



ADVISORY COUNCIL ON INTELLECTUAL PROPERTY

**A review of the relationship between trade
marks and business names, company names
and domain names**

ISSUES PAPER

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Please note: unless requested otherwise, written comments submitted to ACIP will be made publicly available.

Comments should be received no later than 15 March 2004

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1 Introduction

The Advisory Council on Intellectual Property (ACIP) is an independent body appointed by the government to advise the federal Minister for Industry, Tourism and Resources on intellectual property matters and the administration of IP Australia, the commonwealth body that administers patent, trade mark and design rights.

The Parliamentary Secretary, the Hon Warren Entsch, Parliamentary Secretary to the Minister for Industry, Tourism and Resources has asked that ACIP examine the issue of the relationship between trade marks and business names, company names and domain names. The interface between these identifiers appears to create confusion in the market place and both the Parliamentary Secretary and ACIP are aware of many cases where businesses have encountered problems because of this apparent confusion. ACIP would welcome any comments on this relationship, in particular:

- What problems or issues businesses or individuals may have encountered regarding the interface between the identifiers?
- Whether these problems or issues could have been avoided? If so, by what means?
- Whether there exist ways to improve the operation of these identifiers, or the interaction between them, to make for easier access, reduce confusion, and provide a more streamlined and/or more effective service?

ACIP will report its findings to the Parliamentary Secretary.

1.1 Request for Submissions

ACIP seeks written submissions on the above-mentioned points and any other issues relevant to the inquiry which are not identified in this paper. These should be addressed to:

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Comments should be received no later than 15 March 2004

Submissions may be made in electronic form or in hard copy. Unless marked confidential, all submissions will be made public and may be placed on ACIP's website (<http://www.ACIP.gov.au>). ACIP's preference is for submissions to the public; confidentiality should be reserved to material where disclosure would be genuinely prejudicial to the party making the submission.

2 Background

Business, company and domain names, and trade marks are four distinct identifiers that serve different purposes in the market place and registration of them accords markedly different rights. As a general rule business, company or domain name registration does not provide the name holder with an exclusive right to use the name.

The increased importance of advertising and the Internet has intensified the significance of these identifiers for business. However, in recent years it has become apparent to ACIP that confusion exists in the business community as to the nature of the rights, if any, associated with each identifier. Not only is it often mistakenly believed that business and company names grant *proprietary rights* analogous to those conferred by trade mark registration, it is at times thought that business, company, and domain names offer a form of *immunity* from infringement of a registered trade mark. IP Australia has endeavoured to educate the business community as to the true nature of these rights. Despite the information made available, there still appears to be some confusion.

The relationship between trade marks, business, company and domain names has received some, but limited, consideration. In March 2002 the NSW Department of Fair Trading produced the National Competition Policy Review of the *Business Names Act 1962*. This review analysed the current business names system, and to some extent also the relationship between trade marks and business names.¹ As part of the ACIP review of the enforcement of trade marks, an issues paper was published which in part discussed the relationship between trade marks, business and company names, and domain names,² and written submissions in response to this paper evidenced dissatisfaction with the current situation. The present review was initiated in order to address the matter more fully.

2.1 What are the various names?

2.1.1 Trade marks

A trade mark can be a word, phrase, letter, number, sound, smell, shape, logo, picture, aspect of packaging or a combination of these. A trade mark is used to distinguish the goods and services of one trader from those of another. The objective of registered trade mark protection is to identify and protect a business' goodwill associated with its products and services from abuse by others, and equally to protect the consumer by indicating the trade source of the goods or services. A registered trade mark gives the owner the legal right to use, license or sell the trade mark within Australia for the goods and services for which it is registered.

2.1.2 Company names

A company name is ascribed to a corporate entity incorporated within the Commonwealth of Australia. All company names must be centrally registered with the Australian Securities and Investment Commission (ASIC). Where a company wishes to use a trading name other than its registered company name, the trading name must be registered as a business name.

¹ <<http://www.fairtrading.nsw.gov.au/pdfs/corporate/businessnames.pdf>>

² <<http://www.acip.gov.au/library/Enforcement%20of%20Trade%20Marks%20Issue%20Paper.PDF>>

2.1.3 Business names

A business name is the name under which a business operates - whether a corporation, a partnership or a sole trader. Registration serves to protect consumers by identifying the owners of that business. Registration is compulsory in each state and territory from which a business operates, and must be completed before the business starts to trade. It is possible for the one business name to be registered to different owners in each state and territory.

An application for a business name which is identical to an existing company name will not be registered. Likewise, a name that is identical to an existing business name in that state is unlikely to be registered. However, the tests for pre-existing business names are very literal. Although, for example, an application for registration of a business name *Fred's Pies* in NSW is unlikely to succeed if there is already such a business name in NSW, a variation to *Fred's Hot Pies* may be accepted.

Unlike the registration of a trade mark, neither the registration of a company name nor the registration of a business name of itself provides proprietary rights in the use of that name.

2.1.4 Domain names

Every computer on the internet has a unique identification number which is called an Internet Protocol (IP) address. It is this IP address which computers use to find an Internet site. In order for human memories to more easily recall IP addresses they are 'mapped', by the Domain Name System, to domain names which contain words. The registration of a domain name does not of itself confer proprietary rights in the use of that name.

The purpose of and rights conferred by the registration of a trade mark, business name, company name and domain name are depicted in Attachment A.

2.2 What are Australia's international obligations?

2.2.1 Trade names and the Paris Convention

A trade name is the term used by a commercial entity to both describe itself, and to distinguish itself from other business entities. Article 8 of the Paris Convention for the Protection of Industrial Property (Paris Convention) mandates

A trade name shall be protected in all the countries of the Union without the obligation of filing or registration, whether or not it forms part of a trademark.

As a signatory to the Paris Convention, Australia is obligated to provide protection for trade names. This protection must exist irrespective of registration and must be independent of the protection which trade marks are accorded. Business and company names are two forms of trade names.

In Australia registration of a business or company name does not of itself confer rights in that name. Instead, any protection available is available by virtue of that being the name under which a person or entity trades. Protection is available as follows:

[f]air trading and consumer protection legislation, particular to each state, may be used to indirectly protect trade and business names. In addition, the Trade Practices Act 1974 (Cth) restricts practices by corporations that may affect consumer or trading interests, including unfair conduct (Part V) that is likely to mislead or deceive, and thereby may constrain the misleading or deceptive use of trade or business names.³

In addition, the reputation associated with an unregistered trade name may be protected at common law through passing off.

3 Misconceived legal nature of business and company names

3.1 Problems associated with this misconception

There is widespread misconception as to the effect of registration of a business or company name, and the legal nature of the ‘rights’ attached to such registration.

The function of registration of a business name is principally to maintain a register of those who operate a business under a name other than their own. This allows someone who wishes to sue a trader to identify the person who they can sue simply by consulting the register. The purpose of company name registration is simply to award a unique name to a corporation. However, the nature of both business and company names is often misconceived in two respects.

It is sometimes wrongly believed that a business or company name confers a *proprietary right* in that name to its holder akin to the protection offered by registration of a trade mark. Where there is a belief that a business or company name confers a proprietary right, the business or company name holder may forgo trade mark registration which s/he would otherwise have sought. From anecdotal evidence, there appears to be more confusion among those who operate registered businesses than among companies. IP Australia has received information that even business advisers have offered advice to the effect that business name registration is a cheaper alternative to trade mark registration for name protection.

In addition, it is at times misunderstood that at the least business or company name registration offers *immunity* from infringement of another person’s registered trade mark. As a result, many businesses or companies do not search, or they undertake insufficient searches, of the trade mark register to identify potentially conflicting trade marks prior to registration of their business or company name.

Misconception as to the legal nature of business or company names can have drastic implications, in particular for SMEs. Entities or individuals operating under business or company names may be unaware that the use of their business or company name could infringe someone else’s registered trade mark. Without registration as a trade

³ Annex XV, *The Recognition of Rights and the Use of Names in the Internet Domain Name System*, Report of the Second WIPO Internet Domain Name Process
<<http://wipo2.wipo.int/process2/report/pdf/annex15.pdf>>.

mark, a business or company name is unprotected.⁴ If this name infringes someone else's registered trade mark, the business or company concerned may be required to forgo use of their name. This can cause loss of reputation associated with the name. A business or company will have to re-brand, inevitably involving considerable expense. Legal costs are likely to have been incurred, and the business or company may even be liable to pay compensation to and the legal costs of the party whose registered trade mark has been infringed.

Example 1 – Business Names

A Brisbane woman was about to start up a new business. On learning that it could cost in excess of \$1,000 to obtain registration of a trade mark, her accountant advised her that a cheaper option was to register a business name with the relevant state authority. She was advised that by adopting this approach she could achieve 'protection' for her trading name for less than \$100. She took the advice and commenced use of her registered business name without conducting a search of the trade mark register. Several months later she received a letter threatening her with legal action for infringing a trade mark made up of the same words. Clearly, the other business had prior rights to the name. She then had to make the difficult decision whether to resist the claims or to adopt a new trading name. She decided to adopt a new name even though the cost of doing so was considerable.

Example 2 – Company Names

A new Sydney home mortgage business registered its company name (which was also its trading name) with the Australian Securities and Investment Commission. The company believed that such a registration was sufficient protection for the word which constituted its name. After six months of building their business, the owners received a letter from another company stating that they too used the same word as part of their trading name and what's more, they held a registered trade mark to prove ownership. The first company not only had to re-brand at a cost of over \$50,000, it also faced demands from the other company for \$25,000 to cover its legal costs.

The potential conflict between business or company names and registered trade marks is not restricted to Australia. It also exists in the United Kingdom, Canada and the United States. In these countries business or company name registration, like in Australia, does not of itself confer rights akin to registered trade mark protection. While the extent of the misconception in these jurisdictions is unclear, what is apparent is that virtually all authorities which provide information on business or company names warn that registration thereof does not equate to trade mark protection, that searches should be undertaken to minimise the likelihood of infringement and that, where possible, trade mark registration should be sought. To this extent the problem appears comparable to that in Australia. No clear solution to the issue seems to have been achieved by any of these countries.

A range of possible initiatives are outlined below which might go some way in correcting, or at least minimising the extent of, the current misconception as to the nature of business and company names in the Australian context.

⁴ Unless the business or company name constitutes a common law trade mark and passing off is applicable, or unless the use of the same or similar name by someone else amounts to misleading or deceptive conduct in the course of trade (s52 *Trade Practices Act 1974* (Cth)).

3.2 Possible initiatives to counter the misconception

3.2.1 Educative measures

Are present educative measures about the legal nature of business and company names adequate?

Present measures to counter the misconception as to the nature of business or company names are purely educative. Information is provided by state and territory business name authorities to educate the business community of the danger of infringement of a registered trade mark through, and the possible need for trade mark protection of, a business name. The ASIC website similarly provides information on this to company name applicants, although in the context of what is a more complex registration process the information is perhaps less clear. IP Australia publishes information distributed by the relevant state or federal authorities to business or company name applicants, which encourages a search of the trade mark register in order to minimise the risk of infringement of a registered trade mark.

ACIP welcomes comments on the information available regarding business and company names, and in particular whether educative tools exist, which are not currently utilised, and which would enhance clarity in this area.

3.2.2 Structural change

Can educative measures alone address the misconception as to the legal nature of business and company names?

Given anecdotal evidence that confusion continues to prevail, it is questionable whether educative measures alone are capable of addressing the present issue. Businesses continue to operate without knowing of the danger of unprotected reliance on a business or company name for brand protection, and of the possibility of their business or company name infringing the registered trade mark of another. It is open to suggestion, therefore, that structural change must occur. Whilst recognising that the obstacles to structural change are not trivial, ACIP outlines possibilities for such change below.

ACIP welcomes comments on the capacity of educative methods to address the misconception as to the nature of business and company names, and on the necessity or otherwise of structural change.

3.2.3 Abolition of the business names registers

Should the state/territory business names registers be abolished and, if so, what information should be required to be disclosed?

It would be possible to abolish the various business names registers, and to instead place mandatory disclosure requirements upon businesses and sole traders. This would be in keeping with Australia's obligations under article 8 of the Paris Convention, whereby Australia must provide protection for unregistered trade names. The business names register was abolished in the United Kingdom by the *Business Names Act 1985*.

Where a business trades under a name other than the corporation's name, the partners' names or the sole trader's name, the current UK rules require their disclosure, as well as disclosure of the address for serving documents. Such information must be disclosed at the place of business and in business letters, written orders, invoices and receipts, as well as in all written demands.

During consultations held as part of the ACIP review of the enforcement of trade marks, it became apparent that many participants favoured the abolition of the business names registers. In the context of this paper, the relevant question is whether it would go some way in providing greater clarity as to the nature of business names. By definition, were business name registration abolished, there could be no misconception as to the rights accorded a business name through *registration*. ACIP acknowledges that there may be significant impediments to abolishing the business names registers.

ACIP welcomes comments on the suggestion that the abolition of the state/territory business names registers may go some way in alleviating misconceptions as to 'rights' conferred by registration of a business name.
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3.2.4 Mandatory trade mark register search

Assuming there is merit in the continued existence of the business names registers, should a trade mark register search be made a condition of business or company name registration?

The websites of the relevant registration authorities recommend that business name registrants undertake trade mark register searches. However, it would appear that such searches are not always performed. One possible option for minimising the potential for infringement of a registered trade mark by a business or company name would be to make performance of such a search a condition of registration

A compulsory trade mark register search would hopefully alert the applicant to the possibility of trade mark infringement. An applicant could be made to *sign-off* that s/he has undertaken such a search, or the registration authorities themselves could be required to perform the search at an additional cost to the applicant. The effectiveness of this may, however, be limited, and it is probable that a business or company would require professional advice in order to make sense of the search results. Further, there is a danger that the compulsory performance of a trade mark search may give some business name registrants a false sense of security.

ACIP welcomes comments on the suggestion that a trade mark register search be made a condition of business or company name registration.
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3.2.5 Central register for business names

Should the state/territory business names registers be replaced by one central register? Would a central register alleviate the misconception as to the legal nature of business names?

At present each state and territory is responsible for its own business names register (c.f. company names for which there is one central register). The current business name registration system allows the same name to be registered by different owners in more than one state, thereby not overly restricting access to the pool of desirable business names. This means that a business must apply for registration in each state and territory where it intends to do business. It also appears that businesses that have very similar names may be registered to operate in different locations within one state.

During consultations held as part of the ACIP review of the enforcement of trade marks it was suggested that a central business names register may assist the process of business names registration, making it faster and less costly. This accords with submissions received by the NSW Department of Fair Trading in its review of the *Business Names Act 1962*. It would continue to be possible to register business names for *specific* states or territories as applied for by the applicant through a central register. For many micro businesses, selecting one state or region may be suitable as such businesses may not have any intention of expanding beyond that region.

A central business names register would best address the issue of the misconception of business names were it to include an automatic search of the trade marks register. However, even if no such search were required, a central register may indicate to a business the availability of the chosen business name in states other than that for which business name registration is sought. Mere knowledge of the existence of the same business name in another state would perhaps alert a business to the danger of potential infringement of registered trade marks associated with that business' name.

ACIP acknowledges that transformation of the current business names registers into one central business names register would be no small task.

ACIP welcomes comments on the suggestion that the state/territory business names registers be amalgamated to form one central business register. ACIP requests comments on whether such a register would be viewed by businesses as desirable and whether it would go some way in alerting businesses to, and minimising the possibility of, registered trade mark infringement. ACIP also invites comments on whether a trade marks register search should be a mandatory part of the process of registration on such a central register.

3.2.6 Central register for both business and company names

Were there to exist one central business names register, should it be connected to the company names register to form one central register for both business and company names?

If, in principle, there is support for the amalgamation of the business names registers, the question then turns to whether the central business names register should be

connected to the (existing) central company names register. ACIP acknowledges that the business and company names registers serve different purposes and that the authorities responsible for these registers also differ. ACIP also appreciates the potential difficulty in creating one central business and company name register.

ACIP welcomes comments on the suggestion that a central business names register could be merged with, or otherwise associated with, the central company names register, while acknowledging that business and company names are different identifiers which serve varying purposes.

3.2.7 Two-tier trade mark system

Should a two-tier trade mark system be introduced in Australia? Would such a system address the misconception as to the nature of business and company names, by providing an (albeit limited) exclusive right to the use of those names?

ACIP mentioned the possibility of a two-tier trade mark register in its issues paper of February 2002, as part of its review of the enforcement of trade marks. The possibility was raised as a method of dealing with an unprecedented number of applications for trade mark registration. The majority of views expressed at consultations held, and written submissions made, in relation to that review opposed the introduction of a two-tier system in preference of a system of 'strong marks'. The Institute of Patent and Trade Mark Attorneys of Australia wrote '[w]e are of the view that a two tiered trade mark system is a retrograde step and is not a practical solution.' The Law Council of Australia submitted '... Australia should have a single trade mark system which provides registered owners with a quality trade mark with strong, clear and certain rights.' However, given this review deals specifically with the relationship between trade marks, business and company names, not the enforcement of trade marks in general, it seems appropriate to revisit the possibility of a two-tier trade mark system.

How might a two-tier trade mark system address some of the confusion as to the nature of business and company names? A two-tier trade mark register could be introduced, whereby the registration of a business or company name *automatically* constitutes registration as a second-tier trade mark. Under this approach the business and company names registers as they exist today would be subsumed by the second-tier trade marks register. At present registration of business or company names does not confer the name holder an exclusive right in that name. By comparison, the registration of a second-tier trade mark might give the trade mark owner an exclusive right to trade under that name. Automatic business or company name registration as a second-tier trade mark might grant trade mark protection, albeit trade mark protection which would involve substantially lesser exclusive rights than the standard registered trade mark (and possibly also greater uncertainty as to the existence and scope of these rights). An exclusive right granted by second-tier registration of a trade mark would not have precedence over pre-existing rights.

ACIP welcomes comments on a two-tier trade mark system and the extent to which it would address the misconception as to the nature of business and company names.

If a two-tier trade mark system were to be introduced, what form should it take?

If, in principle, a two-tier trade mark system is of merit, the issue then turns to the form such a system should adopt. Two-tier systems are not unknown to Australia. Indeed, the patent system is two-tiered (the innovation patent being the second-tier patent). In general, one would expect there might be no examination before grant, and a lower examination threshold (e.g. the business name for which registration is sought might not need to evidence any distinctiveness). Accordingly a second-tier trade mark would be cheaper and quicker to receive. As a trade-off, the exclusive rights conferred by a second-tier trade mark might be more limited than those conferred by standard registered trade marks, and there may be greater uncertainty as to the existence of those rights. At the consultations in the course of the ACIP review of trade mark enforcement concern was expressed that, on the basis of cost, people might detrimentally opt for the lower form of trade mark protection where they actually wished for standard protection. However, a two-tier system might equally serve to educate people as to the differences between the alternate forms of trade mark protection and provide trade mark owners with a better understanding of the rights associated with their respective trade marks.

ACIP acknowledges the complexity involved in adapting the trade mark system to a two-tier trade mark system, which incorporates both the business and company names registers.

ACIP welcomes suggestions as to the form a two-tier trade mark system should take, were it to be introduced in Australia.

4 Implications of domain name registration for trade marks, business and company names

The increased use of domain names has been associated with increased concern about the lack of public understanding of the relationship between registered trade marks, business names and company names on the one hand and domain names on the other hand. It is said that trade mark owners' rights are being infringed or diluted by the use of trade marks in domain names, or the use of trade marks to attract people to domain names. The main issue at the interface of trade marks and domain names has generally been the bad faith registration of a domain name, whereby one party has illegally benefited from the other's trade mark, business name or company name. Since 1 August 2002 (and 19 June 2003 for edu.au domains) bad faith registration of domain names within the .au domain space has been dealt with by the .au Dispute Resolution Policy (auDRP).⁵ The following section addresses issues concerning the efficacy of the auDRP, as well as problems not covered by the auDRP, which are brought about by the relationship between trade marks, business and company names and domain names.

⁵ Bad faith registration of domain names in generic top-level domains is covered by the Uniform Domain-Name Dispute Resolution Policy, from which the auDRP was modelled.

4.1 The problem of bad faith registration of a domain name and the auDRP

Has the auDRP been effective? Are the remedies of cancellation and transfer of domain name adequate?

There can be no one-to-one mapping of registered trade marks, business names and company names to domain names. This is because of the uniqueness of each domain name, in conjunction with the fact that registered trade marks may co-exist which employ the same mark,⁶ and that the same business name can belong to different businesses in different states or territories. Given domain names are registered on a first come, first served basis, and given the uniqueness of each domain name, a registered trade mark, business or company name owner can have no right to a specific domain name per se and conflicts generally involve bad faith registration of a domain name.

Conflicts primarily arise between the registered trade mark owner, or the business or company name holder, and a domain name registrant who registered the relevant domain name in bad faith. The auDRP is applicable if (i) the domain name of a registrant is confusingly similar to the registered trade mark or the business or company name of the complainant, (ii) the registrant has no legitimate interests in that domain name, and (iii) the domain name has been registered or used in bad faith.⁷ Insofar as disputes of this kind concern .au domain names, the auDRP offers an expeditious and affordable alternative to litigation. Where a dispute is awarded in favour of the complainant the remedies available are cancellation or transfer of the respondent's domain name.

ACIP welcomes comments on the general effectiveness of auDRP and the remedies available of cancellation or transfer of the domain name.

Is there a real problem of complaints being made under the auDRP in bad faith? If so, how can this be prevented?

It is conceivable that complaints may be made under the auDRP in bad faith, in an attempt to deprive a bona fide registered domain name holder of a domain name (what is sometimes referred to as *reverse domain name hijacking*). If this occurs, the administrative panel appointed to decide the complaint shall declare in its decisions that the complaint was made in bad faith and that this constituted an abuse of the proceedings.

ACIP welcomes comments on the extent to which complaints are being made under the auDRP in bad faith, whether this is a real problem, and if so, how it might be prevented.

⁶ For example, where a word is concerned which pertains to goods or services which are not identical or confusingly similar to each other.

⁷ See *auDRP Policy* < <http://www.auda.org.au/docs/auda-2002-22.pdf>>.

4.2 Trade mark infringement through use of a domain name

Is there a real issue of infringement of registered trade marks through good faith domain name registration and use? If so, could measures be taken to minimise the likelihood of trade mark infringement?

At least theoretically, good faith registration and use of an .au domain name could lead to infringement of a registered trade mark. Registered trade mark infringement may occur where a domain name is registered in good faith, where the words in the domain name are identical with, substantially identical with or deceptively similar to a registered trade mark, and where the domain name is connected with a website concerned with trading in the *same* goods or services, or goods or services of the *same description* as those in relation to which the trade mark is registered. If a dispute were to arise between the owner of the registered trade mark and the registrant of the domain name in this situation, the registrant of the domain name may be liable to pay compensation to the registered trade mark owner. In addition, s/he may be compelled to cease using the particular domain name. It is likely that the latter may cause some business to be lost.

The impact of domain name infringement of a registered trade mark on business is likely to be similar to the impact of business or company name infringement of a registered trade mark. This does not necessarily mean, however, that the resolution of these issues should equally be similar, as the respective names serve varying purposes and involve differing registration processes.

ACIP welcomes comments as to whether there is an issue in Australia of good faith registration and use of a domain name sometimes constituting infringement of a registered trade mark and, if so, what measures should be taken to minimise the likelihood of such trade mark infringement.

5 Bad faith registration of business and company names

5.1 The problem of bad faith registration of a business/company name

The words of a registered trade mark may be used in a business or company name registered by a person other than the trade mark owner. If such registration has occurred, the registered trade mark owner is precluded from registering the relevant business or company name him/herself, because of the existing prior registration. A trade mark can only be enforced in respect of a registered business or company name where trade mark infringement is involved. This is the case when the business or company name is identical with, substantially identical with or deceptively similar to the registered trade mark and when it is used as a trade mark in relation to goods or services in respect of which the trade mark is registered.

Even when the words of a registered trade mark are registered in *bad faith* in a business or company name, so as to preclude a registered trade mark owner from registration of that name, the trade mark owner has no legal recourse unless trade mark infringement has occurred. There is a parallel here to bad faith registration of domain names as discussed in section 4 of this paper, for which recourse is available through the auDRP. It is conceivable that a remedy should similarly be available for bad faith business or company name registration.

5.2 The possibility of challenges to business/company name registration

Should federal legislation allow business or company name registration to be challenged? If so, on what grounds should such challenges be permitted?

Federal legislation might allow for challenges to be made to the registration of a business or company name. This suggestion was made in the course of consultations held as part of the ACIP review of the enforcement of trade marks. Such challenges might be similar to removal and opposition proceedings allowed for in relation to trade marks registration. Like the bad faith registration of domain names and the auDRP, bad faith registration of a business name might be addressed in a non-litigious setting and recourse may not require trade mark infringement to have already occurred. There may be significant advantages in allowing opposition proceedings prior to business name registration. The greatest advantage would be the possibility of dealing with potential conflicts at an early stage, and hence, reducing the likelihood that actual trade mark infringement will occur. This would presumably reduce costs incurred due to infringement proceedings and subsequent re-branding. It should be borne in mind, however, that a business or company name holder may feel affirmed in their belief that they have a positive right in their name if a challenge is successfully resisted. This could perpetrate the current misconception that a business or company name holder is provided with immunity from infringement of another's trade mark, to the extent that such infringement might occur through the use of a business or company name.

ACIP recognises there may be constitutional obstacles to passing legislation which allows for business or company name registration to be challenged.

ACIP welcomes comments on whether federal legislation should allow for business or company name registration to be challenged and, if so, on what grounds such a challenge might be made.

6 Conclusion

This paper raises issues associated with the interface of registered trade marks, business names, company names and domain names. It is intended to generate public discourse regarding the interaction of these identifiers and potentially uncover issues unidentified in the paper itself. The matters raised are viewed neither as conclusive, nor exhaustive.

Attachment A

**THE RELATIONSHIP BETWEEN BUSINESS NAMES, COMPANY NAMES,
DOMAIN NAMES AND REGISTERED TRADE MARKS**

	Trade Mark	Business/Company Names	Domain Names
Proprietary Rights	Yes.	Registration of itself does not grant proprietary rights.	According to auDA, no proprietary rights. But opinions to the contrary have been expressed by commentators in other domain name jurisdictions.
Registrar	IP Australia (Registrar of Trade Marks)	State government authority (Business Name) Australian Securities and Investment Commission (ASIC) (Company Name)	auDA Accredited Registrars
Multiple registrants?	Yes. Trade marks that are identical with, substantially identical with or deceptively similar to each other may co-exist, provided they are registered in relation to dissimilar goods/services. Trade marks that are <i>not</i> identical with, substantially identical with or deceptively similar to each other may co-exist, even in respect of the same or similar goods/services.	Not within the one state. However, literal test for registration, therefore slight variations of one name may simultaneously be registered in the one state/territory. The same business name may be registered in different states/territories.	No. Only one registrant per domain name. However, the application for registration pertains to a highly specific domain name, and slight variations thereof may be registered simultaneously.

