

## AUSTRALIAN TRADE MARKS

### THE NATURE OF TRADE MARKS

A trade mark is a word or symbol used in relation to goods or services to indicate a connection in the course of trade between those goods or services and the owner of the mark.

Registration of trade marks is not compulsory. Indeed, many marks are used without the benefit of registration, sometimes because they do not meet the minimum requirements as briefly outlined below. However, the benefits of trade mark registration are significant and the efforts spent in selecting and registering a good trade mark can often be repaid many times over.

### TRADE MARKS AND BUSINESS NAMES

Despite common misconceptions, a business or company name is quite different from a trade mark although, perhaps confusingly, it may sometimes function as one if used to indicate a trade connection with particular goods or services. There is a statutory requirement for business names to be registered. However, this is only to identify the legal owner of the business. It is very important to note that a business name registration does **not** create any enforceable rights in the name, nor does it entitle the owner of the business to use the name as a trade mark without risk of infringing the rights of others. The system of business name registration should therefore not be confused with that relating to trade marks.

### SCOPE OF TRADE MARK PROTECTION

The registered proprietor of a trade mark has a legally enforceable right to the exclusive use of the mark within Australia in relation to the goods or services covered by the registration. Subject to fulfilling the necessary requirements, a trade mark registration thereby provides a valuable statutory monopoly for an indefinite period of time.

### SELECTION OF TRADE MARKS

Because a trade mark registration does confer a monopoly, it would not be in the public interest for just any mark to be registered. For example, registration of a purely descriptive word could severely hamper other traders wishing in good faith to use that word as a genuine description of the same type of goods or services. Although there are exceptions, words that are common surnames, geographical names, purely laudatory, or directly descriptive of the relevant goods or services are generally not registrable or can be registered only after becoming distinctive through use.

It is worthwhile noting that in borderline cases, the prospects of registration are generally enhanced if the mark has acquired some additional degree of distinctiveness through actual use in the market place. You will appreciate, however, that it is difficult to generalise in this area and we would be happy to discuss these issues in more detail to assist in the selection of a suitable trade mark if you wish.

### SEARCHES

In cases where a trade mark has not yet been established in the relevant market, we normally recommend a search prior to lodgement in order to ascertain firstly whether the use of the mark in Australia might infringe any earlier registrations, and secondly whether there are any conflicting marks which might prevent registration. In our searches, we also advise on the inherent registrability of the mark itself.

### **WHO MAY APPLY**

The applicant must be the proprietor of the trade mark for which registration is sought. This is generally the first person either to use or apply for registration of the mark in Australia, or someone entitled to claim proprietorship through that person. As far as possible, it is important to clarify the question of ownership at the outset, to help ensure the validity of the registration.

### **APPLICATION PROCEDURES AND COSTS**

The procedure begins with the lodgement of an application, which depicts the mark and specifies the relevant goods or services for which registration is sought. The goods and services must be identified in one or more of forty-five classes, as prescribed in the Trade Marks Regulations.

### **EXAMINATION**

Examination includes a search to determine whether any earlier applications relate to marks that are sufficiently similar to prevent registration.

In the event that the Examiner raises no objections, the application then proceeds to acceptance. In the majority of cases, however, objections are raised. These may range from relatively minor matters relating to administrative requirements through to more substantive objections based on earlier conflicting marks or an inherent lack of distinctiveness of the mark itself.

In more complex cases, several responses may be required in order to overcome all the objections.

### **ACCEPTANCE AND REGISTRATION**

If the application is accepted, it is advertised in the Official Journal of Trade Marks, and interested parties are given the opportunity to oppose registration on certain specified grounds.

In the absence of any opposition within three months, the mark is then registered upon payment of the registration fee.

The whole procedure from application to registration typically takes between eight and fourteen months to complete, although this can take longer when difficult obstacles to registration need to be dealt with. Registration is deemed to be retrospective from the initial lodgement date of the application, and the initial period of registration expires ten years from that date.

### **MAINTENANCE FEES**

After the initial ten year period, the registration must be renewed every ten years. Provided the mark remains in use, the registration may thus be extended indefinitely at ten year intervals.

### **CONTINUING USE**

In order to prevent unused trade marks from remaining on the Register in perpetuity, the Trade Marks Act allows any person to seek removal of a registration, if it has not been used for a continuous period of three years or more. Accordingly, it is important for registered trade marks to be used at least once every three years, and that use should be carefully documented.

## **INFRINGEMENT**

An Australian trade mark registration is infringed by the unauthorised trade use of a substantially identical or deceptively similar mark in relation to any goods or services covered by the registration, or on similar goods or services. In some circumstances, a registration of a “well-known” mark can be infringed by the use of a similar mark on dissimilar goods or services. If infringement is established, the registered proprietor is normally entitled to an injunction and to claim damages or an account of profits arising from the infringing activity.

Additionally, the common law and trade practices legislation provide remedies against persons seeking to cash in on another's reputation by making unauthorised use of a confusingly similar trade mark on the same type of goods, or engaging in misleading or deceptive conduct. These actions are available whether or not the mark is registered. They are, however, heavily dependent upon the ability of the owner of the trade mark to demonstrate a substantial reputation in the mark through actual use. For this reason, asserting common law rights in this context is often significantly more costly than the enforcement of rights under the Trade Marks Act.

## **FOREIGN APPLICATIONS**

An Australian trade mark registration only has effect in Australia and consequently, if protection is required in other countries, a separate application or applications are necessary. In most cases such applications need not be filed immediately, because the filing date of an Australian application is recognised under an international agreement for a period of six months. Thus, foreign applications filed in most countries within six months from the filing date in Australia can be effectively backdated and accorded the priority of the Australian application.

It is also possible to obtain a single international trade mark registration, which provides trade mark protection in over 60 countries under the Madrid Protocol. To apply for an international registration of a trade mark, an Australian applicant must already have filed an application for, or own a registration of, that trade mark in Australia. In many cases, seeking international trade mark registration via the Madrid Protocol can offer significant cost and administrative advantages when compared to filing individual trade mark applications separately in each foreign country of interest. If you require trade mark protection for your brand overseas, we can help you determine the most appropriate foreign filing strategy to suit your particular commercial objectives.

It should be noted, that trade mark laws vary significantly from country to country. Some afford priority rights to the first person to apply for registration, whilst others to the first person to use the mark in the relevant jurisdiction. In some cases, it may be appropriate to defer overseas applications until the product or service is ready to be launched into the relevant markets, depending upon particular requirements regarding proposed trade mark use. If you are considering foreign applications, this should be discussed with us as early as possible, so that a suitable foreign filing strategy can be devised to suit your particular requirements.

## **GENERAL COMMENTS**

We emphasise that this summary is intended simply to provide a brief overview of general trade mark application procedures, and should not be regarded in any way as an exhaustive treatise on Australian Trade Mark Law. There is no substitute for detailed advice from a Patent and Trade Mark Attorney aware of the relevant facts and experienced in this specialised field. If you have any questions or require any further information or clarification, please do not hesitate to contact us.