TRADE MARKS GUIDE

Bartier Perry
LAWYERS

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WHAT IS A TRADE MARK?

A trade mark is a sign which identifies the source of goods or services.

A trade mark can be any, or a combination, of the following:

WORD

"GOOGLE" (1747948)*

PHRASE

"JUST DO IT"
Nike (578679)*

"I'M LOVIN' IT"
McDonalds (957064)*

"BECAUSE YOU'RE WORTH IT"
L'Oréal (896313)*

LOGOS

KFC (1415498)*

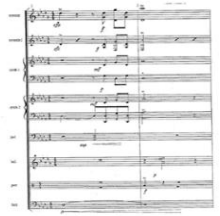
NO.5 CHANEL (156854)*

Westpac (1940711)*

7 ELEVEN (1278335)*

SOUND

The Intel sound mark (1077876)* - five tone audio progression

The O'Brien sound mark (1051140)* – Vocal harmonisation of the letter 'O' followed by the word 'O'BRIEN' rendered as 'O', 'O', 'O', 'O'BRIEN'.

* refers to the Australian Trade mark Registration Number.

WHAT IS A TRADE MARK?

SCENT

E-Concierge scent mark (1241420)* – A Eucalyptus Radiata scent applied to golf tees.

COLOUR

Cadbury Purple (1120614)*

Philmac Terracotta (796572)*

Kinder Egg White & Orange (1406818)*

Tiffany Teal (1414010)*

SHAPE OR ASPECT OF PACKAGING

Toblerone bar (706789)*

Australian Test Cricket Cap (1770448)*

MOVEMENT

Toyota Jumping Man (1681093)*

* refers to the Australian Trade mark Registration Number.

FACTS AND TRENDS

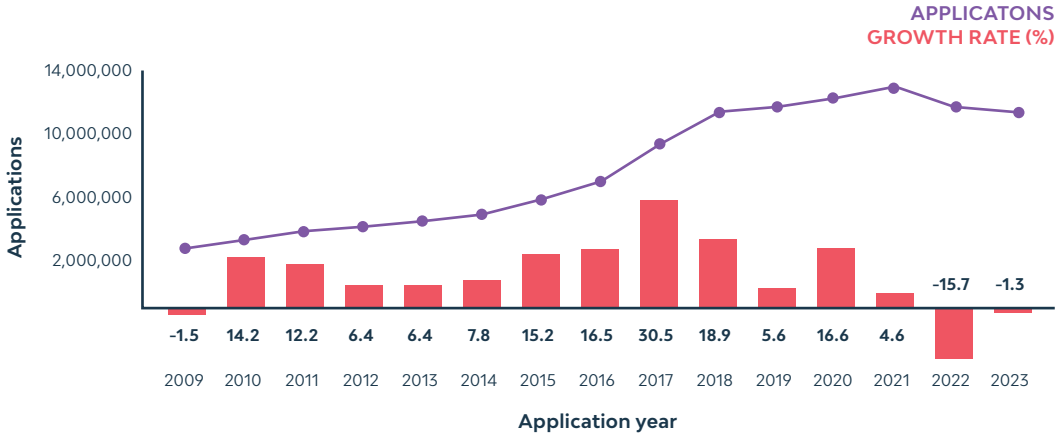
- Global trade mark applications have grown significantly over recent years. Recent figures show approximately **11.6 million** applications were filed globally in 2023.

- **85,945** trade mark applications were filed in Australia in **2024**.

- Australian residents filed **17,407** trade mark applications overseas in a total of **40,324** classes (on last available figures) with New Zealand being the top destination followed by United States

- Trade marks are critical for business success. The steady increase in trade mark filings shows an increased awareness of the need to protect this important business asset.

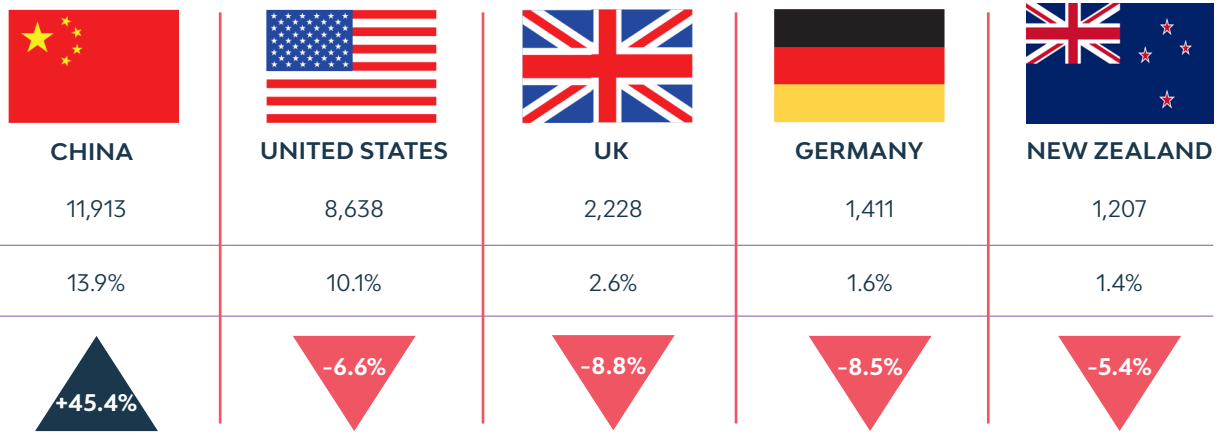
B1. Trend in trade mark applications worldwide, 2009-2023



Note: World totals are WIPO estimates using data covering 170 IP offices. Each total includes the number of applications filed directly with national or regional offices (the Paris route), as well as the number of designations received by offices via the Madrid System (where applicable).
Source: WIPO Statistics Database, August 2024

Derived from WIPO (2024). World Intellectual Property Indicators 2024. Geneva: World Intellectual Property Organization.
"The Secretariat of WIPO assumes no liability or responsibility with regard to the transformation or translation of the original content."

Figure 3.3. Top 5 trade mark filings in Australia by country of origin, 2024



The leading overseas locations of origin for trade mark filings in Australia are China (13.8% of total applications in 2024), the United States (10.0%), the United Kingdom (2.6%), Germany (1.6%) and New Zealand (1.4%).

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GOOD VS. POOR TRADE MARKS

- To get the most out of a trade mark it must be distinctive.

- Generic and descriptive terms, phrases or images which are ordinarily used to indicate the kind, quality, quantity, intended purpose, value, geographical origin or some other characteristic of the goods and services:
  - do not provide significant benefits as a trade mark;
  - do not 'separate you from the pack';
  - are difficult to register as a trade mark; and
  - can legally be used by others to describe their goods and services.

- Examples of poor trade marks are:
  - Commonly used words or phrases such as ULTRA WHITE for paper or ECO FRIENDLY for recycling services.
  - Abbreviations, acronyms, numbers or letters commonly used in relation to goods, such as MRI for medical services, 4x4 for vehicles or XS for clothing.

A word that has been made up.

KODAK® / Rimmel

Regular word not normally used or associated with goods or services.

APPLE® / NIKE / Tiger beer

Suggestive of the nature of the good or service without being descriptive or words other traders need to use.

COVERGIRL®/ Microsoft

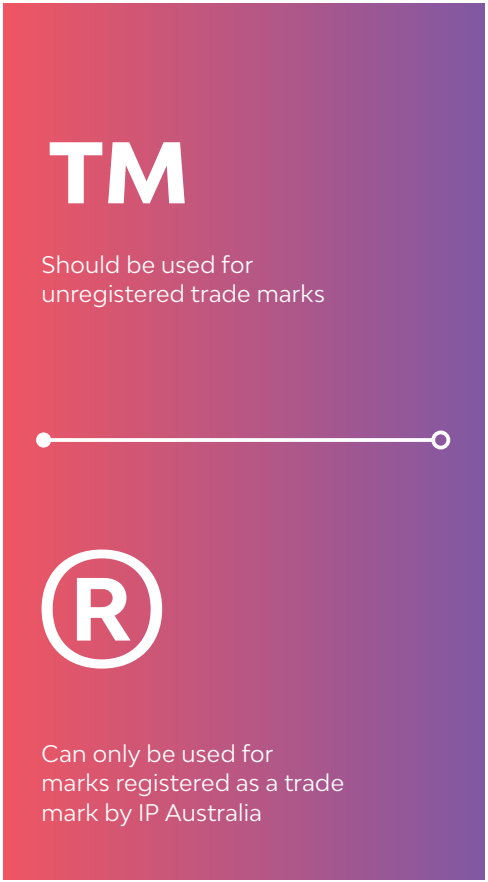
Only describes the nature of the good or service, others should be allowed to use these words too.

British airways

Common words used to identify good or service.

Butcher

REGISTERED AND UNREGISTERED TRADE MARKS



Trade marks can be registered or unregistered.

Trade marks can only be registered by complying with the requirements of the *Trade Marks Act 1995* (Cth) (**TMA**).

Unregistered trade marks are called 'common law' trade marks.

Benefits of registering a trade mark

- The owner of a registered trade mark has the exclusive right to exploit it as a brand name for the goods or services specified in the registration and to allow others to use it, generally under a licence.
- Registered trade marks have superior and often easier to obtain remedies under the TMA compared to common law passing off or an action under the *Australian Consumer Law* (**ACL**).
- A registered trade mark is a separate asset which has its own value and can be assigned, sold or purchased. Note: A 'common law trade mark' is **not** a separate asset of a business. It is specifically tied to the goodwill of the business and cannot be separated from it.
- Having a registered trade mark provides a stronger position in securing rights to domain names.

Company, Business and Domain Names

Registering a domain name, business name or company name **does not** give a person a registered trade mark. However, they may still operate as a common law trade mark and can sometimes be registered under the TMA and obtain the benefits of a registered trade mark.

- **Company names** identify a corporation incorporated within the Commonwealth of Australia.
- **Business names** are used if you carry on business within Australia and do not trade under your own name, that is your registered company name if the company owns the business, or your personal name if the business is owned by an individual.
- **Domain names** serve as an address to find a website.

TOP 5 BRAND VALUES AS OF JANUARY 2020

AMAZON $220BN	amazon
GOOGLE $160BN	Google
APPLE $140BN	
MICROSOFT $120BN	Microsoft
SAMSUNG $95BN	SAMSUNG

WHAT TO REGISTER

While a trade mark needs to be distinctive, generally the strongest protection is obtained by registering words in a plain type font mark in black and white as this covers all colours and font types. The primary words are also generally the dominant element in a trade mark.
For example:

Plain text mark: **AMAZON WEB SERVICES**

Stylised mark:

It is not always easy to register plain words which is why other logo elements are used and if the logo elements are the essential feature then you should also seek registration for those, for example:

Colour, sound, movement and scent marks are generally much harder to register than word and logo type marks. You'll need professional advice on how to register these.

PROHIBITED TRADE MARKS

Some signs, words and symbols are prohibited from being registered as trade marks, either completely or without permission. These include:

- Some words related to banking services such as ‘Bank’, ‘Banker’ unless approved by the Australian Prudential Regulatory Authority
- Military emblems
- Flags
- Official signs, coats of arms
- Names and symbols of international organizations – UNESCO, Red Cross
- Olympic and Commonwealth Games words and insignia
- Discriminatory, racist, profane words and phrases

If you are unsure if your trade mark is prohibited, seek professional advice.

TRADE MARK CLASSES – HOW TO CHOOSE

When you apply to register a trade mark you need to specify the goods and services that it will be used on or in relation to. Goods and services are categorised into **45** classes; **34** are for goods and **11** for services.

It is common for a trade mark to be registered in several classes.

You should make a thorough assessment of your business to ensure you clearly identify the goods and services you provide or intend to provide using the trade mark.

It is essential you choose the correct classes to make sure your registration provides the appropriate scope of protection. As this is a more complicated process than people think, advice needs to be obtained.

TOP 5 CLASSES IN 2024

Goods:

- Class 9 (technological and electrical apparatus and instruments)
- Class 25 (clothing, footwear and headgear)

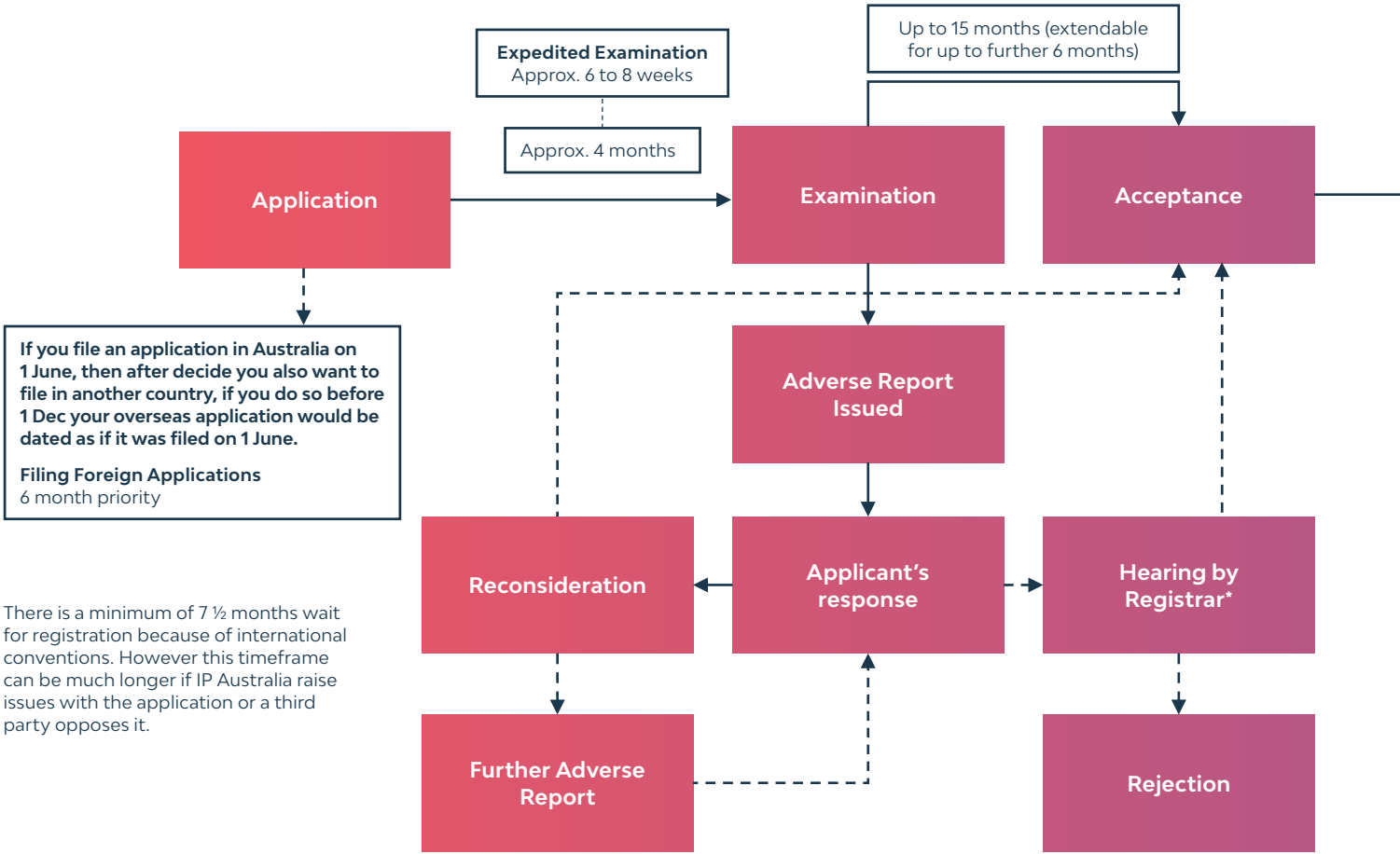
Services:

- Class 35 (advertising)
- Class 41 (education, training and entertainment)
- Class 42 (scientific and technological services)

Source:

IP Australia (2024). Australian Intellectual Property Report 2024.

AUSTRALIAN REGISTRATION PROCESS



There is a minimum of 7 ½ months wait for registration because of international conventions. However this timeframe can be much longer if IP Australia raise issues with the application or a third party opposes it.

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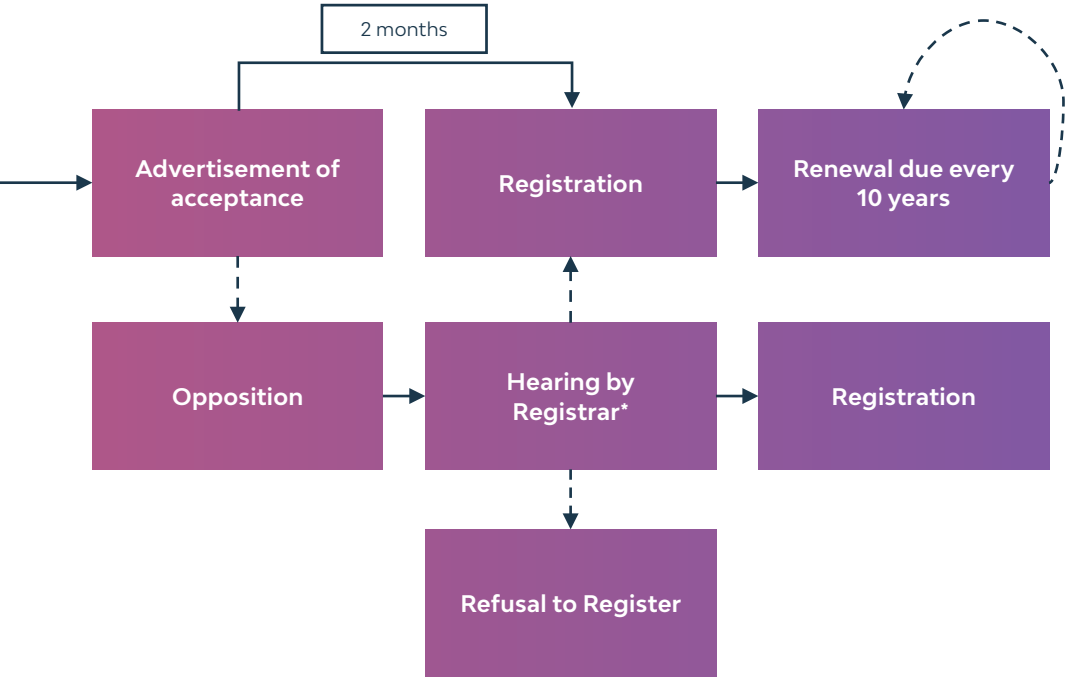


Unbroken lines signify possible course of events.
Note: Fees and time limits may apply at various stages of this process.

* An Appeal may be made to the Federal Court or the Federal Magistrates Court against the decision of the Registrar.

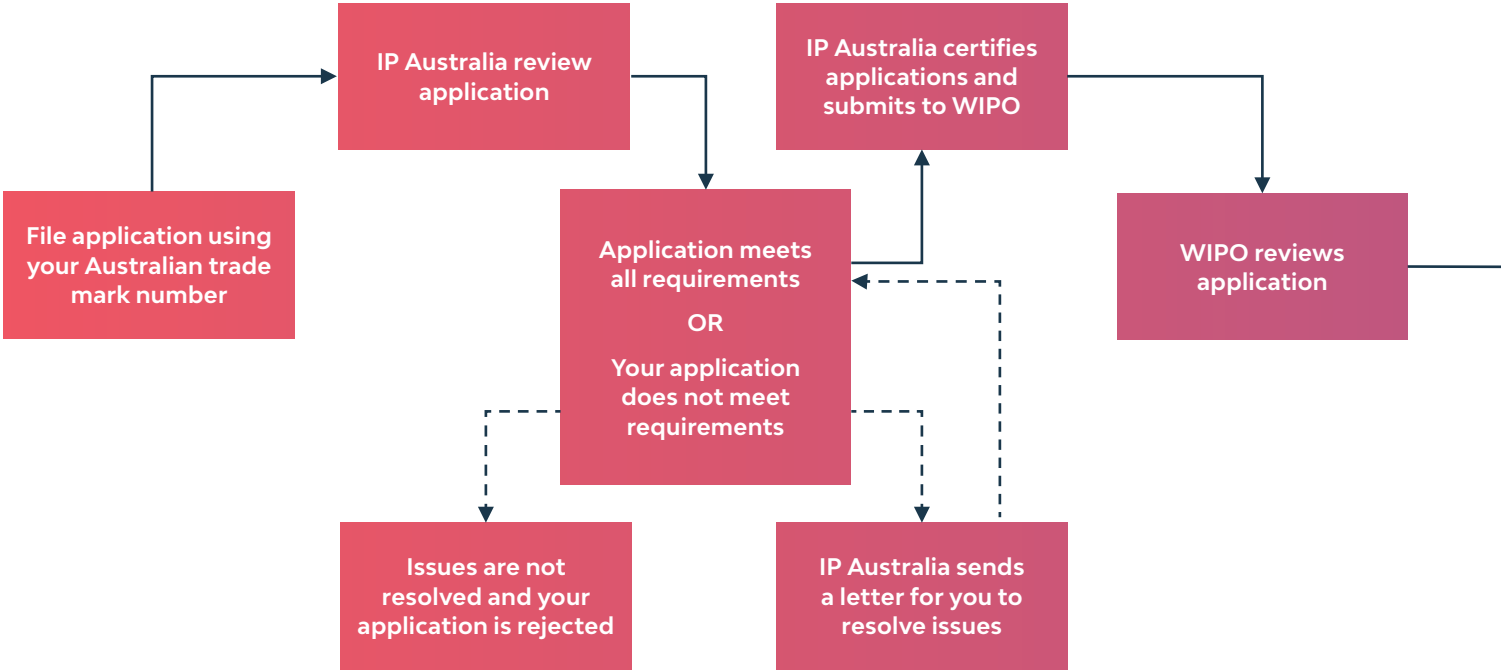
INTERNATIONAL REGISTRATIONS

There is no global registration for a trade mark. Registration in one country does not mean it is registered in another country.

Each country has their own trade mark laws and registration process. You need to obtain registration in each country separately.

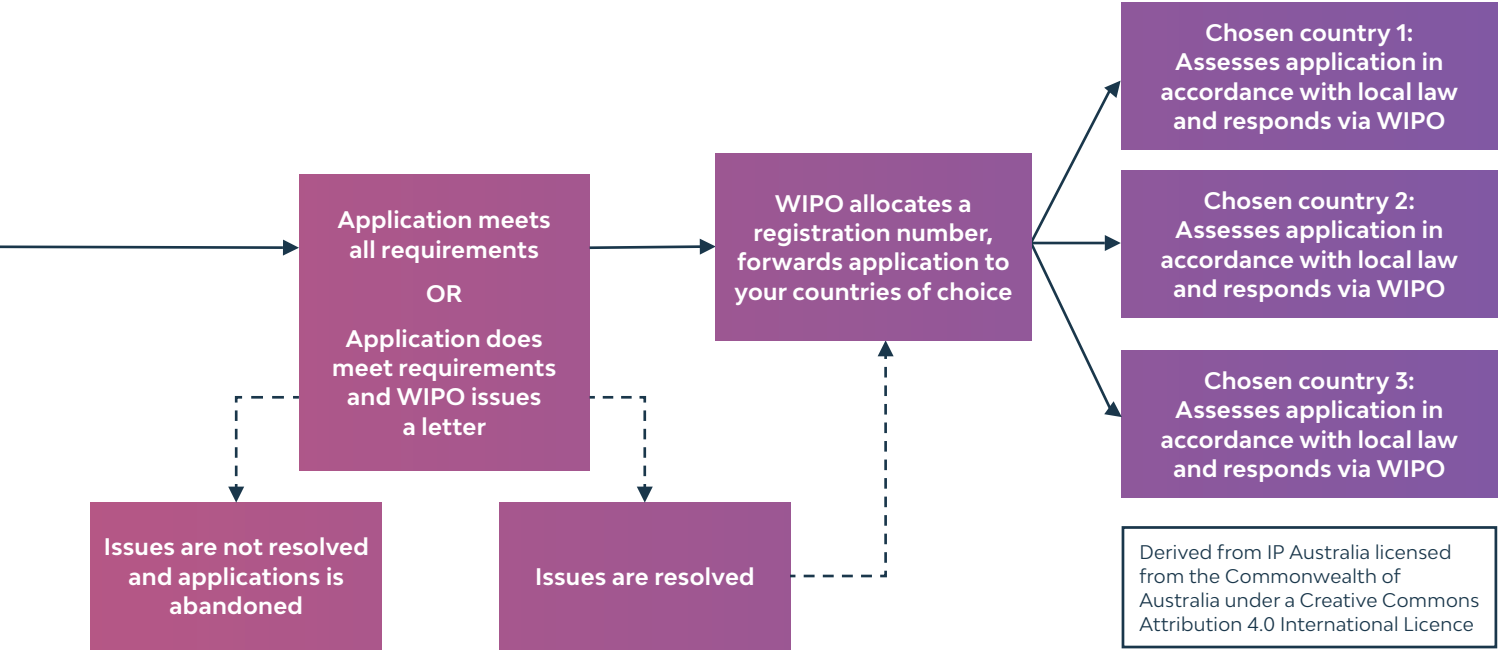
Madrid protocol

The Madrid Protocol is a treaty that enables a person to seek registration in other countries by making a single application through IP Australia rather than multiple applications in each separate country.



Tips on international filing

- You should consider also registering your trade mark in the language of the foreign country as this will often be viewed as a separate trade mark. For example, in China it is prudent to register trade marks in both English and Chinese characters.
- Costs and time can vary dramatically from country to country to register a trade mark.



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HOW TO USE A REGISTERED TRADE MARK

Distinguish the trade mark from other words in print - The trade mark should always be used in a manner which will distinguish it from the surrounding text. For example, a logo trade mark can be used as a header, brand or label and a word trade mark can be printed in bold or italics.

Use the ® symbol - Once registered you are entitled to indicate that the trade mark is registered by using the ® symbol. An example:

NIKE ®

Generic name for product to follow trade mark - A trade mark is a proper adjective and should, wherever possible, be followed by the common descriptive name of the product. For example:

Kleenex® tissues

A trade mark should not be used as the name for the actual product or service. While this may appear good from a marketing perspective, it's not good for your trade mark. For example:

"pass me a Kleenex" ✖ "pass me a Kleenex tissue" ✔

If you do this, it may make your trade mark a generic word and lose its registration. Loss of registration could also significantly diminish the financial value in the trade mark. This can also apply if a trade mark becomes a verb, e.g. "hoovering" or "googling".

Use it as registered - A trade mark must generally be used in the form it was registered. If it is not, it may expose the registration to removal for non-use.

Non-use

A registered trade mark must be used, otherwise it may be removed from the register. This is the "use it or lose it" principle.

A person can apply to remove a trade mark registration if:

- the owner of the trade mark has not used the trade mark for a continuous period of 3 years;
- the owner of the trade mark has not used the trade mark in good faith; or
- the owner did not have any intention to use the trade mark when they applied for registration.

PROPERLY CONTROL THE USE OF TRADE MARKS

If you let others use your trade mark:

- put in place clear license arrangements with licensees to properly define rights and obligations; and
- properly monitor and control the use of trade marks by licensees to:
  - protect the value and reputation in your trade mark;
  - ensure licensees are abiding by their license terms; and
  - show that the use of the marks by the licensee is 'authorized use' as required under the TMA, otherwise your trade mark may become vulnerable to removal for non-use.

If your trade mark rights are infringed take action as soon as possible. A delay or failure to take action can potentially weaken your position.

Undertake regular trade mark audits to:

- ensure your trade mark registrations are current and adequately cover the goods and services of your business;
- make sure your trade marks are being used as registered and have not been altered over time such as with a 'brand refresh'; and
- your licensing arrangements remain appropriate and are being complied with.

KEY CONTACTS

For more information, contact one of our key team members:

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