



HIGH COURT OF AUSTRALIA

Manager, Public Information

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HEALTH WORLD LTD v SHIN-SUN AUSTRALIA PTY LTD [2010] HCA 13

In 2006 Health World Ltd ("Health World") initiated proceedings against Shin-Sun Australia Pty Ltd ("Shin-Sun") seeking either to cancel the registration of Shin-Sun's trade mark "HEALTHPLUS" under s 88 of the *Trade Marks Act 1995* (Cth) ("the Act") or to remove the mark from the Register under s 92 of the Act. To have standing to do so, Health World had to demonstrate that it was "aggrieved" within the meaning of ss 88(1) and 92(1). Today the High Court held that, for an applicant to be "aggrieved", it is not necessary to show that the applicant intends to use the trade mark or that it will be appreciably disadvantaged in a legal or practical sense by its continuing registration. It is sufficient that the applicant and the proprietor of the mark are rivals in relation to the goods to which the mark applies.

Health World is the manufacturer and supplier of a probiotic powder, marketed under the name "Inner Health", and of probiotic capsules, marketed under the name "Inner Health Plus". Shin-Sun is the manufacturer and supplier of health supplements, marketed under the name "HealthPlus". On 7 May 2001 Shin-Sun applied for registration of "HEALTHPLUS" as a trade mark and on 12 September 2001 Health World applied for registration of "INNER HEALTH PLUS". Each opposed the registration of the other's trade mark. Health World's opposition failed, Shin-Sun later withdrew its opposition, and both marks were entered on the Register in February 2005.

Health World commenced three separate proceedings against Shin-Sun in the Federal Court of Australia. Only the first two were relevant to today's decision. In the first proceeding, Health World claimed to be an "aggrieved person" under s 88(1) of the Act and sought cancellation of the registration of "HEALTHPLUS" pursuant to that provision. It did so on the ground, among others, that Shin-Sun did not intend to use the mark "HEALTHPLUS" in Australia. In the second proceeding, Health World contended that it was a "person aggrieved" under s 92(1) of the Act and sought removal of the "HEALTHPLUS" mark from the Register pursuant to that provision. It claimed that when Shin-Sun filed its application for registration it lacked an intention in good faith to use the mark in Australia (s 92(4)(a)(i)), and that the mark had not been used in the three years preceding Health World's application for removal (s 92(4)(b)).

The primary judge found that Health World was not an "aggrieved person" under s 88(1) of the Act and was not a "person aggrieved" under s 92(1) of the Act. In both proceedings, Health World appealed to the Full Court of the Federal Court, contending that it did have standing under ss 88(1) and 92(1) of the Act. The Full Court dismissed both appeals.

On 31 July 2009 Health World was granted special leave to appeal to the High Court in both proceedings. Having considered the subject, scope and purpose of the Act, the Court held that the word "aggrieved" was to be liberally construed. The Full Federal Court had held that, for an applicant to be "aggrieved", there must be a reasonable possibility of the applicant being "appreciably disadvantaged in a legal or practical sense" by the trade mark remaining on the Register. The High Court held that the Full Court had erred in treating this as an exhaustive test.

For an applicant to be "aggrieved" it is not necessary to show that the applicant desires or intends to use the mark or could use the mark. It is sufficient to demonstrate that the proprietor of the mark and the applicant are rivals in relation to the goods to which the mark applies. In this case, Health World and Shin-Sun were rivals in selling the health products in question. They were in the same trade, and they each traded in the class of goods in respect of which the challenged mark was registered. The High Court allowed both appeals and remitted the matter to the Full Court for determination of the remaining issues.

- *This statement is not intended to be a substitute for the reasons of the High Court or to be used in any later consideration of the Court's reasons.*