

Australia

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1. Legal framework

National

The relevant laws of Australia are:

- the Trademarks Act 1995;
- the Trademarks Regulations 1995; and
- various other Commonwealth and state legislation that relates to trademarks, including:
 - the Australian Wine and Brandy Corporation Act 1980;
 - the Olympic Insignia Protection Act 1987;
 - the Geneva Conventions Act 1957;
 - the Trade Practices Act 1974;
 - the Therapeutic Goods Act 1989;
 - the Plant Breeders' Rights Act 1994; and
 - the state-based Fair Trading Acts.

International

Applicable international arrangements include:

- the Paris Convention for the Protection of Industrial Property;
- the Nice Agreement on the International Classification of Marks;
- the Agreement on Trade-Related Aspects of Intellectual Property Rights; and
- the Madrid Protocol.

2. Unregistered marks

Protection

The owner of an unregistered trademark may bring proceedings against another in an action under the common law for passing off, or under the misleading and deceptive conduct and related provisions of the Trade Practices Act 1974.

The most relevant provisions of the Trade Practices Act are Sections 52, 53(c) and 53(d). Section 52 prohibits a person (defined to include a company) from engaging in conduct that is misleading or deceptive, or which is likely to

mislead or deceive. Section 53(c) prohibits a person from representing that goods or services have a sponsorship or approval which they do not in fact have, while Section 53(d) prohibits a corporation from representing that it has an affiliation which it does not have. Breaches of Section 53 are a criminal offence.

The common law tort of passing off also provides relief for businesses whose sales or reputations are detrimentally affected by the adoption of trademarks by third parties. This typically occurs where the mark used is so similar to a mark of the existing business that persons may be confused or deceived into believing that the two businesses, or their goods, are connected. In order to succeed in a passing off action, it is necessary to establish that:

- the plaintiff has established reputation in its mark;
- the defendant has made a relevant misrepresentation as a result of which the relevant consuming public may be confused or deceived; and
- the plaintiff has suffered or will suffer damage as a result.

The tests are similar in relation to actions under the Trade Practices Act. However, because the Trade Practices Act is concerned mainly with the public interest, it is not necessary for a plaintiff to show likelihood of loss or injury.

Use requirements

There are no rules specifying the extent of reputation necessary to be proved; rather, each case will turn on its own facts. However, the following are useful guidelines:

- Where the trademarks and goods are very similar, less reputation may be needed.
- The more generic or descriptive the trademark, the more onerous the requirement to prove sufficient reputation. Hence, it is likely that a greater amount of use will be needed.

- The plaintiff must prove sufficient promotion of its trademark to demonstrate that the mark has come to the attention of the relevant section of the public and has attained a level of significance in the public mind. A period of promotion of just a few weeks' duration has been held sufficient in some cases where the magnitude of the promotion was quite substantial.

It is not necessary to have actually carried on business in Australia, as long as a sufficient spill-over reputation can be proved.

3. Registered marks

Ownership

As well as claiming to be the owner of the mark, a trademark applicant must also:

- use or have authorized the use, or intend to use or to authorize the use, of the trademark in relation to the goods and/or services for which registration is sought; or
- intend to assign the trademark to a body corporate that is about to be formed with a view that the body corporate will use the trademark in relation to the goods and/or services for which registration is sought.

'Person' includes:

- a natural person;
- an incorporated body of persons;
- an unincorporated body of persons;
- a trust; and
- a body politic.

Scope of protection

Any sign that is capable of distinguishing the applicant's goods or services can be registered as a trademark. This includes a letter, word, name, signature, numeral, device, label, aspect of packaging, shape, colour, sound or scent, or any combination thereof.

In general terms, trademarks are inherently registrable, registrable with evidence of use or unregistrable.

Examples of inherently registrable marks include:

- invented words – newly coined words which are not obviously descriptive;
- arbitrary marks – known marks which have no descriptive meaning for the subject goods;
- designs of sufficient complexity which are neither a depiction of the goods nor designs commonly used in the trade; and
- marks suggestive (but not directly descriptive) of attributes of the goods.

The following are examples of marks that are registrable only through use:

- marks which are directly descriptive of a characteristic or quality of the goods, their uses or functions;
- geographical names;
- common surnames or personal names; and
- laudatory words, such as the words 'supreme', 'superior', 'perfection' or 'best' – these types of words are unregistrable in themselves because they are commonly used by other traders.

Examples of unregistrable marks include:

- generic words which are the names of the goods themselves;
- scandalous signs; and
- signs contrary to other Australian legislation.

4. Procedures

Examination

Applications filed in Australia are examined within four to six months of lodgement. However, expedited examination is granted automatically to applications claiming convention priority, or where the applicant

shows due cause. Expedited examinations are typically examined within around six weeks.

The examiner will assess the application and report on whether:

- the application meets formality requirements (eg, the classification of goods and services, and the identification of the applicant);
- the trademark is capable of distinguishing the applicant's goods and/or services (see section 3 above); and
- there are any prior conflicting marks – that is, whether a search of the Australian Trademark Register has found any applications or registrations for marks that are substantially identical or deceptively similar and have an earlier priority date.

Opposition

Accepted applications are published and open to opposition for a period of three months.

Within the prescribed period a potential opponent can request one extension of time of up to three months for filing an opposition, on the same grounds that a late application may be made or on the grounds that:

- there are genuine settlement negotiations between the parties; or
- genuine research is underway to decide whether an opposition is justified and the grounds for opposition.

An extension after the prescribed period can be made only on the basis of an error or omission by a trademarks officer, the extension applicant or that person's agent, or because of circumstances beyond the control of the extension applicant.

Once an opposition has been filed, the opponent has an initial period of three months to prepare and serve evidence in support of the opposition. This deadline is extendable, but the trademark applicant is entitled to object to any requested extensions of time.

Once evidence in support has been served, the trademark applicant has three months from the date of service to prepare and serve evidence in response. This deadline is extendable, but the opponent is entitled to object to any requested extensions of time.

The opponent has three months from the date of service of evidence in response to prepare and serve evidence in reply. This deadline is extendable, but the applicant is entitled to object to any requested extensions of time.

In appropriate circumstances, either party can request leave to file further evidence. The granting of such leave is subject to the discretionary power of the registrar of trademarks.

Once the parties have completed and served their evidence, either party can request that the matter be set down for a hearing. If there is no such request, the registrar can decide the matter independently. Written submissions can be filed as an alternative to attending a hearing.

There are various grounds for opposition and it is beyond the scope of this chapter to list all possible grounds. However, the principal grounds typically relied upon in Australian trademark oppositions are as follows:

- Prior reputation – based on a claim that use of the opposed mark is likely to deceive or cause confusion due to the prior reputation in Australia of a substantially identical or deceptively similar trademark. The prior reputation must have existed before the priority date of the opposed application;
- Ownership – based on a claim that the applicant is not the true owner of the trademark, typically due to prior use of the opposed trademark in relation to the same goods or services in Australia by the opponent or a third party;
- Prior application or registration – relying upon the existence of third-party

application(s) or registration(s) for substantially identical or deceptively similar trademark(s) in respect of similar goods or services and/or closely related goods or services, which have an earlier priority date than the opposed application;

- The trademark is not capable of distinguishing – based on a claim that the trademark is not entitled to registration for reasons of lack of distinctiveness (eg, descriptiveness);
- Misleading connotation – based on a claim that use of the trademark would be likely to deceive or cause confusion because of some connotation or meaning inherent in the trademark; and
- Contrary to law – based on a claim that use of the trademark would be contrary to one or more Australian laws (eg, infringement of copyright).

There are various other grounds, such as lack of intention to use the mark, or that the mark contains or consists of scandalous matter, or that acceptance has been obtained on the basis of false representations, or that the mark is a geographical indication. Those and the various other grounds available, while relied upon occasionally, are not as common as the grounds listed above.

As it is not necessary for an opponent to establish standing, any interested party can file an opposition to registration of a trademark.

Registration

A trademark is registered following payment of the prescribed registration fees after the opposition period has expired or any opposition has been dismissed.

The registration of a trademark is renewable 10 years from the filing date of the application for registration. This is so even in the case of applications claiming convention priority. An international registration designating Australia has the renewal date of the international registration.

Cancellation/surrender

A trademark registration can be cancelled at the written request of the registered owner for some or all of the registered goods or services.

Revocation

Removal of a mark on the grounds of non-use can be sought on either or both of the following bases:

- The registered mark has not been used, or has not been used in good faith, in Australia in relation to the goods and/or services to which the removal application relates in the three years ending one month before the date of filing of the non-use application; or
- There has been no such use at any time up to one month before the filing of the non-use application and there was no intention in good faith at the time of filing the application for registration to use or to authorize the use of the trademark in Australia.

In the first case above, which is the most common basis for removal, the action cannot be commenced until five years after the date on which the trademark application was filed.

In both cases, the person seeking removal must be “a person aggrieved by the fact that the trademark is or may be registered”.

The application for removal:

- can relate to all or some of the goods and/or services for which the trademark is or is to be registered;
- must be in an approved form; and
- must be accompanied by a declaration stating that an inquiry into use of the trademark has been conducted by or on behalf of the applicant, and setting out the findings of that inquiry that support the grounds on which the removal application is based.

Once the removal application has been accepted as validly filed by the registrar, it is advertised for a period of three months for any opposition. If

there is no opposition, the mark will be removed from the register in respect of the goods and/or services specified in the removal application.

A three-month extension for filing a notice of opposition can be sought in certain circumstances. Any person can file a notice of opposition within the advertisement period or the extended advertisement period.

After filing a notice of opposition, the opponent must present evidence rebutting the allegations made in the removal application – typically, evidence of use of the trademark in good faith in Australia.

After the opponent has served its evidence in support of the opposition, the removal applicant can file evidence in response; if it does so, the opponent will have an opportunity to file evidence in reply and further evidence can be presented if the registrar grants permission.

After the evidence stages are complete, a hearing can be requested, written submissions can be filed, or the registrar will decide the matter on the basis of the evidence submitted.

The basic grounds for defending a removal application are as follows:

- The mark, with or without additions or alterations not substantially affecting its identity, was used in good faith within the relevant period, on goods and/or services to which the application relates by and/or under the control of the registered owner, and/or by an assignee in accordance with the terms of the assignment;
- During part or all of the relevant period, the mark was not used by the registered owner in relation to the relevant goods and/or services because there existed circumstances that were an obstacle to the use of the mark during that period;
- The applicant for removal is not a person aggrieved by the fact that the mark is registered;
- The application for removal has not been made in accordance with the regulations; or
- The registrar should exercise his discretion to decide that the mark should not be removed from the register. The registrar has a general discretion to refuse a removal application where he believes it is reasonable to do so, even if the grounds on which the removal application is made have been established.

Invalidation

The registrar does not have the power to cancel registrations, other than on grounds relating to non-use. Actions for cancellation of a registration, for removal or amendment of an entry wrongly made or for entry of a condition or limitation must be brought in a prescribed court. Grounds include:

- the general grounds on which the registration could have been opposed;
- circumstances existing at the time of the application for removal leading to the use of the trademark being likely to deceive or cause confusion (other than certain grounds on which the mark could have been opposed);
- that the trademark has become generally accepted within the relevant trade as a sign that describes or is the name of an article, substance or service, or that describes or is the name of an article or substance that was formerly exploited under a patent or a service that was formerly provided as a patented process;
- contravention of a condition or limitation entered in the register in relation to the trademark; and
- amendment of the application or entry in the register as a result of fraud, false suggestion or misrepresentation.

5. Enforcement

Complexity

An action for infringement of a registered trademark can be brought under the Trademarks Act. Where the mark is unregistered, an action under the common law tort of passing off and under the Trade Practices Act, alleging misleading and deceptive conduct and false representation, may be brought. This is because conduct that amounts to passing off will usually infringe the Trade Practices Act provisions dealing with misleading or deceptive conduct. The principles and authorities which the court would apply to resolve such a proceeding are largely identical.

The fact that a mark has been or may be registered as a trademark does not preclude the trademark owner from commencing action alleging passing off or misleading and deceptive conduct to protect that mark. Conversely, the fact that a person has registered a mark does not prevent that trademark owner from being liable in passing off and for misleading and deceptive conduct if the use of that mark would misrepresent a connection with another trader in certain circumstances.

Trademark infringement proceedings may be commenced in certain prescribed courts and are heard before a single judge. The prescribed courts are the Federal Court of Australia and the supreme court of each Australian state and territory. All appeals from a prescribed court lie to a panel of three judges in the Federal Court. A further appeal from the Federal Court to the High Court of Australia can be made if special leave is obtained from the High Court.

Timeframe

Trademark infringement proceedings are generally commenced in the Federal Court. However, the steps and timeframe for the

conduct of trademark infringement proceedings in the state supreme courts are similar.

There is little difference in the timeframe and the steps involved in litigation to enforce a registered trademark and in litigation to enforce unregistered rights. The following is an indication of the steps generally involved in litigation of this nature and the approximate timeframe for each step, which assumes diligent conduct of the case by experienced solicitors and the use of barristers with the necessary expertise:

- The contentions of the parties are formalized in pleadings, which are statements of all the facts necessary to make out the case of each party, including any cross-claim which may be filed. The estimated timeframe for this is around one to two months from the filing of an application.
- Discovery is the next stage, taking approximately two to three months, during which each party is obliged to reveal to the others any documents in its possession or control which relate to the dispute. Each party must then inspect and analyze the other party's documents.
- The parties then prepare their documentary evidence, in the form of sworn affidavits from witnesses, for filing in court. The preparation of evidence typically takes between six and nine months, assuming that evidence from expert witnesses will be required.
- At trial, each party's witnesses are normally cross-examined. The cross-examination can be lengthy, particularly when a factual issue is in dispute and is not supported by documentary evidence. The parties can expect a judgment to be handed down within approximately three months of the conclusion of a court hearing.
- An interlocutory injunction may also be granted against a respondent early in the course of litigation, pending the final outcome of the court hearing, if the court determines that there is a serious matter for trial and the balance of convenience favours the granting of

an interlocutory injunction. An application for an injunction commonly involves a hearing of between a half-day and one day.

6. Ownership changes – legalization requirements

Any document that establishes proof of title to a trademark may be filed as an original or a copy, and may consist of:

- a deed of assignment;
- a merger document;
- a simple letter of assignment;
- a probate document in the case of a deceased owner, or a death certificate and copy of last will and testament;
- a legislative instrument of transmission; or
- a declaration.

There is no requirement for such documents to be notarized or legalized.

7. Areas of overlap with related rights

Where the trademark is a device or logo, and that device is an original artistic work, copyright will subsist in the mark.

A party may oppose a trademark application on the grounds that use of the trademark would infringe its copyright.

The reproduction of a substantial part of an artistic work will infringe the copyright in the device. Australian courts have considered the interface between trademark rights and copyright on a number of occasions, and have granted injunctions to prevent the use of a device as a trademark on the basis, among other things, that it substantially reproduced the applicant's copyright work.

In the past, the owner of a registered trademark could rely on its copyright in an artistic work within a trademark to prevent the parallel importation of genuinely marked goods.

However, this ability has been considerably restricted by amendments to the Copyright Act 1968. The amendments allow third parties to import legitimate copies of CD music and software, and to import goods with copyright packaging and labelling, provided that they are not counterfeit or pirated.

A registered trademark owner may be able to rely on the law of passing off or statutory rights under the Trade Practices Act 1974 to prevent parallel importation where the imported goods are of different quality to those sold in Australia.

8. Online issues

The same principles that apply under general law apply to the use of trademarks on the Internet.

Whether the use of a name infringes a registered right depends on whether there is use of a name "as a trademark". This generally involves the conduct of trade – that is, the offering of goods or services to Australian consumers under a particular name. Whether unregistered rights are infringed generally depends on whether there is a relevant misrepresentation or conduct that is likely to mislead or deceive the relevant section of the public.

The intentional offering for sale of goods and services to Australian consumers via the Internet under a trademark may infringe a trademark registered in Australia. Liability may exist under Australian law even if the web server is located outside Australia, where the wrong or damage occurs in Australia. However, issues concerning

the enforceability of an Australian judgment may arise if the defendant has no Australian assets.

Similarly, the intentional offering for sale of goods and services to Australian consumers via the Internet may protect a registration from cancellation for non-use.

It is unlikely that use of a name solely as a domain name would infringe a trademark registration, and whether it infringes unregistered rights (eg, amounts to passing off or a breach of the Trade Practices Act) depends on the likelihood of consumers being misled or deceived. Typically, a name is used as more than simply an internet address, and in those circumstances the whole context of use needs to be considered.

The rules governing the licensing of Australian domain names impose restrictions on what can be licensed and who is entitled to a licence. Australian trademark applications and registrations provide a basis for registration of a corresponding '.au' domain name.

As an alternative to court proceedings relating to domain name entitlement, parties have the option of seeking to resolve their dispute using the Australian Dispute Resolution Procedure. This is based on, but differs from, the Uniform Dispute Resolution Policy.

