



TRADE MARKS – A PRIMER

January 2007

What is a trade mark

Trade marks in Australia may be unregistered or registered under the Australian *Trade Marks Act 1995* (“**the Act**”). Matters pertaining to Australian registered trade marks and the rights which flow from registration under the Act are generally consistent with trade mark laws in the United States, European Union members and other members of the World Intellectual Property Organisation. A trade mark is defined by the Act as a sign being a letter, word, name, signature, numeral, device, brand, heading, label, ticket, aspect of packaging, shape, colour, sound or scent which is used to distinguish goods and services provided in the course of trade by a person from the goods and services provided by any other person. A trade mark will generally not be registrable if it is merely descriptive of the goods or services. However, a trade mark which is descriptive of goods or services may be registrable if as a result of substantial use, it has gained a public reputation such that it distinguishes the goods or services of the owner from the goods or services of other traders.

Registration rights

Registration of a trade mark gives the registered owner exclusive rights to the use of the trade mark in respect of goods or services in the class or classes in which the trade mark is registered. Other persons must not use a mark which is identical or substantially similar to the registered mark in respect of goods or services covered by the registered trade mark. The owner of an unregistered trade mark may be able to prevent use by another party of an infringing mark pursuant to the common law tort of passing off or under the Australian *Trade Practices Act* but these actions will probably be more difficult to sustain and the remedies available may not be as attractive as those afforded to the owner of registered trade mark that is infringed.

Requirements for registration

An applicant for registration of a trade mark must be the owner of the trade mark and must intend to use the trade mark or authorise another person to use the trade mark in relation to the goods or services in respect of which registration is sought. Actual use prior to filing of the application is not required in Australia. A third party may oppose the registration of a trade mark on a number of grounds including that the trade mark the subject of the application is not owned by the applicant or that the registration of the trade mark would cause confusion to the public. These grounds of opposition would typically be advanced by a person who claimed ownership of an unregistered mark by reason of substantial use which predated the application date.

Registration may be sought in one of more of the 45 classes set out in the regulations to the Act. These classes are generally consistent with international provisions.

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Term

A trade mark is registered for 10 years as from the date of filing the application. Registration of a trade mark may be renewed for successive periods of 10 years. Renewal should be requested within the 12 months prior to expiry of the existing 10 year term. However, renewal will be granted where an application for renewal is made within 12 months after the registration expired but the owner will not have protection from infringement during the period from expiry until the date of renewal.

Requirements after registration

After registration, the owner or a person authorised by the owner must use the trade mark. A third party may apply to have the trade mark removed from the register if, when the application was filed, the applicant had no intention in good faith to use the trade mark itself or through an authorised third party or if the trade mark has not been used for a continuous period of 3 years preceding the application for removal. A removal application on the latter ground can only be made at least 5 years after the original filing date.

Passing off and misleading and deceptive conduct

The owner of an unregistered trade mark may be able to take action for infringement by bringing a common law claim under the tort of passing off or by taking action under section 52 of the Australian *Trade Practices Act*. Section 52 prohibits a person in the course of trade or commerce from acting in a misleading or deceptive manner. In either case, the plaintiff would need to establish that its unregistered trade mark had gained substantial reputation in the mind of the public.

Frequently, the owner of a registered trade mark which is infringed will bring an action under the infringement provisions of the Act and will also include claims based on passing off and section 52 of the *Trade Practices Act*.

Requirements for showing infringement

A registered trade mark will be infringed where a person uses an identical or a deceptively similar mark in respect of goods or services in the class or classes in which the registered mark is registered. The infringement may be extended to other classes if it is shown the registered trade mark is so well known that its reputation extends beyond the class or classes in which it is registered. Typically this will apply to such well known brands as Coca Cola.

To establish infringement, the owner of the registered trade mark must show that:

- there is actual confusion between the trade marks and not just the possibility of confusion;
- the infringing mark was being used as a trade mark when the infringement occurred; and
- the infringing use would have confused or deceived a person of ordinary intelligence and memory.

Remedies

A registered owner of a trade mark may bring an action against an infringer seeking an injunction plus damages or an accounting for profit. Generally, punitive or exemplary damages will not be available. The successful party in an action will generally be entitled to order for payment of its legal costs.

International treaties

Australia is a signatory to the Paris Convention for the Protection of Industrial Property. Amongst other things, within 6 months after filing a registration application in its home country, an applicant may file an

application in another member country. The application date in the foreign country will be “back dated” to the initial filing date. This protection helps to prevent piracy of trade marks in foreign jurisdictions.

Australia is also a signatory to both the Madrid Agreement and the Madrid Protocol. Amongst other things, this means that an owner of or applicant for a trade mark filed in Australia can with one application, apply for registration of that mark in one or more of the other member countries. This obviates the requirement to separately apply for trade mark registration in each country in which protection is sought.

If you require further information, please contact Brett Cowell.

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