

Trade Mark Protection

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Trade marks are just rubbish. No one tries to steal your name...

Unfortunately history tells us a different story. There have been many cases where people have tried to infer that their company's products were somehow connected to another company's products – 'cashing-in' on the goodwill and reputation the other company enjoyed in the marketplace. The more popular your name or product is, the more likely this is to happen.

Intellectual property

Intellectual property means **creations of the mind**. But for legal purposes it means inventions (patents), trade marks, copyright (registered and unregistered, including circuit designs), confidentiality and trade secrets.

A trade mark is any distinctive name or sign that distinguishes one business' goods or services from those of another's. Trade mark law has evolved from the time when craftsmen carved their signature (mark) into their artisan or artistic products. They now form a well-developed set of laws that, because they are based on the same international conventions, are more-or-less consistent across hundreds of countries.

Ownership of a trade mark confers the exclusive right to use, that is, the right to stop others from using the mark or any other confusingly similar mark.

Any business can claim ownership of a trade mark, even if it is not registered. Using the TM symbol will claim it as your own unregistered mark. Legal action can be taken to protect unregistered trade marks through an action of passing off, usually paired with a claim for breach of the misleading and deceptive conduct provisions of the Fair Trading Act. These actions are based on the notion that, through use, you have a reputation as the sole source of the goods and/or services, so a competitor's use of a similar mark amounts to a misrepresentation.

TM registrations in New Zealand

Applications to register trade marks in New Zealand are made to IPONZ (Intellectual Property Office of New Zealand). Applications are made in one or more of 45 classes of goods and services.

Once the mark is registered, you can use the ® symbol to claim your protection. The range of *signs* that can be registered is now wide. It includes a name (product, company, or trading name, or any other name), signature, design, logo, letter, numeral, advertising slogan, plus 3-dimensional shapes, colours, sounds and even smells.

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Applications are usually made by individual businesses, however certification marks and collective marks can also be registered in New Zealand. Certification trade marks are available for use by anybody who meets the standards or rules of use and pays the required fee. A good example is the Buy New Zealand Made mark. Collective marks can be held by associations (e.g. a trade association), and use of the mark can be restricted to members of that association.

The beauty of registering your trade marks

Registration proves you own the mark and you can use the ® symbol. When it comes to warning a competitor, the registration certificate is a powerful tool, making it cheaper to enforce your rights.

You can apply for registration before you start using the mark; on the basis of intended use within a reasonable period. The application date is the priority date, so you can establish priority rights to use the marks before you publicly go to market with that brand.

Because New Zealand is a member of the international trade marks conventions, a New Zealand application gives you six-months priority over other applicants when you apply for the same mark in overseas countries, which are members of the convention.

It is also simpler to sell and to license trade marks when they are registered.

Trade mark registrations add value to your business

You can achieve legal protection, which extends beyond the range of core products and services you currently offer. For example, you may register your brand or advertising slogan for non-core goods or services.

As the owner of registered trade marks you can (for a deposit of \$5000) lodge border protection notices with the Customs Department.

The infringement provisions in our Trade Marks Act are wide. In practical terms there is no defence to an action for infringement of the identical mark if it is used on any of the goods or services for which it is registered. However, if a similar mark is used on goods or services that are similar to those for which the mark is registered, the test for infringement is whether the public is likely to be confused by the similarity. In other words, would the similarity between the marks cause the public to wonder whether the competitor's goods or services are from the same trade source as your own.

View from the dairy – the international context

How does New Zealand trade mark protection assist you when you move from the “dairy in Drury” into the outside world?

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Trade mark protection is territorial. A New Zealand trade mark registration protects you only in New Zealand.

However trade marks law is heavily influenced by international conventions. New Zealand is a member of a number of these:

The Paris Convention of 1883 underpins all member countries' trade mark laws. It is regularly updated, e.g. in the WTO Agreement of 1993.

The Nice Agreement sets out standardised classifications of goods and services as they appear in trade mark specifications.

The Vienna Convention is a system for consistent classification of device marks (although it has not yet been able to classify *smells*).

The World Intellectual Property Organisation (WIPO) in Geneva administers these conventions. WIPO now has a "new" convention, the Madrid Protocol (1989). As at January 2006, 78 countries had signed up. The Madrid Protocol provides that, once you have filed your local ("office of origin") application, you can file a single international application, leading to a single international registration in a number of countries. You are required to pay for this registration in Swiss francs.

Australia signed-up to the Madrid Protocol in 2001. New Zealand has not yet done so, but the Ministry of Economic Development is now examining whether to recommend that we join. Other countries that have adopted the Madrid Protocol include the UK, Japan, China, Singapore, the United States and the European Union.

However, as matters stand, if you wish to establish trade mark registrations in New Zealand and key overseas markets, you need to apply here and then either apply in each separate country, or file a Madrid application in (say) Australia. The existing conventions mean that the trade mark laws and registration procedures in most countries are fairly similar – though certainly not identical. The rules as to distinctiveness and classification of goods and services are more or less consistent. In practical terms, that means you at least get certain economies of scale by applying in a number of countries. Shieff Angland has associates throughout the world that can arrange registration of our clients' marks in their countries.

Name Searches

It would be extremely risky to market your brand, especially in a litigious export market like the USA or Australia, without first searching to confirm whether the name you wish to use is available. You run the risk of being sued for passing-off or breach of trade practices legislation. It is necessary to search both registered marks (and applications pending) and marks for which no application for registration has been made.

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Start by conducting your own search using:

- www.iponz.govt.nz (for trade mark searches)
- www.companies.govt.nz (for name searches)
- <http://www.searchnz.co.nz/domains/> (for NZ domain name registrations)
- <http://www.melbourneit.com.au/> (for worldwide domain name search)
- Telecom on-line directories (i.e. <http://www.yellowpages.co.nz/>)
- www.acourts.co.nz (business directories)
- www.ubd.co.nz (UBD E-directory)
- a general Internet search for the name you wish to use (remember to try the name on each of '.co.nz', '.net.nz', '.org.nz' and '.com')

You can also search trade mark registries in other countries:

- http://www.ipaustralia.gov.au/trademarks/search_index.shtml (Australian Intellectual Property Office)
- <http://www.uspto.gov/main/trademarks.htm> (US Trade Marks Office)
- <http://strategis.ic.gc.ca/app/cipo/trademarks/search/tmSearch.do?language=eng> (Canadian Trade Marks Office)
- www.patent.gov.uk/tm/dbase/index.htm (UK Trade Marks Office)
- http://www.wipo.int/madrid/en/services/madrid_express.htm (Madrid Protocol trade marks)
- <http://oami.eu.int/en/mark/default.htm> (European Community Trade Marks)

Please note that it is extremely important to also obtain a professional search before using a mark, especially outside New Zealand where you may be unfamiliar with the local brands.

At Shieff Angland we routinely undertake such international trade mark searches for our clients.

Renewals

Pursuant to the Trade Marks Act 2002, a New Zealand trade mark registration lasts 10 years from the date of application and can then be renewed at 10 year intervals (renewal fee \$250+GST per mark) for an indefinite period. Overseas countries have similar indefinite renewal provisions, although with different periods and fees. The US requires a confirmation of use declaration to be filed between 5 and 6 years into the registration period.

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Is it worth it?

Imitation is a time-honoured and popular form of flattery, as owners of trade marks (especially unregistered ones) have frequently discovered to their grief. If your brand is going to be successful and attract attention, flattery of this type is a real possibility. Trade mark registrations are a relatively inexpensive way of obtaining a very large degree of brand protection. Without brand protection, you are probably left to compete on price. The rule of thumb should therefore be: If you would object to somebody (such as a competitor) using your brand in a certain market, it would be prudent to register it.

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