reside in passing off actions or the ACL. It has the potential to yield anomalous results: a registered trade mark with reputation may favour a finding of deceptive similarity or counter it thereby creating inconsistency and uncertainty.
35. Even if Self Care is permitted to depart from the case it ran below, this does not assist it. The Full Court’s exposition of the nature of the confusion at FC[43] CAB236 is thus responsive to Self Care’s argument on the basis that Self Care considered to be most advantageous to it. Even on that basis, the Full Court held that PROTOX was deceptively similar. That conclusion was correct.

Notice of Contention

- 30 36. The conclusion is reinforced by Self Care’s director’s intention, consistently with *Woollen Mills* at 657. This is Allergan’s notice of contention. The primary judge found at PJ[73] CAB33, that “[g]iven the fame of BOTOX, the intention was obviously to leverage off that fame by the reference”, with the impact on consumers assured as this was the

“inference that the target market would ‘get’”. A benign explanation (that she meant botulinum toxin) was rejected as a “convenient reconstruction”: PJ[73] CAB33. These findings were not disturbed: FC[38] CAB235. No error was found in the primary judge declining to apply the principle from *Woollen Mills* (PJ[208] CAB64; FC[40] CAB235) but the Full Court criticised a premise of his reasoning as to the extent of trade usage of BOTOX, noting that there “was no independent trade evidence adduced”: FC[37] CAB234.

10 37. Self Care’s decision to cleave closely to the distinctive mark BOTOX so as to capitalise on its fame and reputation by creating an impression in the minds of consumers which they would “get” is an intention that invokes the rule in *Woollen Mills*, even without a precise intention to deceive or cause confusion. Capturing consumers by this combination of impression and association with Self Care’s intent (as found) is no less effective than when it is the implement fashioned by a dishonest trader. In this, Self Care sailed too close to the wind: *Wingate Marketing Pty Ltd v Levi Strauss & Co* (1994) 49 FCR 89 at 129C; see also 105F-106B. The Full Court should have held *Woollen Mills* applied in further support of the finding of deceptive similarity.

20 38. Moreover, the deployment of the deceptively similar mark does not bespeak legitimate commercial competition, contrary to AS[59]-[60], [69]. The exploitation of a mark that is deceptively similar to a distinctive registered mark is illegitimate because it uses the distinctive mark as a vehicle for generating consumer interest in its own products.

39. Ground 2 (insofar as it relates to PROTOX) and ground 7 should be dismissed.

C. Infringement by *Instant Botox*® *Alternative* mark

C.1 Trade mark use

30 40. Allergan agrees with Self Care’s summary of principle at AS[18]-[19]. In short, “use” of a trade mark for the purposes of s 120(1) of the TM Act, having regard to s 17, is use as a “badge of origin” in the sense that use of the mark “indicates a connection in the course of trade between goods and the person who applies the mark to the goods”: *E&J Gallo Winery v Lion Nation (Aust) Pty Ltd* (2010) 241 CLR 144 at [43]; *Shell* at 425. The question of trade mark use is an objective one, to be assessed “with resort to common sense”: *Wellness Pty Ltd v Pro Bio Living Waters Pty Ltd* (2004) 61 IPR 242 at [29], citing *Pepsico Australia Pty Ltd v Kettle Chip Company Pty Ltd* (1996) 33 IPR 161 at 163. The context of the use of the mark should be considered: *Johnson & Johnson*

Australia Pty Ltd v Sterling Pharmaceuticals Pty Ltd (1991) 30 FCR 326 at 340, citing *Shell* at 422, 424-425.

41. There is no dispute between the parties as to the principles governing the question of trade mark use. Rather the dispute is as to whether, applying those principles, *Instant Botox® Alternative* was used as a trade mark for the purposes of s 120 of the TM Act.⁹ The Full Court was correct so to conclude at FC[70] CAB243. To explain why that is so, each of Packaging A, Packaging B and the Website must be considered separately.
42. As to Packaging A: The phrase *Instant Botox® Alternative* is, as the primary judge accepted, “sufficiently short and catchy such as to possibly amount to [a] label for products and as such serve to distinguish them” (PJ[234]; CAB70 see also PJ[240] CAB71 and FC[50] CAB239). The phrase appears in stylized text, with each word separated by a horizontal line, together giving the phrase the appearance of a brand. The phrase appears in a distinct location on the packaging; it is separated from the mark FREEZEFRAME with a different-coloured background, and is also separated from the mark INHIBOX through use of a differing orientation. Accordingly, *Instant Botox® Alternative* is given prominence on the packaging, and does not appear as a description of either FREEZEFRAME or INHIBOX. Rather, *Instant Botox® Alternative* is used as a separate trade mark. It draws in the consumer and distinguishes Self Care’s anti-wrinkle cream from the creams of other traders, functioning so as to indicate a connection between the product and the maker of the product. The submission at AS[22] should be rejected.
43. Contrary to AS[21], it is wrong in principle to break the phrase *Instant Botox® Alternative* down into its component words in assessing trade mark use. The mark must be assessed as a whole and in context: see *Caterpillar Loader Hire (Holdings) Pty Ltd v Caterpillar Tractor Co* (1983) 48 ALR 511. When such an analysis is undertaken, it is clear that *Instant Botox® Alternative* is used as a trade mark. It is similarly not to the point that Packaging A exhibits multiple marks (namely, INHIBOX and FREEZEFRAME in addition to *Instant Botox® Alternative*); it is well-settled that multiple marks may appear on one product, with “different degrees of strength and subtlety”: *Anheuser-Busch Inc v Budejovicky Budvar* (2002) 56 IPR 182 at [191]. When Packaging A is considered as a whole, *Instant Botox® Alternative* is used as a trade mark.

⁹ Allergan did not contend that Self Care made a use as a trade mark of BOTOX simpliciter: cf. AS[25]. While the primary judge at PJ[247]-[254] CAB72-74 addressed whether Self Care had used BOTOX simpliciter, this was not put as infringing use. The reasons the primary judge gave were also relied on in respect of *Instant Botox® Alternative* and so the Full Court’s analysis of those paragraphs is understandable on that basis.

44. Finally, contrary to AS[23], *Irving’s Yeast-Vite Ltd v Horsenail* (1934) 51 RPC 110 is distinguishable, as the Full Court rightly observed at FC[66] CAB242. The location of the mark *Instant Botox® Alternative* on Packaging A (being separate from the marks INHIBOX and FREEZEFRAME), the presentation of the phrase *Instant Botox® Alternative* using stylized text, and the absence of punctuation makes clear that *Instant Botox® Alternative* is not a mere description of the features of the product, nor does it describe similarities or differences between two products. Further, unlike the phrase “*yeast tablets, a substitute for Yeast-Vite*”, which includes a generic description of the product in question (“*yeast tablets*”) followed by a truly comparative statement after a comma indicating the latter clause is a description of the former, (“*, a substitute for Yeast-Vite*”), here a single clever compound phrase is used – *Instant Botox® Alternative* – operating as a badge of origin of the product. This usage is analogous to the use of the mark TUB HAPPY in *Mark Foys Ltd v Davies Coop & Co Ltd* (1956) 95 CLR 190. Adopting Williams J’s observations at 205 (with which Dixon CJ agreed), “[*t*]he public are not being invited to compare the [INHIBOX] goods of the [Appellants] with the [BOTOX] goods of the [Respondents]. They are being invited to purchase goods of the [Appellants] which are to be distinguished from the goods of other traders partly because they are described as [Instant Botox® Alternative] goods” [emphasis added]. In this way, Self Care uses *Instant Botox® Alternative* as a trade mark on Packaging A.
45. As to Packaging B: The same analysis as that set out above in respect of Packaging A broadly applies. Once again *Instant Botox® Alternative* – a “*short and catchy*” phrase – appears separated from the FREEZEFRAME and INHIBOX marks on the packaging both in terms of location, and orientation. Stylized text is used for the phrase *Instant Botox® Alternative*, which stands out against the white background of the packaging. The phrase *Instant Botox® Alternative* appears in a central location on the packaging, at the bottom and centre of the packaging, immediately attracting a consumer’s attention. The phrase once again, viewed objectively, operates as a badge of origin, and is used as a trade mark.
46. As to the Website: The position is even clearer with respect to the Website, as the Full Court rightly observed at FC[69] CAB243. As can be seen at FC[48] CAB238 (see also RBFM at p 16), *Instant Botox® Alternative* appears prominently on that page, in large and bold blue font. The font is stylized so that the words “*Instant Botox®*” are the same size (horizontally) as the word “*Alternative*”, so that the entire phrase has the appearance of functioning as a brand. The phrase *Instant Botox® Alternative* is significantly more

prominent than either INHIBOX or FREEZEFRAME on the page and appears beside the product and above the green “Add to Basket” button. Viewing the Website objectively and as a whole, *Instant Botox® Alternative* is a catchy and grabby sign that operates on the Website once again as a badge of origin. It is used as a trade mark.

47. It follows that the Full Court was correct to conclude that *Instant Botox® Alternative* was used as a trade mark on both Self Care’s packaging and its website at FC[70] CAB243. No error in that conclusion has been identified. Indeed, on a fair reading of FC[57]-[70] CAB240-243, the Full Court’s approach to trade mark usage was wholly orthodox. At FC[57]-[63] CAB240-242 the Court considers the impact of the word “*alternative*” on the question of trade mark use, by reference to *Yeast-Vite* and *Mark Foy’s*. At FC[64] CAB242, the “*critical question*” is correctly stated: “*whether the phrase as a whole was used as a trade mark*” which was said to involve “*an assessment of the phrase in the context and way in which it is used.*” That statement of principle is unobjectionable. In the paragraphs that follow, the question of trade mark use is considered having regard to the use of *Instant Botox® Alternative* in context. The Full Court considered the meaning of the mark on its face (consistently with *Shell*) at FC[65] and [66] CAB242. At FC[66], *Yeast-Vite* is distinguished, with the Court finding that the mark is not “*purely descriptive*”. At FC[67]-[68] CAB242-243, the Full Court responds to reasoning of the primary judge and, at FC[69] CAB243, the use of *Instant Botox® Alternative* on the Website is considered. The prominence of the *Instant Botox® Alternative* mark is emphasised. That is entirely consistent with authority. Finally at FC[70] CAB243 the Full Court concludes that *Instant Botox® Alternative* on the packaging and in the website advertising “*was being used to identify the product and to distinguish it from those of other traders*”. That is once again an orthodox description of trade mark use, picking up the language of s 17 of the TM Act. No error in the reasoning has been identified.
48. To the extent that Self Care complains that the Full Court impermissibly introduced questions of deceptive similarity at the “*use*” stage (see AS[24]-[28]), that complaint should be rejected. While it is accepted that questions of “*use*” and “*deceptive similarity*” are separate, they are linked, both legally and factually, given that (a) deceptive similarity cannot arise without trade mark use, and (b) how a mark is used as a trade mark is relevant to the deceptive similarity analysis. This is especially so where, as here, Self Care contended that its use was solely descriptive and comparative relying on what it says is the semantic content of the phrase. The reasons of the primary judge and the Full Court

attempt to grapple with those links. That can be seen clearly at FC[75] CAB244, where the Full Court observes that matters relevant to “use” are also relevant to “*deceptive similarity*”. The Full Court cannot be criticised for such an approach. In any event, in circumstances where the Full Court’s conclusion with respect to trade mark use was correct, the criticisms of the Full Court’s reasoning cannot sound in relief.

49. Finally, Allergan agrees with the submission at AS[32] that, as a matter of principle, the reputation in a registered mark or in its manner of use ought not inform the question of whether an alleged infringer has used words as a trade mark. However, contrary to AS[32], and ignoring any use of the mark by Allergan, BOTOX has no relevant meaning in relation to the registered goods. Thus, at FC[65] CAB242 and consistently with *Shell*, the Full Court considered the idea of the *Instant Botox® Alternative* mark. It did so by reference to Self Care’s arguments against trade mark use which imported knowledge of Allergan’s therapeutic product (a submission maintained at AS[32]). In this way, the Full Court had regard to the fact that Self Care’s reference to Botox® might be understood as a reference to Allergan’s product. In any event, if there is a deficiency in the Full Court’s reasoning at FC[65] CAB242 it once again goes nowhere, given its conclusion as to trade mark use was correct for the reasons set out above. Ground 3 should be dismissed.

C.2 *Deceptive similarity*

50. The Full Court, applying *Shell*, found that the word “*Botox®*” is “*the most distinctive and memorable word*” in the *Instant Botox® Alternative* mark and, as such, it is “*effectively identical to BOTOX*”: FC[73] CAB244. It is surrounded by the two descriptive words, “*instant*” and “*alternative*”: FC[74] CAB244. The Full Court noted that the use of those words around “*Botox®*” “*make the phrase less similar to BOTOX*” but held, applying *Southern Cross*, that the use of the *Instant Botox® Alternative* mark would cause people to wonder whether the different products come from the same source: FC[74], [76] CAB244, 245.
51. Self Care criticises the Full Court’s approach for bringing into play the reputation of BOTOX as an injectable product. The Full Court’s alleged reliance on reputation in this context is denied. Further, as submitted, the Full Court’s reasoning was responsive to Self Care’s case and, to that extent, cannot be criticised.
52. Self Care otherwise seeks to restore the primary judge’s conclusion: AS[35]; PJ[256] CAB74. This is flawed because the primary judge diminished the significance of the word BOTOX, even though he recognised it was the same, and gave unwarranted and

determinative significance to the final word “*alternative*” (PJ[257]; CAB74). That assessment of the *Instant Botox® Alternative* mark does not reflect the impression conveyed by the mark as a whole. Moreover, it is inconsistent with the Full Court’s finding that BOTOX is “*the most distinctive and memorable word*”. Self Care does not challenge that assessment.

53. The question is whether *Instant Botox® Alternative* is deceptively similar to BOTOX. The distinctive word is the same. Shorn of reputation, BOTOX, as an invented word used in relation to cosmetic creams, is meaningless, although the presence of the ® symbol will reinforce its branding significance. (In contrast, Self Care’s argument against deceptively similarity necessarily imports a degree of reputation because it relies on the word “*alternative*” as signifying difference.) Consumers will recall the presence of descriptive words around BOTOX but they will not dwell on the phrase in order to give it concrete meaning, instead taking away the idea that the product is a fast Botox® option. In this way, and as the Full Court said at FC[74] CAB244, the word “*alternative*” “*does not necessarily imply that the products are not associated or that they do not come from the same or an associated source*” (emphasis in original). (See also FC[57] CAB241: “*Describing a product as an ‘alternative’ to another product does not, of itself, say anything about who is offering the choice*”). Contrary to AS[45], there is no expansion of statutory protection because the goods are those in class 3. The finding of deceptive similarity is correct.

54. The Full Court later found that *Instant Botox® Alternative* “*was used to leverage off the reputation of BOTOX*” and not for genuine comparative advertising: FC[127] CAB 259. As a cleverly crafted phrase with “*Botox®*” at its centre, that must be so. The Full Court should also have applied *Woollen Mills* in support of its finding of deceptive similarity for like reasons to those given at [37] above. Ground 4 should be dismissed.

C.3 Defences

55. Comparative Advertising: s 122(1)(d): Section 122(1)(d) of the TM Act provides that “[i]n 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”. The parties are in agreement that (a) the reference to “*the trade mark*” in s 122(1)(d) is a reference to the registered trade mark, here BOTOX (see AS[53]; FC[121] CAB257); (b) while the phrase “*comparative advertising*” is not defined in the TM Act, the phrase bears its ordinary meaning, being that set out at FC[123] CAB258, namely a “*marketing strategy or*

technique by which the advertiser presents the advertiser's product positively, through comparison with a competitor's product" (see AS[54]), and (c) comparisons must be accurate (AS[69]). Where *Instant Botox® Alternative* is used as a trade mark, the dispute between the parties is as to whether the defence applies to the use of that unregistered mark; and, in any event, whether Self Care's use was "*for the purpose of comparative advertising*". Both questions should be answered in the negative.

56. *First*, and contrary to AS[51], the defence does not apply when "a trade mark" is used but rather when "the trade mark" is used, being the "*registered trade mark*" in the introductory words of s 122(1). There is nothing in the language of s 122(1)(d) that permits the defence to be applied to only part of the impugned trade mark use. This is what AS[53] tries to do, but such an approach is inconsistent with principle because it seeks to dissect the mark into constituent parts and fails to give effect to the impugned trade mark as a whole. None of Packaging A, Packaging B or the Website use the BOTOX mark—that is, BOTOX *simpliciter* is not used as a trade mark. Accordingly, where the trade mark used is *Instant Botox® Alternative*, the defence in s 122(1)(d) has no application. The Full Court was correct to so conclude at FC[121] CAB257.
57. *Secondly*, and in any event, any use of the registered mark BOTOX was not used "*for the purposes of comparative advertising*". That is so for the reasons set out above at [44]. Further, and importantly, in circumstances where *Instant Botox® Alternative* is used as a badge of origin for *Self Care's own product*, it could not be said that the references to "*Botox®*" on Packaging A, Packaging B or the Website are used for the purposes of comparative advertising with *Allergan's* products. Self-evidently, in order for an advertiser to present the advertiser's product positively "*through comparison with a competitor's product*" (comparison with a competitor's product being "*essential to the ordinary meaning of the phrase [comparative advertising]*": FC[123] CAB258), the comparison must clearly distinguish between the advertiser's own mark, and that of the competitor which is used for the purposes of comparison. Comparative, as distinct from unilateral, advertising indicates that the advertisement is not mere advertising puff but involves representations of fact which are either true or false: *Gillette Australia Pty Ltd v Energizer Australia Pty Ltd* (2002) 193 ALR 629 at [20], [44], [93]. Where there is confusion as to source, no comparison could be said to be drawn between the advertiser's products and those of a competitor in any meaningful sense. Accordingly, the s 122(1)(d) defence will not apply in such circumstances. That is the case here, where Self Care uses

Instant Botox® Alternative as a badge of origin for its own products, and so cannot be said to use *Instant Botox® Alternative* to compare its products with those of a competitor. As rightly observed at FC[125] CAB258, “[i]t is difficult to imagine how a conclusion could be reached that a person used a trade mark for the purposes of comparative advertising if consumers would be misled into thinking the compared products came from the same source.”

58. This analysis is consistent with the extrinsic materials in respect of s 122 of the TM Act, including the July 1992 Report of the Working Party to Review the Trade Marks Legislation, relied upon by Self Care in its footnote to AS[60]. That Report observed at [2.1.2] (emphasis added) that comparative advertising, being “*the reference to another trader’s mark in a way which does not impute proprietorship in the mark to the advertiser, but merely compares the latter’s goods or services to those bearing the other’s mark*”, should not constitute infringement. In using *Instant Botox® Alternative* as a badge of origin, Self Care uses *Instant Botox® Alternative* in precisely such a way as to “*impute proprietorship to the advertiser*”. Accordingly, together with the reasons given at [44] above, Self Care’s use of *Instant Botox® Alternative* was not a use “*for the purposes of comparative advertising*”. The s 122(1)(d) defence has no application.
59. Descriptive use: s 122(1)(b)(i): Section 122(1)(b)(i) provides that a person does not infringe a registered trade mark when “*the person uses a sign in good faith to indicate: (i) the kind, quality, quantity, intended purpose, value, geographical origin, or some other characteristic, of goods or services*”. The defence can have no application for two related reasons. First, BOTOX is an invented word that is distinctive of the registered goods and of itself conveys no signification that can properly be said to be descriptive. In this way, it is like the registered mark “*Caterpillar*” which, in the infringing mark “*Willoughby’s Caterpillar Loader Hire Service*”, was held not to be descriptive of the registered services comprising, among others, rental and leasing services in respect of equipment such as bulldozers and loaders: *Caterpillar* at 516, 525 and 536. What s 122(1)(b)(i) protects is the use of a mark that is genuinely descriptive of the character or quality of goods in connection with which it is used, where the use is purely for the purposes of description: *FH Faulding & Co Ltd v Imperial Chemical Industries (Aust and NZ) Ltd* (1965) 112 CLR 537 at 543. Secondly, the word “*Botox*” does not describe a quality or character of Self Care’s product, not least because it cannot be said to contain “*Botox*”. Accordingly, Self Care’s use of the phrase *Instant Botox® Alternative* cannot be merely descriptive but

was instead used as a trade mark (for the reasons explained above). (See also FC[65], [66] CAB242, holding that *Instant Botox® Alternative* was not used descriptively.) The defence has no application.

60. Even if s 122(1)(b)(i) could *theoretically* apply (which is denied), for example on the basis that Self Care had some *subjective intention* to use the sign descriptively, even though objectively *Instant Botox® Alternative* was used as a badge of origin (which seems to be the effect of Burley J’s observations in *Bohemia Crystal Pty Ltd v Host Corp Pty Ltd* (2018) 129 IPR 482 at [296], as quoted at FC[132] CAB260), the defence nonetheless would not apply in the present circumstances. This is because, on the concurrent findings below, Self Care did not use the *Instant Botox® Alternative* sign in “good faith” for descriptive purposes. Rather, the sign was chosen “to leverage off” the fame of the BOTOX mark: see above at [10]. This is consistent with *Wellness* at [47] where Bennett J said (albeit in the context of a consideration of s 122(1)(a) rather than s 122(1)(b)), “[t]he requirement for the use to be in good faith imports an absence of intention to make use of the goodwill which has been acquired by another trader.” In seeking to “leverage” BOTOX’s fame, that is *precisely* what Self Care sought to do in using the *Instant Botox® Alternative* mark. This Court could not conclude, in the face of the unchallenged factual finding as to Self Care’s intention to “leverage” off the fame of the BOTOX mark, that Self Care used the *Instant Botox® Alternative* sign “in good faith” for descriptive purposes. On that basis too, the defence has no application, as the Full Court found at FC[134] CAB261.¹⁰

61. Section 122(1)(b) and (d) operate by way of contradistinction: Self Care contends at AS[58] and [61] that, if Self Care was correctly found to have used *Instant Botox® Alternative* as a trade mark, that matter cannot exclude the possibility of the operation of s 122(1)(d) and s 122(1)(b)(i), because if that were so then those provisions would have no work to do once infringement is proved under s 120 of the TM Act. That proposition is not accepted. *First*, in respect of s 122(1)(d), a scenario may arise where a registered mark is used as a trade mark (that is, to distinguish the advertiser’s products from other

¹⁰ See also *Kettle Chip Co Pty Ltd v Pepsico (Aust) Pty Ltd* (1995) 132 ALR 286; 32 IPR 302 (FC), per Lindgren J, where his Honour rejected a defence under s 64(1)(b) of the 1955 Act, on the basis that an attempt to take advantage of a registered mark’s secondary meaning was not use ‘in good faith’. This aspect of the decision was not considered by the Full Court on appeal. See also *FH Faulding* where, at first instance, McTiernan J rejected a defence under s 64(1)(b) of the 1955 Act where ‘prominent’ usage of a registered mark was designed to exploit the possibility of confusion. See also *Samuel Smith and Son Pty Ltd v Pernod Ricard Winemakers Pty Ltd* [2016] FCA 1515 at [129]-[130].

products) but in such a context that makes clear that the use is comparative. *Secondly*, in respect of s 122(1)(b)(i), it may be that the defence operates in scenarios where, while *objectively* a mark is used as a trade mark, the sign was subjectively intended to be used in good faith as a description, and so the defence operates, as contemplated by Burley J in *Bohemia*.

62. However, even if it be the case that s 122(1)(d) and/or s 122(1)(b)(i) have no application where trade mark use is proven, that would not weigh against Allergan’s analysis as set out above. This is so for the reasons given by the Full Court at FC[126] CAB258-259. As the Court there observes, s 120 is entitled “*When is a registered trade mark infringed?*”, and s 122 is entitled “*When is a trade mark not infringed?*” There is no textual basis upon which to conclude that s 122 “*implicitly assumes that relevant use would otherwise infringe or that one must examine the provisions [120 and 122] consecutively*”. Rather, s 122(1)(d) (and s 122(1)(b)) “*operat[e] by way of contradistinction to s 120*” thus for the purposes of s 122(1)(d), “*if a mark is used ‘for the purposes of comparative advertising’, the trade mark will not have been infringed whether or not the use would otherwise constitute an infringement under s 120*”. The same is true of s 122(1)(b)(i); if a mark is used descriptively in good faith, the registered trade mark will not have been infringed, whether or not the use would otherwise constitute an infringement under s 120 (though it should be noted that such infringement is unlikely, as where use is descriptive, it will not be trade mark use). The reference in s 122 to the provision operating “*[i]n spite of section 120*” simply makes clear that a registered mark will not be infringed where s 122 applies, “*whether or not the use would otherwise constitute an infringement under s 120*”, to borrow the Full Court’s language.
63. This is consistent with the observation in *Shanahan’s* (6th ed) at [85.1815] which refers to the fact that the defence in s 122(1)(b) is often considered “*in conjunction with the question of whether the defendant has used the sign as a trade mark, as it is unlikely that s 122(1)(b) will apply to a descriptive word or expression if used in the manner of a trade mark*” and further at [85.1825], which observes that both s 122(1)(b) and s 122(1)(d) “*appea[r] otiose in light of the express requirement of s 120 that infringing use must be use as a trade mark which, as explained at [85.555], requires the use of the trade mark by the defendant to have the purpose of indicating origin in the user.*” Similar observations are made by the authors in *Annotated Trade Marks Act 1995* (3rd ed) at [122.20] in respect of s 122(1)(b): “*[t]here is a conundrum in the subsection: a defence*

is only required if the use would otherwise infringe; but if the use is descriptive of the goods and services it should not be use ‘as a trade mark’ ... so if the conditions for the defence are met, it is not needed and if it is needed then the conditions are not met.”

64. Accordingly, even if the effect of the Full Court’s conclusions on s 122(1)(b)(i) and s 122(1)(d) is that those provisions have little work to do beyond s 120, that would not support a finding of error in the Full Court’s reasons. Such a conclusion is consistent with the text and structure of s 122, which “*operates by way of contradistinction to s 120*” (as the Full Court observed at FC[126] CAB259), and is also consistent with the leading texts on the operation of the provision.

10 65. It follows that Ground 5 should be rejected, as should Ground 2 insofar as it relates to *Instant Botox® Alternative*.

D. Misleading or deceptive conduct

66. The principles in respect of Allergan’s ACL claim are conveniently set out at PJ[416]-[425] CAB109-111 and are not in dispute. The only issue raised by Ground 6 is whether the phrase *Instant Botox® Alternative*, when construed in the context in which it appeared on Packaging A, Packaging B and/or the Website, conveyed a representation that the effect of Inhibox would last for a period equivalent to that which would be achieved with treatment by Botox injection. Importantly, it is not in dispute that, if conveyed, the representation was misleading or deceptive, as the findings below that Inhibox does not have long-lasting effects have not been challenged: see above at [9]. See also FC[114] CAB256 (with FC[85] and [88] CAB247) holding that Self Care did not have reasonable grounds for such a representation as to a future matter.

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67. In order to determine whether the impugned representation was conveyed, it is necessary to consider Self Care’s use of the *Instant Botox® Alternative* phrase in context. The Full Court correctly recognised the significance of context in assessing Allergan’s ACL claim at FC[94], [96], [102], [103] and [110] CAB249, 250, 252 and 254. Nevertheless, nowhere does Self Care seek to grapple with the context in which the *Instant Botox® Alternative* mark appeared on Packaging A, Packaging B or the Website. When regard is had to this context, it is clear the contested representation was indeed conveyed.

30 68. Packaging A included the phrase *Instant Botox® Alternative* together with the text “*The World’s first Instant and Long Term Botox® Alternative*” (PJ[77] CAB34, FC[104] CAB252, RBFM pp 8-9). Packaging B included the same phrase alongside the use of the *Instant Botox® Alternative* mark, as well as the further phrase “[t]he original instant and

10 *long term Botox® alternative*” (PJ[78] CAB34, FC[105] CAB253, RBFM pp 10-11). The Website used the phrase *Instant Botox® Alternative* together with phrases including “FREEZES WRINKLES INSTANTLY” and “REDUCES WRINKLES LONG TERM” (PJ[83] CAB35, FC[106] CAB253, RBFM pp 12-14, 17) – emphasis being added in the above. In circumstances where the target market for Self Care products was found to include reasonable consumers who understood that the BOTOX product continued to have effect for a period of 4 months after treatment (FC[91]; [109]-[110] CAB248, 254), a reasonable consumer viewing Packaging A, Packaging B and/or the Website would likely interpret the *Instant Botox® Alternative* phrase, when read in context, to convey the representation that INHIBOX would last for a period equivalent to that which would be achieved with treatment by Botox injection. It follows that the impugned representation was conveyed, and Ground 6 should be dismissed.

E. Conclusion

69. There is no dispute as to the benefits of legitimate competition by traders properly distinguishing their goods. The provision of accurate information about goods to consumers by way of true comparison that delineates the sources of those goods encourages economic activity, including by new entrants in the market, while protecting the distinctiveness of those competitors’ brands and the investment in those brands. No complaint could be made if that were to occur. But that is not what Self Care did (*cf.* AS[69]). Self Care used deceptively similar marks and engaged in misleading or deceptive conduct so as to trade off the fame and reputation of Allergan’s BOTOX mark. That conduct bespeaks illegitimacy, as the Full Court found in relation to infringement and the ACL contraventions.

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PART VI: NOTICE OF CONTENTION

70. Allergan’s notice of contention has been dealt with above at [36]-[37] and [54].

PART VII: TIME ESTIMATE

71. Allergan estimates that it requires 2.25 hours to present its oral argument.

Dated: 29 July 2022



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ANNEXURE

List of Relevant Statutory Provisions

| No. | Title | Section(s) | Relevant version |
|------------|--|---|--|
| 1. | <i>Trade Marks Act 1995</i> (Cth) | Sections 10, 17, 44, 60, 120, 122, 126, 185 | In force version (Compilation No. 41 dated 1 September 2021) |
| 2. | Australian Consumer Law (Schedule 2 to the <i>Competition and Consumer Act 2010</i> (Cth)) | Sections 18, 29, 232 | In force version (Compilation No. 140 dated 1 July 2022) |