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Daily Civil Law
A Daily Bulletin listing Decisions of Superior Courts of Australia

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CIVIL (Insurance, Banking, Construction & Government)

Executive Summary (One Minute Read)

Energy Beverages LLC v Kangaroo Mother Australia Pty Ltd (FCA) - objection to trade mark registration succeeded as the applicant had had no intention to use or authorise the use of the trade mark in respect of the designated goods at the time of the application (I B)

Data Transfer Services Pty Ltd v White (NSWCA) - borrower was estopped by a provision in a deed in which the borrower stated that the loan monies had been received and that it was indebted (I B)

Hastwell v Parmegiani (NSWSC) - suit against a psychiatrist who had prepared an expert report in contemplation of litigation summarily dismissed on the basis of witness immunity from suit (I)

Hawkesbury City Council v The Civil Experts Pty Ltd trading as TCE Contracting (NSWSC) - it had been open to an adjudicator under the *Building and Construction Industry Security of Payment Act 1999* (NSW) to construe the undefined term “cost” in a “Cost + 25%” construction contract as including offsite overheads of the builder (I B C)

CM v Trustees of the Roman Catholic Church for the Diocese of Armidale; EM v Trustees of the Roman Catholic Church for the Diocese of Armidale (NSWSC) - proceedings for historical child sexual abuse permanently stayed as the defendant would not be able to have a fair trial (I)

HABEAS CANEM

Apprentice painter with yellow tail

AR Conolly & Company Lawyers
Level 29 Chifley Tower, 2 Chifley Square, Sydney NSW 2000
Phone: 02 9159 0777 Fax: 02 9159 0778
ww.arconolly.com.au

Summaries With Link (Five Minute Read)

Energy Beverages LLC v Kangaroo Mother Australia Pty Ltd [2023] FCA 999
Federal Court of Australia
O'Callaghan J
Trade marks - Energy Beverages supplies energy drinks in Australia, and owns trade marks including the word mark MOTHER and a design mark including that word - Kangaroo Mother sought to register KANGAROO MOTHER as a trade mark in respect of similar goods - Energy Beverages opposed registration - a delegate of the Registrar of Trade Marks refused Energy Beverages' opposition - Energy Beverages appealed to the Federal Court under s56 of the *Trade Marks Act 1995* (Cth) - held: although styled an "appeal", this proceeding involved the exercise of the original jurisdiction of the Court - the onus lay on Energy Beverages to establish the grounds of opposition upon which it relied, on the balance of probabilities - s59 of the *Trade Marks Act* provides that the registration of a trade mark may be opposed on the ground that the applicant does not intend to use, or authorise the use of, the trade mark in Australia, or to assign the trade mark to a body corporate for use by the body corporate in Australia, in relation to the goods or services specified in the application - when an opponent has made out a *prima facie* case of lack of intention to use the mark, the onus shifts to the applicant for registration to establish intention to use - in order to demonstrate this, it must be shown that the applicant had a real intention to use, not a mere problematical intention, not an uncertain or indeterminate possibility, but a resolve or settled purpose that had been reached at the date of application - on the evidence, at the time of application, the applicant who later assigned the interest in the application to Kangaroo Mother had had no intention to use or authorise the use of the KANGAROO MOTHER mark in respect of any of the relevant goods - further, s44(1) of the *Trade Marks Act* provides that an application for registration of a trade mark must be rejected if the applicant's trade mark is substantially identical with, or deceptively similar to, a trade mark registered by another person in respect of similar goods or closely related services, or a trade mark whose registration in respect of similar goods or closely related services is being sought by another person, and the priority date for the registration of the applicant's trade mark in respect of the applicant's goods is not earlier than the priority date for the registration of the other trade mark in respect of the similar goods or closely related services - the designated goods for the Kangaroo Mother's mark were largely the same as the designated goods for Energy Beverages' marks - the test for deceptive similarity is not whether consumers might think the marks are the same, but whether there is a real risk that the applicant's use of its mark will cause a significant number of ordinary persons to wonder whether the two products or services come from the same source or are in some way allied - Kangaroo Mother's mark was deceptively similar to Energy Beverages' marks - appeal allowed, and application for registration of the KANGAROO MOTHER Mark refused.
Energy Beverages LLC (I B)

Data Transfer Services Pty Ltd v White [2023] NSWCA 16
Court of Appeal of New South Wales

Ward P, Leeming JA, & Griffiths AJA
Estoppel by deed - White as lender, Data Transfer Services as borrower, and Mina as guarantor entered into a Deed of Loan and Guarantee witnessed by the solicitors acting for each side - the deed provided that "The Borrower agrees with the Lender that subject to the terms of this Deed the Borrower has at the Commencing Date received from the Lender an amount equal to the Facility Limit and that the Borrower is indebted to the Lender for an amount equal to the Facility Limit" - the Facility Limit was defined as $2million - Data Transfer Services contended that it never received $2million from White, and denied it was indebted - the primary judge gave judgment for White in the amount of $2.34million - Data Transfer Services appealed - held: a receipt clause in a deed gives rise to an estoppel binding the parties at common law - the party estopped is therefore unable to adduce evidence that the money had not in fact been received - there is an exception to this principle at common law if the deed were fraudulent or illegal - equity has a jurisdiction to rectify deeds - evidence of the parties' actual bargain is admissible to support a claim for rectification - equity also has a jurisdiction to set aside deeds on other bases including innocent misrepresentation - evidence that a recital or other statement in the deed was untrue is admissible to establish an equitable right to rescind the deed - it is quite wrong to conflate the propositions that (a) equity would admit evidence directed to establishing an entitlement to rectification or rescission and (b) if a case for rectification or rescission was made out, the plaintiff could not rely on the estoppel - it is not the case that in all cases where a recital or other provision in a deed can be shown to be incorrect that it does not give rise to an estoppel - the question in is not whether the recital or provision is incorrect, it is whether the party has made out an entitlement to relief in equity - where, as the primary judge found in this case, the parties had agreed to proceed on a counterfactual basis, there is no basis for rectification in equity - there was therefore no basis for equity to deny White's entitlement to rely on the estoppel created by the Deed - equity has nothing to do in a case where parties had deliberately contracted on a counterfactual basis - appeal dismissed.
View Decision (I B)

Hastwell v Parmegiani [2023] NSWSC 1016
Supreme Court of New South Wales
Cavanagh J
Witness immunity from suit - the plaintiff sued a psychiatrist, who had examined him on the instructions of his former solicitors - the plaintiff sued in negligence, breach of fiduciary duty, and for breaches of the consumer guarantees in the *Australian Consumer Law* - the plaintiff's former solicitors had instructed the defendant to provide a medicolegal report with respect to an employment claim being pursued against the plaintiff's former employer, a law firm - the plaintiff alleged that the report was false, misleading, incorrect, vague, and not fit for purpose, and that it was so poor and the content so wrong that it resulted in his former solicitors ceasing to act for him and abandoning his claim against his former employer in the Australian Human Rights Commission - the plaintiff sought leave to file an amended statement of claim, and the defendant sought that the proceedings be dismissed pursuant to r13.4 of the *Uniform Civil Procedure Rules 2015* (NSW) or struck out pursuant to r14.28 - held: the proposed new

paragraphs in the statement of claim to which the defendant objected were so limited and of so little consequence that leave should be granted to file the amended statement of claim - to have the proceedings dismissed under r13.4, the defendant must establish that the proceedings are frivolous or vexatious, disclose no reasonable cause of action or are an abuse of process - the discretion to dismiss the proceedings at the interlocutory stage should be exercised rarely and only when the Court is satisfied that the proceedings are untenable or so obviously hopeless that they could have no reasonable prospect of success - although such applications are generally not the forum for determining disputed questions of fact, the Court is not precluded from resolving any disputed issues of fact if it is proper and appropriate to do so - an application may be made on the pleadings without the applicant relying on any evidence, and the Court should then proceed on the basis of the truthfulness of the matters of fact contained in the statement of claim - on this application, there was extensive evidence - it is well established that the defence of witness immunity applies to evidence given by witnesses in court, based on the principle of finality of judgments - there is nothing in the relevant High Court authority which suggests that the immunity is not available to an expert preparing a medicolegal report in accordance with the Expert Witness Code of Conduct, irrespective of whether the report was obtained prior to the commencement of proceedings, or after the commencement of proceedings - the immunity from suit is not dependent on whether the author of the report actually gives evidence, or even whether there was any litigation - none of the arguments advanced by the plaintiff provided a basis for overcoming the immunity - he plaintiff's case was bound to fail - leave granted to file amended statement of claim, and proceedings dismissed pursuant to r13.4.
View Decision (I)

Hawkesbury City Council v The Civil Experts Pty Ltd trading as TCE Contracting [2023] NSWSC 962
Supreme Court of New South Wales
Ball J
Security of payments - Hawkesbury Council and The Civil Experts trading as TCE Contracting entered into a construction contract by which TCE agreed to design and construct urgent repair works to a broken sewer line that serviced the township of Windsor - TCE sent a progress claim under the *Building and Construction Industry Security of Payment Act 1999* (NSW), that included a claim for offsite overhead costs, such as accounting and administrative services, insurance, and office supplies - Council did not serve a payment schedule in response - an adjudicator determined that Council was liable to pay TCE about $3.3million - Council sought an order quashing the adjudication determination, on the grounds that (1) TCE had engaged in misleading and deceptive conduct in submitting the payment claim, as it did not clearly state it was a progress claim and did not clearly state that part of the claim was for offsite overheads; (2) that the claim for offsite overheads did not relate to construction work or related goods and services and therefore was not a claim that could be adjudicated under the Act; and (3) that in calculating the amount payable in respect of offsite overheads, the adjudicator acted so unreasonably or capriciously that the determination or part of it was not in accordance with the

Act - held: the covering email to the payment claim clearly drew the reader's attention tabs in the attached spreadsheet, which stated that the claim was a payment claim under the Act - the spreadsheet was not misleading as to what was being claimed - it was open to the parties to agree how TCE would be remunerated for the construction work that it did, and any amount properly characterised as a payment for that work may form part of a payment claim under the Act - the Council had agreed to pay "Cost + 25%" for the construction work, and "cost" was not defined in the contract - the adjudicator interpreted "cost" as a reference to all the costs incurred by TCE (other than legal fees) in carrying on its construction business - that determination was open to the adjudicator and not reviewable by the Court - the offsite overheads were therefore properly part of the payment claim - this construction reached by the adjudicator was not arbitrary or capricious - it was reasonable to seek to apportion the costs by reference to the proportion that the income TCE earned under the contract bore to its total income - Council's proceedings dismissed.
View Decision (I B C)

CM v Trustees of the Roman Catholic Church for the Diocese of Armidale; EM v Trustees of the Roman Catholic Church for the Diocese of Armidale [2023] NSWSC 1000
Supreme Court of New South Wales
Cavanagh J
Historical child sexual abuse - the plaintiffs sought damages from the defendant in respect of acts of abuse said to have been perpetrated on them by a Catholic parish priest in the Diocese of Armidale in 1976, when they were 9 and 10 years old - the plaintiffs' claim was one of vicarious liability for actions of the priest, directly in negligence, and vicarious liability for the negligence of a nun who allegedly knew or ought to have known of the priest's actions - the defendant sought a permanent stay of the proceedings pursuant to s67 of the *Civil Procedure Act 2005* (NSW) - one of the plaintiffs was suffering from stage 4 pancreatic cancer and his life expectancy was limited, and so the parties said the Court should give judgment on the defendant's motion forthwith, even though the High Court had reserved judgment in a case raising the same issues - held: the onus of proving that a permanent stay of proceedings should be granted lies squarely on a defendant - a permanent stay should only be ordered in exceptional circumstances, when the interests of the administration of justice so demand - the categories of cases in which a permanent stay may be ordered are not closed, and one category of case where a permanent stay may be ordered is where the proceedings or their continuance would be vexatious or oppressive, or where that may be the objective effect - proceedings may be oppressive where their effect is seriously and unfairly burdensome, prejudicial or damaging - proceedings may be stayed on a permanent basis where their continuation would be manifestly unfair to a party, or where their continuation would bring the administration of justice into disrepute amongst right-thinking people - these types of applications are essentially fact driven or dependent - extensive delay without more does not justify a stay - the death of a witness does not, of itself, justify a stay, and the mere unavailability of a witness cannot be considered an exceptional circumstance, and the absence of documents would not, of itself, preclude the possibility of a fair trial - the Court had not seen any evidence

to support the plaintiff's claim as part of its direct negligence case that the defendant knew or ought to have known in 1976 that there was a risk that a priest could sexually assault a child he was supervising, causing personal injury, or that the defendant knew or ought to have known that the priest could unlawfully sexually assault an Aboriginal child, causing personal injury - the defendant had carried out all reasonable enquiries - the Court did not accept that the defendant's maintenance of privilege over certain documents constituted a substantial claim for privilege, or that there was any evidence of the defendant withholding any information upon which it might rely at any final hearing - the Court was satisfied that the defendant was unable to have a fair trial, and that these were exceptional circumstances - because the plaintiffs pleaded vicariously liability on two bases, the defendant would be required to meet allegations about the knowledge and conduct of a number of other persons, who might include the nun in question, the Bishop of Armidale at the time, and the Cathedral Administrator at the time, who were all now dead - the defendant would be unable to meaningfully participate in the trial, not just in respect of the primary allegation, but in respect of all of the causes of action pleaded by the plaintiff - both plaintiffs' proceedings permanently stayed.
View Decision (I)

Poem for Friday

An Incantation Founded on the Northern Mythology from Runic Odes: Imitated from the Norse Tongue in the Manner of Mr Gray (1781)

By: Thomas James Mathias (c.1754-1835)

Hear, ye Rulers of the North,
Spirits of exalted worth;
By the silence of the night,
By subtle magic's secret rite;
By Peolphan murky King,
Master of th' enchanted ring;
By all and each of hell's grim host,
Howling demon, tortur'd ghost;
By each spell and potent word
Burst from lips of Glauron's Lord;
By Coronzon's awful power;
By the dread and solemn hour,
When Gual fierce, and Hamad strong,
Stride the blast that roars along;
Or, in fell descending swoop,
Bid the furious spirit stoop
O'er desolation's gloomy plain,
Haunt of warriors battle slain.
Now the world in sleep is laid,
Thorbiorga calls your aid.

Mark the sable feline coat,
Spotted girdle velvet-wrought;
Mark the skin of glistening snake,
Sleeping seiz'd in forest brake;
Mark the radiant crystal stone,
On which days Sovereign never shone,
From the cavern dark and deep
Digg'd i' th' hour of mortal sleep;
Mark the cross, in mystic round
Meetly o'er the sandal bound,
And the symbols grav'd thereon,
Holiest Tetragrammaton!
Now while midnight torches gleam,
Rivals of the Moon's pale beam,

On ocean's unfrequented shore
Some moss-grown ruin silvering o'er.
While the flame of resinous fire
Mounts aloft in curling spire;
I scatter round this charmed room,
The fragrance of the myrrh's perfume;
And, bending o'er this consecrated sword,
confirm each murmur'd spell, each inly-thrilling word.

Thomas James Mathias (c.1754 - August 1835) was a British writer, and Italian scholar, translator, and satirist. *Runic Odes: Imitated from the Norse Tongue in the Manner of Mr. Gray* (London: T. Payne et al., 1781) was his first publication. *The Incantation Founded on the Northern Mythology* is written in the voice of Thorbiorga, the prophetess, and includes the imagery from cosmology, magic incantations and chants from Norse mythology. Some references in the Odes such as the names of many of the demons are not referred to in Norse mythology. Mathias was a Sub-Treasurer in the Queens Household and the Treasurer of Queen Anne's Bounty. He was the Librarian at Buckingham Palace from 1812. He was described as "*The best English Scholar in Italian since Milton".* He was also the author of *Pursuits of Literature*, which was a satire on contemporary writers, including Thomas Paine, and William Godwin. Mathias lived in Italy from 1817 until his death in Naples in about August 1835. For further information on Mathias see: https://romantic-circles.org/editions/norse/HTML/Mathias.html

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