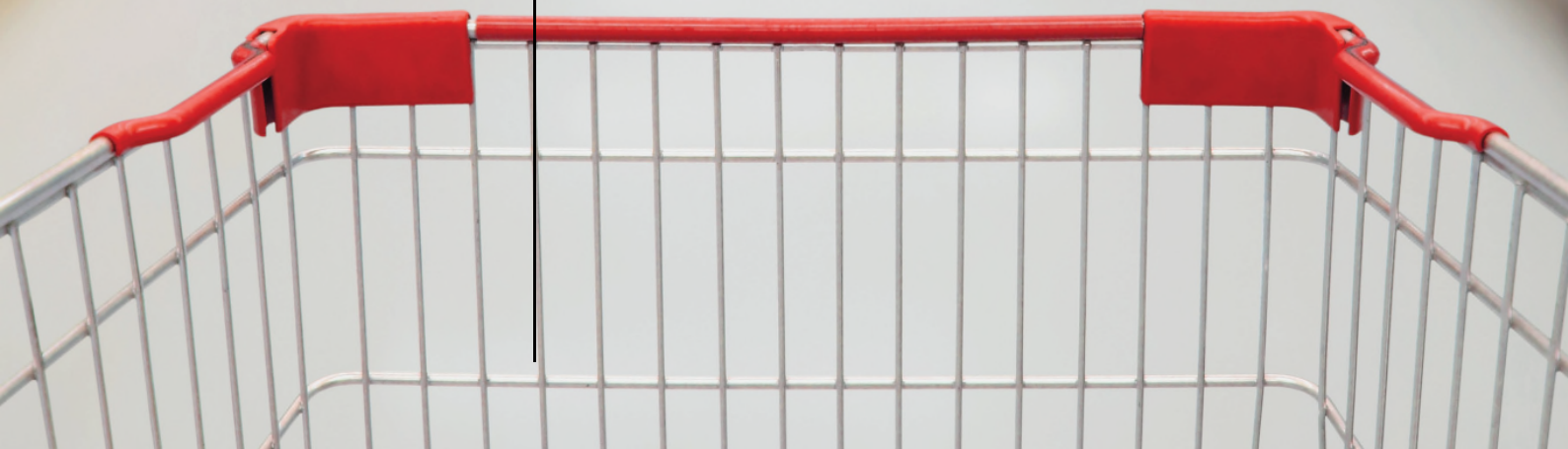




Trade mark protection & commercialisation

How to safeguard & increase the value
of your distinctive commercial signature



What is trade mark protection?

Applying to register your trade mark protects your intellectual property asset and helps to develop your brand equity further leading to increased value for IP owners and rights holders.

Ultimately, a registered trade mark is significantly more valuable to owners, customers and clients, employees, partners, investors, sponsors, and markets than unregistered marks.

Registered trade marks are also easier to defend against misuse or misrepresentation. The following information has been provided to give an overview on what trade marks are, how they operate legally, what rights the process of registration can give a rights holder, how trade marks differ to other business registration processes, and how to use a registered trade mark against a competitor.

What is a trade mark?

In a very practical sense, a single word, grouping of words, or a phrase may be a trade mark. Images and logo designs are the traditional form of trade marks, going right back to cowboys in the American Wild West literally branding cattle with ranch names and logos. More recently, colours have been registered as trade marks, along with sounds, smells and geographical indications in Australia.

Legally speaking, *Section 17 of the Trade Marks Act 1995 (Cth) (the Act)* defines a trade mark as:

“A trade mark is a sign used, or intended to be used, to distinguish goods or services dealt with or provided in the course of trade by a person from goods or services so dealt with or provided by any other person.”

Owners of trade marks, as with other forms of property, may enjoy legal or equitable rights. For trade marks, registration will afford the owner full legal rights, under the Act. While owners of unregistered trade marks may only enjoy equitable rights.

By way of physical differentiation, registered trade marks are denoted by the ® symbol, while unregistered trade marks are denoted with the ™ symbol.

Trade marks are registered in definable classes of goods and/or services. A trade mark in a certain class of (say) goods, may be the same as another owner’s separate trade mark in a certain class of (say) services, so long as the later mark is not likely to confuse or deceive consumers.

Owners of registered trade marks obtain exclusive use of the trade mark throughout the Commonwealth of Australia. In this sense, registration of a trade mark affords the owner protection over the investment they make in relation to branding and the building up of goodwill associated with their brand.

International registration and protection

There are two ways Australian trade mark owners can seek trade mark protection overseas:

1. Via an application filed directly to each country
2. Via a single international application filed through the World Intellectual Property Organization (WIPO) nominating the Madrid Protocol countries in which protection is sought.

What cannot be trade marked?

Division 2 of Part 4 of the Act defines the grounds for rejecting an application.

Relevantly, under section 41, a trade mark application must be rejected *“if the trade mark is not capable of distinguishing the applicant’s goods or services... from the goods or services of other persons.”* This might apply where a trade mark for, say, ‘A Plumber’ might be applied for – clearly in this somewhat obvious example it would be impossible to differentiate the applicant’s services from other plumbers as the words are generic and non-descriptive.

The key to an application having good prospects of success is to ensure the applicant’s mark is distinctive, not descriptive.

Further, section 43 of the Act states that an application for registration of a trade mark must be rejected if, *“because of some connotation that the trade mark or a sign contained in the trade mark has, the use of the trade mark in relation to those goods or services would be likely to deceive or cause confusion.”* Here, the Act is clearly seeking to ensure that consumers are not misled by, say, a hamburger restaurant using a golden arch in its trade marked logo design, etc.

So, if a person applies for the registration of a trade mark that is, (as well as being on the basis of other sections of the Act), too generic, or likely to mislead, it will be rejected.

A strong application for a trade mark registration would be based upon a mark that is:

- (i) distinctive (and not merely descriptive);
- (ii) not “deceptively similar” to an existing registered mark; and
- (iii) not likely to cause confusion to consumers.

How does a trade mark differ from a business name, company name, or domain name?

Registering a business, company or domain name in Australia does not give that party proprietary rights. Only a trade mark can provide that kind of protection.

If you register a business, company or domain name, you do not automatically have the right to use that name as a trade mark.

The same word(s) may be registered by different people as a business name in other states and territories. However, if you have a registered trade mark, you can take legal action for infringing your trade mark if the business name owner uses it for goods or services like those covered by your trade mark registration (in the same or similar class).



1. Business name

A business name is the name under which a business operates. Registration identifies the owners of the business. Registration is compulsory and must be completed before the business starts trading.

Unlike trade marks, business names do not provide proprietary rights for the use of the trading name.

2. Company name

Also called a registrable body, each company must register its details, including the company name, with the Australian Securities and Investments Commission ('ASIC'). Parties wishing to trade using a name other than their registered company name, must register that trading name as a business name. ASIC has certain rules to ensure that identical company names are not registered. However, this only relates to exact matches – for example, 'IBM' may not be registrable as it is an exact match to IBM, but 'IBM Sydney' may be. All incorporated entities are also identified by an Australian Company Number ('ACN').

Unlike trade marks, company names do not necessarily provide proprietary rights for the use of the trading name.

3. Domain name

A domain name may be registrable, if it meets the requirements of the Act.

As such, the holder of a registered trade mark will usually trump that of a business name, company name and domain name.

What rights are given by registration of a trade mark?

Relevantly, section 20 of the Act sets out the rights a registered 'owner' of a trade mark(s) can enjoy:

"(1) If a trade mark is registered, the registered owner of the trade mark has, subject to this Part, the exclusive rights:

(a) to use the trade mark; and

(b) to authorise other persons to use the trade mark;

in relation to the goods and/or services in respect of which the trade mark is registered.

(2) The registered owner of a trade mark has also the right to obtain relief under this Act if the trade mark has been infringed..."

Thus, the owner of a trade mark may, via an authorisation to another party, license the trade mark to another person or entity, and recover license fees, as a commercial transaction for good consideration covering valuable rights being transferred. This step can unlock new revenue streams.

What relief can be obtained from Court for trade mark infringement?

Trade marks are valuable. Under Part 12 of the Act, Courts have the power to make orders in relation to any party infringing an owner's trade mark, being (most commonly) an injunction (to stop the infringement) and the awarding of damages (to make good any loss). Section 126 states:

"(1) The relief that a court may grant in an action for an infringement of a registered trade mark includes:

(a) an injunction, which may be granted subject to any condition that the court thinks fit; and

(b) at the option of the plaintiff but subject to section 127, damages or an account of profits.

(2) A court may include an additional amount in an assessment of damages for an infringement of a registered trade mark, if the court considers it appropriate to do so..."

Other legal protections – tort law and the Australian Consumer Law

The tort of passing off applies where there is a representation that a person's goods or services are those of someone else. An example may be where a company is registered with a similar trading name or company name.

To establish passing off, the plaintiff must prove a misrepresentation made by a trader in the course of trade to prospective customers or consumers that is intended to injure the plaintiff's business or goodwill and that caused actual damage to the plaintiff. The misrepresentation can be about the name of the product or the image that is presented by the product. The tort of passing off is not confined to the traditional concepts of trade names and trademarks. It includes such things as slogans and visual images where they have become part of the goodwill or reputation of the product.

The Australian Consumer Law (Schedule 2 of the Competition and Consumer Act 2010 (Cth), replacing the Trade Practices Act) creates a statutory tort that can be used in addition to, or in substitution for, the common law tort of passing off. Under section 18, the Australian Consumer Law prohibits deceptive or misleading conduct by a person in trade or commerce. It is only necessary to prove that the conduct occurred in the course of trade and commerce, and that it is misleading or deceptive, or likely to mislead or deceive.

Our multi-phase approach to trade market protection, commercialisation and defence.

1

Searches: covering the IP Australia register of trade marks (legal rights) and the world-at-large (equitable rights).

2

Advice: the written advice produced would apply the legal and equitable results of the searches to the law and provide you with options going forwards, including as to whether or not the field is clear to apply, or if you may be infringing another party's rights (and further advice in that regard, if required).

3

Your instructions: once you review our advice, your instructions that follow would then dictate how the rest of the matter runs, and what scope is to be followed regarding application (if any, and in what class(es)), which impacts the work involved, and fees and disbursements.

4

Application: from here the paperwork is produced requiring additional detail in regards to the classes of goods and services applied for. The recent Federal Court case of *Frucor Beverages Limited v The Coca-Cola Company*, where the incorrect colour was applied for as a trade mark in relation to the 'V' energy drink, shows the importance of this stage.

5

Examination: upon applying, an IP Examiner from IP Australia will then review the applications and make a determination as to acceptance to then apply to register, or not, or request additional information/limitations on the rights sought.

6

(Opposition: upon acceptance, an opposition window opens, during which time other parties may oppose any approved application prior to registration – this then initiates a dispute to be resolved, or a lapsed trade mark application.)

7

Registration: the final stage of any successful trade mark application process, again requiring attention to detail.

8

Commercialisation & Monitoring: once registered, we can provide ongoing management and advice for your IP portfolio.

9

Defence: protecting your valuable IP assets is safeguarded via defending claims and pressing action against competitors infringements.

Contact

For specific advice on your brand and ways to protect your investment, by way of registration, or via ongoing portfolio management, opposition, and infringement action, please contact our Australian IP Law team:

[Andrew Bautovich](#)

Principal Lawyer,
Melbourne

T +61 (0)3 9863 8038

E andrew.bautovich@dwf.law



[Mat Jessep](#)

Supervising Lawyer,
Sydney

T +61 (0)2 9030 0725

E mat.jessep@dwf.law



[Cavelle Lindsay](#)

Senior Associate,
Newcastle

T +61 (0)2 4088 8611

E cavelle.lindsay@dwf.law



[Randeep Singh](#)

Solicitor,
Newcastle

T +61 (0)2 4088 8630

E randeep.singh@dwf.law



Connect and join the conversation

 au.dwf.law

 Search DWF (Australia)

 Search DWF (Australia)