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Trade Marks *Guide Australia*

Everything you need to know
about trade marks in Australia



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Contents

The pathway to protect your brand	4
Introduction	5
What is a Trade Mark?	6
Trade Mark Selection	8
Trade Mark Registration	11
National vs. International Trade Marks	14
Trade Mark Use	16
Trade Mark Enforcement, Protection & Management	18
Trade Mark Assignments & Licensing	22
Business Names, Company Names & Domain Names	25
Trade Mark Checklist	27

The pathway to protect your brand

1 **Ensure your brand is original**
Conduct a search to confirm.

2 **File your trade mark application**

3 **Celebrate when it's registered**

4 **Help people find you**
Register your domain name and create an online presence.

5 **Global domination**
Register your mark in the countries you plan to sell your products and services.

6 **Use it or lose it**
Trade mark registrations are vulnerable to cancellation if not used.

7 **Monitor the market**
Implement strategies to identify copycats and take action against unauthorised use.

8 **Fortify your brand**
Record your registered trade mark with customs.

TM

Introduction

The guide is intended to be fairly comprehensive, providing you with an understanding of the importance of trade marks, including the trade mark lifecycle, how to protect and use a trade mark and how to maximise the value of your trade mark.

We hope it helps you to gain an understanding and appreciation of the nuances of trade marks and their place in the commercial world. We've included tips throughout the guide to help you along the way.

How can we help?

If you have any questions or require the professional services of one of our trade mark experts, please don't hesitate to get in touch with one of our trade mark experts.

About Spruson & Ferguson

Spruson & Ferguson is a leading intellectual property (IP) firm providing a range of IP services throughout the Asia-Pacific region from our our Bangkok, Beijing, Brisbane, Hong Kong, Jakarta, Kuala Lumpur, Manila, Melbourne, Singapore and Sydney offices.

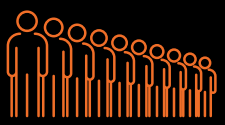
With a combined team of over 480 people, including patent attorneys, trade mark attorneys and IP lawyers, Spruson & Ferguson is one of the only IP firms with true regional capability, knowledge and experience.

Spruson & Ferguson's Trade Marks team acts for a diverse range of clients from the world's leading brands to Australian start-ups. Our highly qualified trade mark attorneys file more than 5,000 trade mark applications each year and provide a comprehensive trade mark protection service across the Asia-Pacific region. We advise on all aspects of the trade mark lifecycle, including brand creation, registering a trade mark in Australia and overseas, filing, all aspects of trade mark prosecution, defending actions for removal and monitoring correct trade mark usage.



5K+

Applications filed each year



Specialist team of trade mark attorneys

Est. 1887



What is a trade mark, and trade mark selection

What is a trade mark?

Your trade mark is the face of your company. It is the sign which differentiates your goods and services from your competitors.

Consumers can easily identify the origin of goods or services through trade marks, but more importantly, trade marks accumulate goodwill and become a form of guarantee of quality to a consumer.

Terms like 'brand value', 'brand recognition' and 'brand recall' are inextricably linked to trade marks. The most valuable and effective brands in the world are each underpinned by unique trade marks that have allowed consumers to easily identify the goods or services being offered and to attribute a level of quality or desirability to those goods or services.

A trade mark can be almost anything; a word, symbol, slogan, shape, sound, colour or even scent, as long as it differentiates a business's goods or services from those being offered by others.

Traditional trade marks are generally applied directly to goods or packaging to make them stand-out and to allow consumers to easily identify the trade source. More recently, trade marks have evolved to include a much wider range of means of identifying the trade source.

If used properly and managed effectively, a trade mark can become one of the most valuable assets of a business.



Select several potential trade marks for a new product/service and have a professional search conducted in relation to each. That way the business will be able to come to an informed decision around which trade mark to adopt for use.

Trade mark selection

Given the potential value of a trade mark to a business, it is essential that the right one is selected.The benefits to a business of selecting the right trade mark are boundless, including building an everlasting means of consumer recognition.

On the other hand, the cost of selecting, and ultimately using, the wrong trade mark can be severe for a business. Not only will the business bear the costs of a failed brand (brand development and implementation), it may also expose the business to legal action for infringement of another business's trade mark or reputation, which may result in having to pay damages.

Creation - two key rules

There are two key rules to keep in mind:

1. **A trade mark should be distinctive.** A trade mark should not simply describe the goods or services to which it will be applied.

Avoid: names of people or places, laudatory or descriptive words. For example, SYDNEY PHONES, BEST PHONES or MOBILES 4 SALE each fail the distinctiveness test.

When selecting a trade mark, a business should be aiming to select one that it alone will be able to use. That way, no other business will be able to benefit from the reputation that is accumulated within the trade mark. The more distinctive a trade mark, the more easily protected that trade mark will be.

The best trade marks are invented, or at least have no meaning in relation to the goods or services to which it will be applied.

Case Study

A robust search is important

When you're looking to rebrand your business, there are many things to consider, including making sure your new brand can be registered as a trade mark in all the countries that you operate in. We worked with Australian online foreign exchange and payments company OFX (previously known as OzForex) when the company recently rebranded and expanded its reach into foreign markets. Because we act across multiple regions, we understand there is not a one size fits all approach to securing a trade mark in different jurisdictions. We developed strategies to register and protect the OFX trade mark in Europe, Asia and the South Pacific.

2. **A trade mark should be original.** It should not be similar to (and certainly not the same as) anything else being used by other traders in your field.

Avoid: adopting variations of other trade marks, mis-spellings of common words, and fashionable words (e-, SMART-, or ECO-). For example, MIC-RON-SOFT and ECOSOFTWARE both fail the originality test.

When there is a world of possibilities, a business should not limit itself, or expose itself to unnecessary risk, by selecting a trade mark that other traders have already used.

Clearance - Searching

Before taking a trade mark to market, a business should always conduct preliminary internet searches. If there are no obvious problems using the mark, you then need legal registrability searches to help ensure that:

- **The trade mark is not too similar to any other trade marks** – using a trade mark that is similar to that of another business risks exposure to legal and financial ramifications; an allegation of trade mark infringement, breach of the Australian Consumer Law or of passing-off
- **The trade mark selected is registrable** – if the trade mark cannot be registered, it is much harder for a business to protect its investment

Searching is not simple. Specialist searchers are employed to ensure that not only are the exact combination of words checked, but any potentially similar combination is also checked. The test that a business must consider is not whether its trade mark is identical, but whether it is 'too similar'.

Having a team of experienced trade mark professionals conduct a trade mark clearance search will provide your business with ultimate peace-of-mind when it comes time to take the trade mark to market.

Obtaining registration of a trade mark is important but it is more important to be able to safely use the mark in the marketplace.

Which trade mark to register

Usually, the first question for a business is which trade mark should be registered. Most businesses have a number of trade marks including:

- The 'house' mark which may include the company name, for example, Coca-Cola
- A product name and logo, for example 'Coke Zero'

It may be the case that the business uses several versions of the same trade mark, or may intend to phase out use of one in favour of another.

Generally, a plain word trade mark in BLOCK letters will provide the broadest protection. For example, the Coca-Cola mark would likely enjoy adequate coverage from a plain word trade mark registration for COCA COLA. However, the business may also have reasons for wanting to register the stylised version, perhaps to build some protection around the specific wave pattern or font used.

Protecting a trade mark should be as vital to a business as protecting any other asset. A business owner is not likely to leave their store unlocked overnight, or allow their machinery to run to disrepair – that would simply be bad for business.

The earlier a business is able to secure registration of a trade mark, the more easily a strong brand can be built around that trade mark.

Case Study

Not-for-profits need trade mark protection too

When leading charity Cure Brain Cancer Foundation rebranded, we provided them with pro-bono advice on the best way to protect their trade mark, including separately registering the distinctive origami crane element of their logo. We continue to provide Cure Brain Cancer Foundation with on-going pro-bono advice and support for many of its fundraising initiatives.

Cure Brain Cancer FOUNDATION

Essentially, when a business is protecting its trade mark it is protecting its reputation. It is preventing other businesses from trading off the hard work that it has put in and the goodwill it has accrued.

Under Australian law there are several ways to protect a trade mark, or the reputation of a business, including:

- Action for trade mark infringement
- Action for breach of the deceptive or misleading conduct provisions of the Australian Consumer Law
- Action for 'passing off' under common law

Each of the above is an effective means of protecting a business's trade mark and reputation. There are, however, some practical commercial differences between them that are important.

First, any action for a breach of the Australian Consumer Law or for passing off must be supported through evidence that the business has accrued a reputation in its trade mark. That is, the business must prove that it has a certain level of goodwill built up in its trade mark in order to succeed with either of these actions.

On the other hand, to pursue an action of trade mark infringement, there need not be any reputation in the trade mark at all. The only requirement is that there is a trade mark registration. This is why obtaining and maintaining a trade mark registration is vital to the effective protection of your trade marks.

The house mark and logo can be combined in a single trade mark application but broader protection is afforded by registering each mark separately.

If the budget doesn't allow for multiple applications, usually the best thing to do is register the house mark first. Applications for product marks and the logo can be filed when funds are available.

Registering the wrong trade mark will leave the business exposed to risk and likely unable to protect itself effectively.

Have the business's use (or intended use) reviewed prior to filing an application. That way, the business can be sure that the right trade mark is protected.

Trade mark registration

Trade mark registration

A trade mark registration is the granting of a statutory, exclusive right to use of the mark. That means that no other business is entitled to use that registered trade mark (or a deceptively similar mark) for the same or similar goods/services.

If another business uses the same (or a similar) trade mark to one that is the subject of a trade mark registration, then that business has committed trade mark infringement (it has infringed the rights of the owner of the registration).

The Australian trade mark registration system is amongst the most robust in the world. More than 60,000 trade mark applications are filed in Australia every year by businesses around the world.

The process of obtaining a registration in Australia is generally as follows:

- Filing of the application
- Examination of the application
- Acceptance of the application
- Registration
- Renewal every 10 years

Application

To file a trade mark application, all that is needed is the trade mark (which must be represented graphically), the details of the owner (which must be an entity with 'legal personality'), and the listing (or specification) of goods and/or services that the owner intends to provide under its mark.

Selecting the correct goods and/or services to include in the application is a vital step in the registration process. If a business does not cover the correct goods/services, it will not be able to obtain adequate protection.

For example, if a business proposes to sell a carbonated beverage under the trade mark FIZZY-POP, the goods that it would need to cover in its specification are readily apparent.

However, if a business is providing food and drink samples, is it providing goods (food and drinks), is it providing a business service (provision of samples), or is it providing hospitality services (provision of food and drinks)? Each of these fall into a different class and may need to be protected depending on the nature of the business being conducted.

Trade mark attorneys are experienced at drafting a specification of goods/services and the cost for doing so is covered within the filing fees - take advantage of this experience.

Case Study

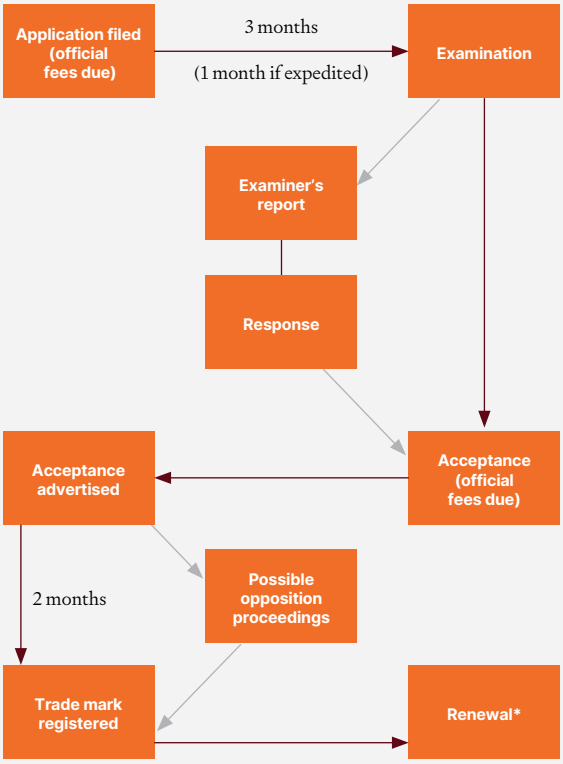
Getting help when it's not straightforward

When local high-end clothes label, Jac+Jack, tried to register its trade mark in 2009, it received an objection from the Australian Trade Marks Office as its mark was found to be similar to a prior registered mark, JACK-JACK, owned by Disney (Jack-Jack is a character from the movie, The Incredibles).

We acted for Jac+Jack, providing the Trade Marks Office with evidence of Jac+Jack's use of its trade mark in Australia. Following which the trade mark Jac+Jack was successfully registered in Australia. Since this initial registration, we have used our regional capability to protect the Jac+Jack trade mark in a number of different jurisdictions.

Jac+Jack

Innovative Australian trade mark application process



* First renewal fee 10 years from date of application lodgement and every 10 years thereafter.

Examination

After an application is filed, it will be examined by the Trade Marks Office to ensure that it is registrable as a trade mark (see earlier section) and that it is not too similar to any prior trade marks that have been filed or registered.

At this stage, if there are objections, an Examiner's report will be issued setting a 15-month deadline for the business to overcome the objection(s) raised.

A significant number of objections that are raised during examination may be addressed through evidence of a business's use of the trade mark.

It's important to always keep detailed records of use and examples of use.

Acceptance/Registration/Renewal

Once any objections are overcome, or if no objections are raised, an application is accepted for registration and the details of the acceptance are published.

Other traders will then have two months to oppose registration of the trade mark (this period will vary in other jurisdictions). If no oppositions are filed, the application will be registered (see flow chart on page 9).

The minimum time for a trade mark to proceed from application to registration is 7½ months due to Australia's international obligations.

After registration, renewals must be paid every 10 years otherwise the registration will lapse and will no longer be enforceable.

Once a registration lapses it may be very difficult to obtain a new registration for the same trade mark. Using an experienced intellectual property firm to manage your portfolio means that a business does not need to worry about lapsing registrations.



Have the business' use (or intended use) reviewed prior to filing an application. That way, the business can be sure that the right trade mark is protected.



The opposition period is a time in which a business is able to take action to prevent another business from registering a trade mark that it should not be entitled to register. Watching services are vital to ensure that a business's brand is not hijacked (see page 17).

Special Trade Marks

The following types of 'special' trade marks are also acceptable for registration in Australia:

- **Certification** – where the business using the trade mark is not the owner, but the trade mark conveys a certain standard and the use is governed by certain rules. For example, the Heart Foundation Tick may be used by numerous businesses provided that business meets the required standards.
- **Defensive** – where a business wishes to protect its trade mark in relation to goods or services that it does not intend to offer for sale. For example, HOLDEN holds a defensive registration covering tyres.
- **Collective** – where there is no single trade mark owner, but a collective ownership and usage by members of that collective, such as an association. For example, the Australian Football League Coaches Association which has registered its logo as a collective trade mark.
- **Series** – where a business uses more than one trade mark that does not differ in material particulars, it is possible to register those multiple trade marks within a single application. The difference between the trade marks, however, are only allowed to be subtle, including colour, number or price. For example, IDAK SYDNEY and IDAK SINGAPORE could both be covered under a single series trade mark.

National vs. international trade marks

National vs. International Trade Marks

What if I want to sell my products overseas?

Australia is party to several international agreements related to trade marks. The most significant for businesses are the International Registration and the convention priority systems.

Each country around the world has its own trade mark laws. Whilst usually having similar principles, the laws are not always directly comparable. If a business has interest in using its trade mark overseas then it needs to also protect that trade mark overseas.

Additionally, there may be aspects to operating in other jurisdictions that a business is not aware of. For example, if a business manufactures goods in China for export only, it is still necessary for that business to obtain a trade mark registration in China.

International Registration

The International Registration (or Madrid) system essentially provides a single application that may cover as many as 70+ jurisdictions around the world.

An International Registration must be 'based' on a prior local application or registration. The details of this local registration are listed by the World Intellectual Property Office as an International Registration. From this International Registration, a business is able to designate other jurisdictions where it wishes to obtain trade mark protection, for example, the European Union or the United States.

Each of the designated jurisdictions then examine the trade mark as if a local application had been filed. If registration is achieved in that jurisdiction, it has the same effect as the registration of a local application.



Talk to the experts.
We've 'been there and done that' before!

Case Study

Get the right advice when going global

According to recent statistics, start-ups file more trade marks than longer established companies. New social media app, CLAPIT, came to us to register its trade mark in Australia and internationally. We advised the CLAPIT team on the best way to register their mark to ensure it was adequately protected and conducted clearance searches to ensure that the mark could be used and registered internationally.



In effect, the International Registration system usually provides the most cost effective means for a business to protect its trade mark globally.

It does, however, have some drawbacks. For example, the International Registration is dependent on the local registration for a period of five years from the time that the International Registration is filed. This means that if the trade mark on which the International Registration is 'based' does not proceed to registration or comes under attack (for example, opposition or non-use action), there is a risk that the International Registration (and subsequent designations) will be lost.

Convention Priority

Convention priority is an agreement whereby a trade mark application is able to claim a priority date that is up to six months earlier than the actual filing date, if the same application was earlier filed in a corresponding jurisdiction and convention priority is claimed.

This is an important factor for businesses to note. If a business is not sure if a product will be launched overseas, it has six months to review the success of the product locally before protecting the trade mark elsewhere.

Whilst usually having similar principles, the laws are not always directly comparable. If a business has interest in using its trade mark overseas then it needs to also protect that trade mark overseas.

Trade mark use

Trade mark use

It is essential that a trade mark is used correctly. Failure to use a trade mark correctly may make it more difficult to secure or maintain a trade mark registration, or may even result in the loss of a registered trade mark.

A trade mark is not a noun or verb. It is a proper adjective and it should always be used in a manner that qualifies a noun. For example:

Good – "I prefer KLEENEX tissues" or "LEVI'S jeans are a great fit for me"

Bad – "I need a KLEENEX!"or "I look great in these LEVI'S"

Marking

Ideally, a trade mark should always be used in a manner that allows third parties to easily identify that it is a trade mark. This serves two purposes that have a direct benefit to a business: it allows customers to more easily identify and recall a brand, and it warns competitors that a business considers that its trade mark is an asset owned by the business.

There are several easy ways for a business to do this. For example, for business xyz:

- **Use the ® symbol** – 'the xyz® test is the most efficient test possible'. This symbol may only be used if the trade mark is the subject of an Australian trade mark registration. It is an offence to use the ® symbol if the trade mark is not registered in Australia.
- **Use the ™ symbol** – 'the xyz™ test is the most efficient test possible'.
- **Present the trade mark in a different font to the rest of the surrounding text** – 'the XYZ test is the most efficient test possible'.

There is no 'right way' for a business to identify its trade mark. However, as a general rule, if it is registered, use the ® symbol. If it is not registered, use the ™ symbol.

A Note on Social Media

Social media is a key marketing channel for any modern business. Just because the rules around how a business markets have changed, does not mean that the rules around how to use a trade mark have.

Even in social media, it is essential that a business is aware of how it is using its trade mark to ensure that the above guidelines are followed.



The business should have a precise plan as to how its trade mark will be used across all media. That plan should be widely circulated, followed and monitored.

Genericism

There is no greater satisfaction for a business than for its trade mark or brand to become synonymous with a product. This means that the business is producing a desirable product that is highly sought after. It may be the market-leader in its field or enjoy the greatest market share.

There is, however, a potential downside to this success. If a trade mark becomes so synonymous with a single product, it may act as a definition of that product, and the business will have to take steps to prevent its trade mark from becoming generic.

Two examples are the WALKMAN personal audio player manufactured by Sony, which rose to prominence in the 1980s and GRANOLA muesli produced by Sanitarium.

Sony's WALKMAN personal audio player was such a successful product that the term 'walkman' was being used to describe any type of personal audio player, whether manufactured by Sony or other businesses. Sony, upon seeing the value of its trade mark WALKMAN, immediately took steps globally to prevent its trade mark from becoming generic.

These steps included sending letters to retailers and placing advertisements with the catch-cry "If it isn't a SONY, it isn't a WALKMAN".

These efforts to educate both consumers and traders that the term WALKMAN was a trade mark, helped Sony to retain one of its most valuable brands to this day.

Similarly, Sanitarium has made headlines in Australia for sending cease and desist letters in relation to third party use of its trade mark GRANOLA.

GRANOLA is a registered trade mark owned by Sanitarium. However, it came to the attention of Sanitarium that third parties had been using 'granola' as a generic term to refer to a type of muesli that was not Sanitarium's GRANOLA muesli.

Sanitarium, in order to ensure that its trade mark GRANOLA did not slip into becoming a generic term for muesli, sent letters to several third parties identifying that GRANOLA was a registered trade mark and noting that it was an offence to misuse the trade mark.

As with the Sony example, the positive action taken by Sanitarium to defend its trade mark has enabled it to continue to enjoy the exclusive rights that a trade mark registration brings.



Monitor how your trade mark is being used by your business and by others and take action if necessary. The actions of retailers, distributers, or competitors and the inaction of your business could put your trade mark at risk.

Trade mark enforcement, protection and management

Trade mark enforcement, protection and management

Given the potential value of a trade mark to your business and the amount of time and money invested in establishing your brand, it is critical to have an enforcement strategy in place. Business owners should be vigilant in implementing strategies to prevent infringement and engage in prompt and appropriate action where infringement occurs.

The most appropriate protection and enforcement strategies for your business will depend on a range of factors. Some considerations may include the size of your IP portfolio, the scope of your IP rights, the amount of time and money that your business is willing to invest in such strategies, whether your business would benefit from defensive or offensive enforcement mechanisms and whether any actual or perceived unauthorised use exists in the marketplace.

Some common protection and enforcement mechanisms and tools include:

- IP audits
- Securing IP registration in key markets
- Proper use and maintenance of trade marks
- Prompt trade marks renewals
- Monitoring the internet and marketplace
- Trade mark watch services
- Opposition proceedings and revocation actions
- Commercial investigations
- Letters of demand
- Customs watch notices
- Consumer education

IP Portfolio Management

Knowing the extent of your IP rights will help you to manage and enforce your rights.

Your IP portfolio may comprise registered and unregistered trade marks and other forms of intellectual property such as registered designs, patents, copyright, trade secrets and know-how.

IP rights may also be acquired or licensed through assignments, licence agreements and other commercial instruments to form part of your IP portfolio. Your company name, business name and registered domain names can also be included in your IP portfolio.



Periodically reviewing your IP portfolio by engaging IP professionals to conduct an IP audit will help identify areas of vulnerability and potential commercialisation opportunities. Audits may draw your attention to unregistered trade marks, upcoming renewal deadlines and possible unauthorised use or misuse of your trade marks.

IP Registration

Once you establish the scope of your IP portfolio, you can assess which trade marks and other intangible property rights are valuable to your business. Applications should be filed to register any unregistered trade marks in use by your business in order to enjoy the statutory protection afforded to registered trade mark owners. It is also important to consider the key markets your trade marks are being used to determine whether you have sufficient protection.

Owners of unregistered trade marks may be protected in Australia under the common law tort of passing off and the misleading or deceptive conduct provisions of the Australian Consumer Law. In general, rights in unregistered trade marks arise at common law where substantial reputation has been developed in a mark in Australia.

Conversely, registration is one of the most effective ways of ensuring that your brand is protected in relevant markets.

Use it or lose it!

An essential aspect of managing and enforcing your trade mark rights is to ensure that your trade mark does not become vulnerable to removal from the Trade Marks Register for non-use.

In Australia, a third party may file a non-use removal application in circumstances where your trade mark has been registered for a period of five years or more, and has not been used in Australia in relation to all of the registered goods and/or services for a continuous period of three years and one month, ending on the date upon which the non-use proceeding is filed.

Once a non-use removal application has been filed, the onus is on the trade mark owner to demonstrate that the trade mark has been used during the relevant non-use period in Australia in relation to the relevant goods and/or services. Non-use removal actions can be costly to defend.

Monitoring the use (and misuse) of your trade marks

It's critical to monitor how your trade mark is being used commercially. Depending on the size of your IP portfolio, your trade mark may be used directly by your business, by licensees or sub-licensees pursuant to a trade mark licence agreement or by other authorised users such as manufacturers or distributors pursuant to commercial arrangements. Monitoring the use of your trade mark will ensure that:

- Your trade mark is used in accordance with commercial agreements
- Your trade mark is used in relation to the relevant goods or services
- Your trade mark does not become vulnerable to non-use proceedings
- Your use or use by authorised users does not infringe other proprietor's rights
- Your trade mark is not being used in a generic manner

It is also important to monitor your business's commercial competitors and other businesses in the same industry or field to ensure that your trade mark is not being used without your permission or is being used in a manner that suggests your business supports or endorses a competitor.

Trade Mark Watch Services

Trade mark registration provides a statutory monopoly to use a trade mark in relation to the registered goods or services in the relevant jurisdiction. Use by other traders of substantially identical or deceptively similar trade marks in relation to the same or similar goods and services may dilute your brand and reputation and possibly infringe your rights.

A trade mark watch is a common and effective mechanism for monitoring the Trade Marks Register for accepted trade marks that may be substantially identical or deceptively similar to your registration. Watches provide a systematic and sophisticated method of monitoring specific competitors, jurisdictions, classes of goods or services and marks containing particular elements.

Watches can also be set up to monitor company names, business names and domain name registrations. If a particular trade mark or business exposed in a watch report presents a concern, further investigations may be conducted into how the mark is used and the activities of the owner.

Opposition and Removal Proceedings

If an application for registration is of particular concern to you, you may wish to oppose registration or to file an application for revocation of acceptance.

Successful opposition proceedings and revocation actions may prevent other traders from diluting your brand by registering trade marks that consumers may consider to be associated with your business.

Further, maintaining the state of the Trade Marks Register can help to avoid issues with conflicting marks in the event that you apply to register a similar trade mark at a later date. If your prior registration is the only trade mark on the Register that is similar to a proposed application, it is unlikely that you will encounter citation objections during the examination stage.

Letters of Demand

Letters of demand provide an effective method of enforcing IP rights under the appropriate circumstances. For instance, where you know or suspect that another trader is using your trade mark without authorisation.

A letter of demand generally provides brief background information with respect to your business, your brand and the details of the specific trade mark or IP rights being used without consent.

An effective letter of demand usually links unauthorised use to specific provisions of Australian trade mark and consumer law and outlines a range of possible remedies available to you as the registered proprietor including account of profits, damages and injunctions. A letter of demand often conveys an extensive list of demands sought by the trade mark owner in order to resolve the unauthorised use and requires written undertakings from the alleged infringer.

Trade mark owners should always seek advice from IP professionals prior to sending letters of demand as there are risks in sending such letters, including exposure to counter action for making a groundless threat or even misleading or deceptive conduct.



If you encounter any unauthorised use of your trade mark it is important to contact IP professionals to determine what your business's options may be in addressing such use.



It is critical to get advice from experienced IP professionals before filing an opposition or revocation action in order to consider strategy and the benefits and risks associated with such actions.

It is essential that the allegations and claims made in a letter of demand are accurate and well grounded.

IP professionals have access to a range of commercial investigators who can provide reports on the extent and scope of suspected unauthorised use. Once the extent of use and conduct has been determined, a careful review of the relevant law must be conducted prior to making an assessment as to whether a claim for infringement is viable.

Customs Watch

In circumstances where you suspect or become aware that a third party is or may be importing infringing goods or counterfeit products into Australia, you may wish to consider filing a Customs Watch Notice.

A Customs Watch Notice alerts Australian Customs to the alleged infringement and allows them to seize infringing goods. A Customs Watch Notice is an effective measure to prevent infringing goods from entering Australia.

Court Proceedings

In circumstances where alternative enforcement mechanisms have not been effective in addressing trade mark infringement, passing off or misleading or deceptive conduct, trade mark owners may consider commencing court proceedings in the Federal Court of Australia.

Court proceedings should always be considered as a last resort and owners should seek legal advice with respect to possible costs and procedures involved as well as chances of success and risks involved in commencing litigious proceedings.

Trade mark assignments

Trade mark assignments

Under Australian law, it is possible to sell your legal and beneficial rights, title and interest in and to your trade mark to a third party.

An 'assignment' refers to the outright transfer of an owner's rights, title and interest in a trade mark to another entity pursuant to an assignment document. A document purporting to assign one or more trade marks must meet specific requirements to be legally enforceable.

A duly executed assignment document can be filed with the Australian Trade Marks Office with an application to record the assignment.

Trade Mark Licencing

Will you use your trade mark yourself or authorise a third party to use it on your behalf?

Types of Licensing Agreements

There are many forms of commercial agreements that allow trade mark owners to licence their rights in and to their trade marks and other forms of IP. The appropriate commercial arrangement for your business will depend on a range of factors. Some common types of licence agreements include:

- Trade mark licence agreements
- IP licence agreements
- Software licence agreements
- Franchise agreements
- Co-branding agreements
- Distribution agreements

What is a Trade Mark Licence?

A trade mark licence allows a trade mark owner (the 'licensor') to grant permission to another entity (the 'licensee') to use its trade mark on mutually agreed terms. In the absence of a trade mark licence agreement, use by another entity may amount to infringement of your rights as a trade mark owner.

It is recommended that a trade mark licence is expressed in the form of a written agreement between parties specifying the scope of the licence and other essential terms. In consideration for allowing another entity to use your trade mark, you may receive compensation in the form of royalties or a flat fee.

It is important to note that granting a licence in relation to your trade mark does not transfer the ownership rights in your mark. You will remain the trade mark owner and in control of the nature and quality of how the goods or services are sold under your trade mark by the licensee or authorised user.



It is important to be aware of the potential risks involved in licensing your trade mark. Accordingly, having a firm of experienced IP professionals to provide advice on the benefits and risks of licensing is essential.

Advantages of Trade Mark Licensing

Licensing provides a trade mark owner a wide variety of possibilities to expand and improve its market position and brand reputation. For example, licensing may provide an opportunity to:

- Develop and market the goods or services sold under your trade mark throughout Australia and other jurisdictions
- Expand the territory in which the goods or services available under your trade mark may be sold
- Access and rely on another entity's resources, funding and connections to expand your brand
- Provide access to another entity's manufacturing, distribution, sales and marketing channels
- Ensure that your trade mark is in use which may prevent it from becoming vulnerable to removal or restriction for non-use
- Provide an additional revenue stream and generate income
- Increase consumer recognition of your brand

Drafting and Commercial Considerations

Licence agreements are generally flexible, and allow both parties to agree on terms that meet their specific needs and expectations. Some common variables to consider during the drafting process include:

- **Control** – it is essential that you maintain control over the manner in which your trade mark is used under a licence
- **Exclusivity** – whether the licence is exclusive (e.g. your trade mark may only be used by one licensee) or non-exclusive (e.g. your trade mark may be used by more than one licensee)
- **Territory** – where the licensee is permitted to use your trade mark and whether any territorial restrictions apply
- **Sub-licensing** – whether the licensee may sub-license its rights under the agreement
- **Scope** – the scope of the agreement (e.g. what products or services does the licence cover, does the licence cover product development, manufacture, marketing and selling of products and services?)

- **Form of Trade Marks Used** – logo, plain words, device
- **Termination** – how and why the agreement may be terminated and possible consequences of termination
- **Payment and Fees** – whether you should receive royalty fees or a flat fee and the method in which such fees should be calculated and paid
- **Obligations** – your obligations and the obligations of the authorised user under the agreement
- **Infringement** – what procedure should be followed if the authorised user becomes aware or suspects infringement by a third party
- **Disputes** – how a dispute may be handled if it arises under the agreement
- **Choice of Law** – which legal system will govern the agreement

Recordal of a Licence Agreement

There is no requirement under Australian trade mark law to record a trade mark licence agreement with the Australian Trade Marks Office. However, where a licence agreement gives rise to a security interest in a trade mark, recording the security interest on the National Personal Property Securities Register ('PPSR') is critical to ensure that the security interest is perfected.

A security interest in a trade mark may also be recorded on the Australian Trade Marks Register in order to notify the public of the existence of a licence agreement. Recording a claimed interest on the Trade Marks Register has no legal effect.

Business names, company names and domain names

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A trade mark and a business or company name are very different. Your trade mark is the brand in which your reputation is held and how a customer identifies your goods (or services). Registering your trade mark provides you with certain rights to assist in protecting your brand.

A company or business name is essentially an administrative requirement that allows you to conduct your business, but does not provide any rights in relation to your brand.

Business and Company Name Registration

A business name is the name your business uses to trade under (e.g. 'Spruson & Ferguson'). Unless you are trading under your own name (e.g. 'Jane Smith'), your business name must be registered on the Australian Securities and Investments Commissions' ('ASIC') National Business Names Register before it is used.

You should be aware that registering your business name does not amount to proprietary or ownership rights in that name. Accordingly, other traders may apply to register and use similar trading names. In order to obtain statutory protection and exclusive rights in a name, you should consider registering your business or company name as a trade mark.

Registering your trading name on ASIC's National Business Names Register enables you to use that name throughout Australia. You must have a valid Australian Business Number ('ABN') to apply to register a business name in Australia.

Prior to filing an application to register your business name, it is essential to conduct a search of ASIC's Companies and Business Names Register to establish whether your proposed business name is available for registration. Prudent businesses may also conduct a search of the Australian Trade Marks Office's online database records to ensure their proposed business name is not the same as or similar to a registered trade mark.

After confirming that your business name is available, you can apply to register the name for a period of one or three years. At the end of the registration period, your business name may be renewed for a further one or three year period. Provided that renewal fees are paid in a timely manner, you can maintain your registration perpetually.

In instances where ownership of the business changes, the business is sold or a new owner takes over, you can apply to transfer your business name upon request.

Domain Names

A domain name is your website address on the internet (e.g. spruson.com). A domain name gives you an online presence and is a valuable marketing tool that can help consumers find and identify with your business.

Subject to compliance with the relevant rules and policies of various domain name registers, you may register almost anything as a domain name. It is common to choose a domain name that is consistent with your registered trade mark, company name or registered business name. You should also consider the geographical address of your business when choosing top-level-domains such as .com.au or .com.nz.

In general, you should consider selecting a domain name that represents your business, is easy to spell and remember and is short and unique.

It is important to note that no propriety or ownership rights are granted for domain names. Rather, the domain name registrant is granted a licence to use the domain name for a specified period. Accordingly, other traders may hold similar names in another domain. In order to benefit from statutory protection and exclusive rights to a name, you should consider registering your domain name as a trade mark.

It is important to conduct an availability search prior to applying to register a domain name. Further, it is important to ensure that your business is eligible to hold a particular domain name (e.g. only commercial entities with either an Australian Company Number or an Australian Business Number may buy .com .au or .net.au domains).

At the end of your relevant licence term, a domain name may be renewed by payment of renewal fees. Provided that such fees are paid in a timely manner, a domain name may be held perpetually.

Domain names may be transferred or cancelled upon request by the domain name holder.

Prior to filing an application to register your business name, it is essential to conduct a search of ASIC's Companies and Business Names Register to establish whether your proposed business name is available for registration.

Trade mark checklist

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Initial Questions

- [ ] Has a search been conducted to ensure that using the trade mark will not infringe any other trader's rights?
- [ ] Will using the trade mark mislead or deceive anyone about my goods or services?
- [ ] Am I the rightful owner of the trade mark?

Registering the Trade Mark

- [ ] Does the trade mark distinguish your goods or services from those being offered by other traders?
- [ ] Is your trade mark a generic or common description of your goods or services?
- [ ] Do you want to prevent any other trader from using or obtaining rights in the trade mark?
- [ ] Do you use the trade mark in more than one country or are goods manufactured overseas under the trade mark?

How to Use the Trade Mark

- [ ] Is it clear that IT is my trade mark?
- [ ] Do I use ® or ™ in relation to IT?
- [ ] Do I use IT to describe my goods or services?

Maintaining the Trade Mark

- [ ] Do I monitor how the trade mark is used by my business and other traders?
- [ ] Have I got a 'watch' in place to ensure no other trader can register something similar to the trade mark?
- [ ] Am I using a trusted source to monitor the renewal dates for the trade mark?

Exploiting the Trade Mark

- [ ] Should I licence the trade mark to another trader to use?
- [ ] Do I have a plan in place to protect the trade mark if I expand its use?
- [ ] Should I use the trade mark to prevent another trader from using the trade mark for something similar?
- [ ] Do I have a domain name that includes the trade mark?

Contact us

If you have any trade mark questions, please don't hesitate to get in touch with a member of our Trade Marks team.



480+
Employees

190+
IP professionals

25+
Countries

10
Offices

Our offices

Bangkok

Telephone: +66 2 256 9164
Email: mail.asia@spruson.com

Beijing

Telephone: +86 10 8225 5655
Email: mail.hk@spruson.com

Brisbane

Telephone: +61 7 3011 2200
Email: mail.au@spruson.com

Hong Kong

Telephone: +852 2161 9999
Email: mail.hk@spruson.com

Jakarta

Telephone: +62 21 252 3853
Email: mail.asia@spruson.com

Kuala Lumpur

Telephone: +60 3 2283 1668
Email: mail.asia@spruson.com

Manila

Telephone: +63 282 467 750
Email: mail.asia@spruson.com

Melbourne

Telephone: +61 3 8637 7131
Email: mail.au@spruson.com

Singapore

Telephone: +65 6333 7200
Email: mail.asia@spruson.com

Sydney

Telephone: +61 2 9393 0100
Email: mail.au@spruson.com

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