

Trade Marks

What is a trade mark?

A trade mark is a particular sign or mark that is used in trade to distinguish the goods or services of one trader from the same goods or services of another. Trade marks go hand in hand with branding, and are the vehicle by which a brand is transformed into a legal asset.

A trade mark can be registered to become an intellectual property right that provides the owner with an exclusive right to use that trade mark in relation to particular goods or services specified in the registration for as long as that trade mark remains registered.

As an intellectual property right, the registration itself, as opposed to the trade mark, is an asset that can be traded by way of licensing the right to use the trade mark or selling the registration to another.

At law, trade marks on their own are not an intellectual property right and need to be used so that the reputation or goodwill surrounding their use can manifest rights that may be enforced, but this will only have limited geographical effect, even within Australia. In many countries, use is of no effect and only registration of a trade mark in that country will create intellectual property rights. Therefore it is important to register trade marks to create immediate and valuable intellectual property rights that can be enforced not only in Australia, but globally.

Trade Marks, Business Names, Company Names and Domain Names

Trade Marks are different to business names, company names and domain names. It is a common misconception that registering a business, company or domain name gives you a proprietary or property right in the name that you can use to stop another person from using the same or similar name. These registrations do not.

You need to register a trade mark to obtain a proprietary right that gives you rights in the trade mark. These rights can be enforced against another person to stop them from using the same or similar mark to you in relation to the same or similar goods or services that you have the trade mark registered for. No other registration does this.

In fact an earlier registered trade mark can stop someone else from later using their business or company name in a trade mark capacity, and in the case of a domain name, a registered trade mark can sometimes be used to remove an infringing domain name.

Where can I get a trade mark registered?

Trade mark registrations are granted nationally, and in some cases regionally, by trade mark registering authorities in the country or region established by the governments of the countries concerned.

In Australia, trade marks are registered by the Registrar of Trade Marks of the Trade Mark Office, which is administered by the government agency called IP Australia. IP Australia is a prescribed agency within the Department of Industry.

Most countries of the world have their own Trade Mark Office as their trade mark registering authority, which is controlled by the government of the country. For example, USA has the United States Patent and Trademark Office (USPTO), the United Kingdom has the Intellectual Property Office (IPO), Japan has the Japanese Patent Office (JPO) and China has the State Administration for Industry and Commerce (SAIC).

There are also regions, where certain countries have joined together and established an intergovernmental organisation as a trade mark registering authority that registers trade marks with effect across or within the region. For example, Europe has the Office of Harmonization in the Internal Market (OHIM) that registers Community Trade Marks, Africa has the African Regional Intellectual Property Organization (ARIPO) and the African Intellectual Property Organization (OAPI), and Belgium, Netherlands and Luxembourg has the Benelux Office for Intellectual Property (BOIP).

How do I go about obtaining a trade mark registration?

Getting a trade mark registered can be complicated as there are many options available that have different outcomes. There are valuable rights at stake, not only yours, but others that you can infringe upon, so you need to be extremely careful with what you do.

IP Australia has gone to great lengths to make the process simple and inexpensive, but still there are many nuances to be aware of that can make the difference between obtaining a strong and effective registration relatively easily or can make the process quite difficult and expensive. Therefore it is strongly advisable to use a trade marks attorney who is qualified to help you choose the right mark to register and obtain rights that cover your area of trade effectively, both in terms of the nature of the goods and services, and the geographical market to be covered.

The criteria involved for registration is quite particular and varies from country to country, but generally follows the same formula thanks to the United Nations agency known as the World Intellectual Property Organisation (WIPO). WIPO has been working for decades to harmonise the laws between countries by establishing and administering Conventions and Treaties to facilitate trade mark filing and registration processes globally.

Most countries have systems that provide for relatively quick processing, but all systems have at least a six month delay to accommodate the recognition of priority rights of foreign applicants. This is discussed in more detail under the heading Overseas Procedure.

Importantly, one must apply for a trade mark registration and pay fees to the trade mark registering authority to receive the application, examine it and register the trade mark, if acceptable. In every instance, the application must include a representation of the trade mark and specify the goods and/or services and the class or classes within which these fall according to an internationally recognised classification system.

Given translation considerations and different cultural perspectives, not all countries accept the same wording and classification of goods and services as does Australia. So particular care needs to be taken when filing an application in Australia for a trade mark that is also intended to be used in overseas countries.

What is the procedure?

The procedure starts with the person wanting to register the trade mark being satisfied that the trade mark is actually available for use.

Not every trade mark is able to be registered. Some marks that are not capable of distinguishing a trader's goods or services from those of another trader are not able to be registered. Nor are certain marks that are prohibited from being registered. Applications for such will be objected to and ultimately refused. Examples of marks that are generally considered to be not capable of distinguishing are:

- (i) words or symbols that are very descriptive of the character or quality of the goods or services;
- (ii) common surnames;
- (iii) geographical names where the goods or services may be produced or provided;
- (iv) laudatory or suggestive words;
- (v) non-distinct numbers or one or two letters or known acronyms
- (vi) descriptive or suggestive phrases or slogans

As the rights provided by a trade mark registration are exclusive, people that have registered their own trade mark before you have exclusive rights to its use and can stop you from using or registering the same or a similar mark for the same or similar goods or services that have been registered.

There are exceptions where the person seeking to register the mark has substantial use themselves, either prior to or concurrently with that other person's use. This is when trade mark registration can get complicated, very legal and expensive, where it is essential to use the services of an experienced trade marks attorney.

Consequently, it is strongly advisable to do some kind of searching at the outset to determine what is known and obtain an opinion from a trade marks attorney as to whether the mark is registrable

before filing an application for registration. This is especially so in seeking trade mark registration in overseas countries, as the law can differ markedly from country to country. Just because the mark is registrable in one country, does not make it registrable in another country.

There are a number of different ways to go about registering a trade mark in overseas countries from Australia, each having different cost considerations, and some of these ways requiring special knowledge or associate contacts in these countries. A trade marks attorney would be able to determine the best way of proceeding with an application before IP Australia and in obtaining registration in different overseas countries. Most attorneys have associate networks established overseas to ensure that any overseas application is handled correctly.

In Australia, it is possible to make use of IP Australia's HEADSTART process and obtain an indication from a Trade Mark's Examiner as to whether the trade mark is registrable or not before filing an application. In some cases it is advisable to pay the extra fee and use the HEADSTART process, in other cases this may be an unnecessary additional expense to incur.

The general procedure with obtaining and maintain a trade mark registration involves six stages:

- 1) filing an application
- 2) undergoing examination
- 3) obtaining acceptance or allowance
- 4) going through a pre grant opposition period available to third parties
- 5) obtaining registration
- 6) maintaining the registration throughout its lifetime by paying maintenance fees at regular intervals.

It can take anywhere from 7 months in expedited instances with no objections, or 2 years or more in cases where there are objections to overcome, to obtain the registration at stage 5).

A trade mark registration can exist in perpetuity as long as it is renewed and the mark remains in use in a trade mark sense. In Australia the period for renewal is every 10 years, calculated from the date of filing the application.

It is also possible to remove a registered trade mark that has not been used at all over a continuous period of 3 years after it has been registered. It is also possible to have a trade mark registration revoked if it ceases to distinguish the owner's goods or services anymore from those of other traders. This can happen if the mark falls into becoming the generic or descriptive name of the goods or services in respect of which it has been used.

There is always a risk involved in not being able to obtain a registered trade mark (which can be insured against if the applicant wants to) despite the best of efforts and expense in conducting trade mark availability searches and obtaining opinions from a trade marks attorney. A trade mark may be refused to be registered by the trade mark issuing authority for reasons that an application may not meet the particular criteria required for registering a trade mark in a particular country. However, these reasons are generally always made known to the applicant and most countries have an appeal system for allowing the applicant to challenge the decision of the trade mark issuing authority and have the reasons and decision reviewed independently.

Overseas Procedure

The trade mark procedure followed in Australia and in most overseas countries is integrated to some extent by virtue of one or both of two main agreements, one known as the Paris Convention and the other known as the Madrid Protocol.

The Paris Convention provides for member countries to equally treat applicants and applications for trade marks filed in the member country, whether they are local or foreign, individual or corporate, and deals with priority dates. In the case of the latter, the Paris Convention provides for the filing of a trade mark application in one member country to serve as a priority filing for the trade mark and the specified goods and/or services, in another member country, on the condition that a trade mark application is filed in the other member country within 6 months of the filing of the application in the one member country. This means that any application filed in Australia serves as a priority filing for every other member country of the Paris Convention for a period of 6 months, as long as a corresponding trade mark application is filed in the other member country before that 6 month period expires.

The Madrid Protocol provides a system for filing a single international trade mark application based on an Australian trade mark registration designating one or more member countries of the Protocol to facilitate the filing and registration of the trade mark corresponding to the basic registration in the designated countries. This provides a less expensive and more convenient way of extending an Australian trade mark registration overseas, although there are some limitations on the system. These limitations include:

- The Protocol is only applicable to those countries/regions that are members of the Protocol at the time that the international application is filed. There are currently more than 90 members, who include New Zealand, USA and most European countries, and the number is increasing all of the time.
- The countries that are not members of the Protocol generally are members of the Paris Convention or have laws recognising a 6 month priority period in any event. In the non-member countries it is necessary to file discrete Convention applications to obtain protection in them.
- The international application will not progress to registration until the basic application has been registered. Whilst it is possible to file an international application within the 6 month Convention period claiming priority from an Australian trade mark application that is not yet registered (and you must do so if you wish to have the international registration claim Convention priority from the Australian application) the international application will not be registered in any country until such time as the Australian application is registered.
- The international registration is vulnerable to being revoked in all designated countries if the basic Australian application lapses, or the Australian registration is subsequently revoked at any time within a period of 5 years from the filing date of the international application.

- The mark that is the subject of the international application/registration has to be exactly the same as the mark that is the subject of the basic Australian registration. The goods or services can be the same or narrower, but cannot be broader.
- The international application is subject to review and examination in each designated country/region at the discretion of the country/region concerned and must indicate whether the mark is objectionable or should be refused within a period of 12 or 18 months from the filing date of the international application, depending upon the country concerned. Where an objection or notice of refusal is issued, the applicant can respond to place the application in order for acceptance in the country/region concerned. Refusal of an international registration in a country/region (other than the basic Australian registration within 5 years) does not affect the registrability of the international application in any other designated country.
- It is possible to add other member countries/regions to an existing international registration at any time after the original international application has been filed.

How much does it cost?

The costs involved with obtaining a trade mark registration are more than those involved with obtaining a business, company or domain name registration, as there is substantive examination involved, the rights are valuable and complex legal argument and evidence presented in declaration form may be required to obtain them. However, in choosing the right mark to register, costs can be less than \$1500, with filing costs less than \$700. On the other hand for a trade mark registered in a number of classes with a large specification of goods and/or services, costs can be multiples of these, depending upon the number of classes involved. In the case where significant objections are raised to registration, additional costs in the order of several thousand dollars may be involved to overcome the objections, if the objections can be overcome at all.

It is best obtain an estimate of what the costs would be involved in your own case and circumstances from a trade marks attorney before proceeding, remembering that obtaining professional advice and acting prudently at the outset may save you many thousands of dollars down the track.

How do I start?

Please contact Krouzer IP either by mail, email, fax or telephone and we can advise you whether it is worthwhile proceeding and if so, what information we need to proceed. Once we have this information, we will be able to advise you as to the different cost options involved and the best way of proceeding.