



## Trade marks

### Description

An explanation of who can apply for a trade mark, how to register a trade mark, and what can be registered as a trade mark. An overview of the registration process, reasons why a application may be refused and preventing others to use your trade mark.

## What is a trade mark?

### A short definition

A trade mark is a sign used in business to indicate that goods or services come from a particular trader or service provider. A trade mark can be a phrase, word, letter, name, signature, numeric device, logo, colour, symbol, picture, aspect of packaging or shape, and even a scent or sound. It can consist of words or images alone or any combination of the above signs. Famous examples are the word “Coca-Cola” and the Nike “swoosh” device. Cadbury engaged in a lengthy legal battle in Australia and the United Kingdom before finally succeeding in registering its distinctive purple as a colour trade mark for chocolate.

A person who owns a trade mark in Australia may be able to stop other people using the same or a similar trade mark in Australia. Whether or not that person can prevent the use of that trade mark in other countries will depend on the law of those countries, and the person’s use or registration (or both) of the trade mark in those countries.

## Types of trade marks

There are two types of trade marks:

### Registered trade marks

Registered trade marks (commonly designated by ®) are trade marks registered under the *Trade Marks Act 1995*

(Cth) (**Trade Marks Act**) in Australia. A trade mark which is still undergoing the application process and hasn't yet been registered may be designated with a <sup>TM</sup> symbol. The owner of a registered trade mark has an exclusive monopoly right to use and to license others to use the mark for the goods and services in respect of which it has registration. (This is in addition to the remedies available to protect common law marks.)

## Common law trade marks

A common law trade mark is an unregistered trade mark which has been used (such as a brand name or in advertising) in relation to certain goods or services to such an extent that it is recognised as distinguishing the goods and services of the business using that mark from those of other businesses. Even though it is not registered, in certain circumstances the law will prevent another trader from using the same or a similar trade mark. Infringing on a trade mark of another person (whether registered or unregistered) may amount to passing off or misleading and deceptive conduct. Section 18 of the Australian Consumer Law (ACL) prohibits a person, who is carrying out any activity related to trade and commerce, from engaging in misleading and deceptive conduct.

See the Arts Law information sheet: [Australian Consumer Law and creators](#).

## Choosing and protecting your trade mark

### Search before using a trade mark

If you want to use a particular word, logo or sign as a trade mark in relation to your business, you must first determine if anyone else has already obtained rights to that or a similar mark. If so, your use of the mark could expose you to liability for trade mark infringement or breaches of the ACL. You can check for existing marks by searching:

- the records of the Australian Trade Marks Office for applications and registrations for identical and similar signs. The Trade Marks Office is part of IP Australia, an Australian government agency which is responsible for the management of the trade mark registration system and maintains a database of registered, pending, lapsed and refused trade marks which you can search online yourself at [IP Australia's website](#). Alternatively, you can request IP Australia to provide an assessment of the registrability of your trade mark using its TM [Headstart service](#). There is a fee for this service.
- the register of business and company names which can be accessed and searched on [ASIC's website](#).
- directories such as the White and Yellow Pages and any other databases available, including directories relating to your particular industry
- the internet using [Google<sup>TM</sup>](#) which may reveal business use of a name or brand in Australia which has not been registered as a trade mark or a business or company name.

When conducting a search yourself remember to search phonetic and other variations on your trade mark, such as "phone" and "fone", "honey" and "hunny". Trade mark attorneys and intellectual property lawyers can conduct searches for you, although this can be costly.

## Why register a trade mark?

It is not compulsory to register your trade mark but a registered trade mark:

- gives its owner a relatively easy and cost efficient legal action against infringers using the same or a similar trade mark in relation to goods and/or services which are the same as or similar to the goods or services for which the trade mark is registered;
- is property that can be easily bought, sold, mortgaged and licensed; and
- is on the public record and so third parties who search the register are more likely to be deterred from adopting it or a similar sign
- is a complete defence to any claim of trade mark infringement brought by another trade mark owner.

## What can be registered as a trade mark?

Under the Trade Marks Act any **sign** can be registered as a trade mark. A sign is defined to include: an image, phrase, letter, name, signature, word, numeric device, brand, heading, label, aspect of packaging, shape, colour, sound, or scent. For example, Verve Cliquot Ponsardin has registered the particular orange colour used in the packaging and marketing of its champagne products as a trade mark.

Traditionally, artists have sought to register as trade marks the signs that they use as their logos or business names. The current definition of sign in the Act makes the protection conferred by trade mark registration potentially even more useful to artists and creators. For example, if a band had a particularly well known guitar riff, they may be able to register it as a trade mark in relation to the production of music. A sculptor may be able to register a particular sculpture as a trade mark in relation to the production of sculptures or provision of gallery services.

When choosing a trade mark, it is important to select a sign which is:

- distinctive and not merely descriptive, e.g. not “Indigenous Art Gallery”
- easy to say and spell (if a word or phrase)
- different from signs used by your competitors
- not defamatory or misleading, e.g. don’t call your band “The Rolling Stones” if you are not Mick Jagger
- not a geographical description or a common surname.

Trade marks which are considered scandalous or contrary to law cannot be registered.

## Descriptive versus distinctive marks

For a mark to be successfully registered, the mark cannot be too descriptive. An example illustrating this requirement occurred when Apple Inc’s attempted to trademark the term “App store”. Trade mark law requires that a trade mark be capable of distinguishing the goods or services of one trader from those of another, so consumers are not confused as to who they are buying from and who holds the

intellectual property rights of that brand.

A new music group that wants to get a registered trade mark for the words “The Band” will not be able to show that those words are inherently adapted to distinguish them from other bands as the name is directly descriptive and therefore not capable of being registered under the Trade Marks Act. However, you may recognise “The Band” as a 1960s Canadian-American roots rock group, who established a substantial reputation using that name, and would in fact be able to assert that they have a common law trade mark, because of that reputation. They would be entitled to legal remedies to stop other groups misleading the public as to some connection with “The Band”. A group of musicians can register a name that includes ‘band’ as part of the mark – the distinctiveness of the mark is assessed over the composite name.

It is possible to prove to the trade mark registry that a reputation has been developed through the use of an otherwise descriptive mark. That is, an otherwise descriptive mark is capable of becoming distinctive through use so that the public have come to recognise that the mark identifies that user of that mark. However that is a complicated and risky way to achieve registration of a trade mark. It is easier to protect and register an inherently distinctive mark.

## Who can register a trade mark?

Any legally recognised entity (including an individual or a company) can apply to register a trade mark. The applicant, however, must own the mark.

Where the trade mark includes artwork, the copyright in that artwork must also be owned by the trade mark applicant. A trade mark applicant may therefore need to purchase the copyright in the artwork from its creator before applying to register that artwork as a trade mark.

## Registration for use in relation to specific classes of goods or services

Trade marks can only be registered in respect of specific categories of goods or services. You should only seek trade mark registration for those categories of goods and/or services in respect of which you are using, or realistically intend to use, your mark.

For the purposes of trade mark registration, Australia follows the 10<sup>th</sup> edition of the *International (Nice) Classification of Goods and Services for the Purposes of Registration of Trade Marks*, which groups goods and services into 45 classes. Look at the classes on the [IP Australia website](#) to work out which are suitable for you. It is important that the statement of goods and services on your application is properly drafted as on the one hand, if too narrow, it will limit the protection provided by the registered trade mark, and on the other, if worded too broadly, it may make your application or registration vulnerable to attack, for example on the basis of “non-use” of the mark.

The most relevant classes for artists, creators, writers, composers, musicians and related industry members are:

- Class 9 includes audio and audio visual equipment, CDs, tapes, records
- Class 16 includes printed matter such as books, pictures and sheet music, photographs; stationery; 16 artists' materials, instructional and teaching materials
- Class 24 includes textiles and textile goods
- Class 25 includes clothing, footwear, headgear
- Class 41 includes entertainment, educational and cultural services which would cover film production, exhibition, curatorial and gallery services and live performances.

## Overview of the registration process

You must apply to the Trade Marks Office to register a trade mark. You can file a paper application or apply online. As at August 2017, the fees for a paper application are \$350 per class. A standard online application costs \$250 or \$330 per class depending whether or not you use IP Australia's "Goods and Services Pick List". If you used the TM Headstart Service referred to above, you will have paid \$200 per class for assessment and an additional \$130 per class if you decide to go ahead and apply for registration of the assessed mark. Additional fees apply for series marks.

The application is examined by the Trade Marks Office to ensure that it complies with the provisions of the Trade Marks Act.

If the Trade Marks Office Examiner considers that the application is not registrable, a report is sent to you stating why the trade mark should not be registered. There are a number of reasons why the Trade Mark Office may reject a trade mark application. The two main reasons are:

- the trade mark is not distinctive and is considered to be incapable of distinguishing your goods and/or services from the goods and/or services supplied by other traders (for example, the mark "pens and paper" for stationery might be refused because it comprises words which other traders would, in good faith, also wish to use to describe the nature, character and quality of their competing stationery products); and
- someone else has already registered or applied for a trade mark that is substantially identical or deceptively similar to your proposed trade mark.

An initial refusal, however, does not necessarily mean that the trade mark will not eventually be accepted for registration, for instance, you may be able to argue successfully against the refusal by providing further evidence of eligibility or by amending the classes of goods and services.

Once the Trade Marks Registrar considers the trade mark application unobjectionable, it is advertised in the Trade Marks Office Gazette as “accepted”. However, there is then a two month period during which third parties can file a notice of opposition to the proposed registration. If opposed, there is an opposition process which must be followed which can result in the application being rejected even though the Examiner had initially accepted it. If there is no opposition or once any opposition has been dismissed, the Trade Marks Registrar will register the mark.

## How long does registration last?

A trade mark registration initially lasts 10 years from the date you filed the trade mark application. It can be renewed indefinitely by paying renewal fees (\$400 per class for each successive 10 year period if paid online, and \$450 per class for paper renewal). The life of a trade mark registration is therefore potentially unlimited. Remember, though, that trade mark registration under the Trade Marks Act only has effect in Australia.

## Using your trade mark

It is important to use your trade mark exactly as it is represented or recorded on your Trade Mark Certificate. If you registered a word or phrase, it can be used in any form or font: however if you registered a particular logo or words in a specific stylised font or form, you must use them only as registered. Trade marks can be removed from the Australian Trade Marks register if they have not been used in Australia for a specified period. Use your mark consistently and with the ® or ™ symbol.

You can also deal with a registered trade mark, for example, by selling, mortgaging or permitting others to use it (licensing). Any assignment must be formally recorded on the Trade Mark Register. There should always be a written licence if you allow any other person to use your registered mark. A failure to have a formal licence agreement with appropriate quality and financial control over the activities of the licensee could lead to the loss of registration. For example, if one band member owns the trade mark for the band’s name, there should be a licence documenting the rights licensed to the other band members to use the name.

## Preventing others from using your trade mark

Once your trade mark is registered, you can take action to prevent third parties from adopting and using the same or a similar trade mark and to obtain compensation for unauthorised use or infringement from that time. To be successful in an infringement action it is necessary to show that:

- the infringing mark was used as a trade mark. That is, the infringing trade mark was being used to indicate a connection, in the course of trade, between certain goods or services and the (infringing) trader or service provider; and
- the infringing trade mark is identical, substantially identical or deceptively similar to your

- registered trade mark; and
- the goods or services (or both) in relation to which the infringing trade mark was used are the same or at least similar or closely related to the goods or services for which your trade mark is registered.

There are a number of defences, including that the infringing mark had been in use since a date prior to the date on which your application was filed. If you think your trade mark is being infringed, it is wise to seek legal advice.

In addition to a claim of infringement under the Trade Marks Act, you may also have an action at common law for passing off and an action under the Australian Consumer Law for misleading and deceptive conduct. These claims are usually harder to establish as they require proof that your mark has developed a reputation in the market – something which it is not necessary to prove in an infringement claim.

If you have a registered trade mark, you should take care how you write letters or any other communications in which you assert there has been an infringement of your trade mark – if necessary take legal advice about your claim first. The Trade Marks Act allows a court to issue an injunction and award damages against you if the court considers the claims of trade mark infringement cannot be substantiated.

## Can you parody a trade mark?

A trade mark is infringed by the use of a substantially similar or deceptively mark in certain circumstances. Often artists and creators want to reproduce famous trade marks in their work – for example, as a parody or social comment on consumerism. Parody is not a statutory defence to trade mark infringement. However mere reproduction of a trade mark in an artwork, play, lyrics or other creative content will still not amount to trade mark infringement (although it might be copyright infringement) if the way in which the mark is used in the work is not use as a ‘badge of origin’ in the sense that the use of the famous mark is to indicate a connection in the course of trade between the artist or creator and certain goods or services. In many circumstances it may be obvious that there is no use of the mark (in the form of your parody) to identify the source of the products or services. That is, where the parody is obvious it may be difficult for the owner of the famous mark to establish there is confusion caused in the minds of any person viewing the parody as to whether there is any connection with the person or company with which the famous trade mark is associated.

Parody of a trade mark has not been considered by Australian courts. A case in the English courts provides a warning that an attempt to parody a trade mark may result in injunctions being issued to stop the use of parody of a trade mark if there is a reasonable risk that consumers may believe that the parody was connected to or approved by the owner of the famous mark. That case involved a company used by Lady Gaga to control her brand rights, which owned the word mark ‘LADY GAGA’ and sued Mind Candy, a UK company which operates an online computer game for children called Moshi Monsters. The game contained parody characters, for example Taylor Miffed (Taylor Swift) and Banana Montana (Hannah Montana). Another character was a blonde baby, wearing sunglasses and a nappy, called Lady Goo Goo, and was reminiscent of Lady Gaga. Lady Goo Goo performs a song called the *Moshi Dance Song*, which was similar to a song by Lady Gaga. The court reached the conclusion that the release of the *Moshi Dance Song* could constitute an infringement of the ‘LADY

GAGA' trade mark and granted the injunction to prevented the promotion of the *Moshi Dance Song* on YouTube and its sale online via iTunes.

The context in which the trade mark parody is presented to consumers is important as to the question as to whether consumers will be confused as to there being a connection between the parody mark and the owner of the famous mark. Keep in mind that the famous trade marks that you may want to parody are usually owned by people or companies that have the resources to litigate to protect their marks, so that attempts to parody famous marks can get buried in court proceedings.

In countries that have constitutional protection of free speech, such as the United States and South Africa, the courts have accepted that the use of a mark as a parody is relevant to the overall question of whether the use is likely to impair the famous mark's distinctiveness or cause confusion with consumers as to whether there exists an actual association between the parody mark and the famous mark. In the US, courts have rejected claims by owners of famous marks against parodists, for example: Louis Vuitton failed in its claim that Haute Diggity Dog's 'Chewy Vuiton' products for dogs, was an infringement of their famous trade mark; the *Barbie Girl* song by the Danish music group Aqua was held not to infringe Mattel's 'Barbie' trademark; and the Mattel failed in the claim against Tom Forsythe over his 'Food Chain Barbie' photo series in which Barbie ends up in a food blender.

## Trade marks and search engine optimisation

The operation of search engines has resulted in disputes over search engine optimisation (SEO) strategies that attempt to attract the attention of potential customers of a rival business to the services provided by the business engaging in the SEO strategy. Relevantly, Google has changed its policy in this area. Google will no longer prevent advertisers from selecting another company's registered trade mark for use as a keyword in Australia. This policy change follows a High Court decision which determined that Google was not responsible for any misleading conduct caused by the SEO activities of advertisers.

In Australia, the question of whether a person infringes on another's trade mark by engaging in 'key word advertising', (in which the advertiser's name appears whenever the key word brand name appears in search engine results), will largely be depend on whether that particular use of the other person's trade mark – in the way it is presented in the search results – amounts to use of it as a trade mark.

Operators of websites engaged in trade and commerce should keep potential IP infringement issues in mind when using a SEO strategy, particularly when using key words which have become distinctive of other traders in the marketplace. It is possible to use a term that may protected as a trade mark, where the term is used in a descriptive way to take advantage of the operation of the search engines so that the use does not infringe the trade mark, However it is possible to infringe a trade mark by using it as a trade mark – i.e. as a badge of origin.



Quite apart from possible Trade Marks Act infringement, if there is confusion caused as to whether there is an association or connection between the keyword advertiser and the business of the related to the selected key words used in the SEO strategy, there is the possibility of claims by the owner of the trade marks used in the SEO strategy that there is liability as the result of a 'passing off' or the liability for misleading or deceptive conduct or a misrepresentation under the ACL.

See the Arts Law information sheet: [Australian Consumer Law and creators](#).

## Business names, company names and domain names

There are separate registration systems for business names, company names and domain names (even though such names are likely to operate as trade marks and may also be registered as trade marks).

It is important to realise that the registration of domain name or a company or business name does not automatically prevent other people from using that name in their business. While no-one else will be able to register an identical or substantially identical company name, domain name or business name in the relevant State or Territory, it will not prevent a third party using the name as a brand or registering it as a trade mark. Registering a company name won't necessarily prevent a third party registering the same name as a domain name and vice versa. Nor does the registration of a company or the registration of a business name give the company or business a property interest in the name.

If you don't have a registered trade mark, then whether or not it is possible to prevent a third party from using a name or mark which is similar or the same as your company, business or domain name will depend on whether your name has been used to such an extent that a reputation in the market has been developed. If so, you may have a common law trade mark which can be protected by an action for passing off or for misleading and deceptive conduct in breach of the Australian Consumer Law. Proving such reputation can be difficult. For this reason, it is advisable to secure trade mark registration for any valuable name, brand or sign. See also Arts Law's information sheet [Protecting Your Professional Name](#).

## Further information

- **Australian Copyright Council (ACC)** has published information sheets:
  - [Logos: Legal Protection](#)
  - [Names, Titles & Slogans](#)
- **Australian Securities and Investments Commission (ASIC)** National Names Index can be accessed through their [website](#)
- **IP Australia** telephone 1300 651 010 or their [website](#)

## ART FORMS

1. All Art Forms

## LEGAL TOPICS

1. Trade marks, business names & reputation

**Meta Fields**