



**Review of the Relationship between trade marks and
business names, company names and domain
names**

**Comments on the Advisory Council on Intellectual
Property (“ACIP”) Issues Paper
by the Australian Computer Society**

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1. Australian Computer Society, Inc

The Australian Computer Society (“ACS”) is the recognised association for Information & Communication Technology (“ICT”) professionals, attracting a large and active membership of some 16,000 individuals from all levels of the ICT industry. A member of the Australian Council of Professions (Professions Australia), the ACS is the public voice of the ICT profession and the guardian of professional ethics and standards in the ICT industry, with a commitment to the wider community to ensure the beneficial use of ICT.

The Society was founded in 1966. Included in its objectives are: to further the study, science and application of Information & Communication Technology; promote, develop and monitor competence in the practice of ICT by people and organisations; maintain and promote a [Code of Ethics](#) for members of the Society; define and promote standards of knowledge of ICT for members, promote the formulation of effective policies on ICT and related matters; and to extend the knowledge and understanding of ICT in the community.

1 ACS calls for better education and search facilitation

The ACS believes that there should be a greater level of education about the nature and purpose of the various species of identifiers used to distinguish one’s entity, business, product or web site, and about how easy it is to do a few online searches that might avoid significant subsequent legal problems.

2 Misconceived legal nature of business and company names

This broad position is expanded below with reference to some of the issues raised in the ACIP Issues Paper, adopting the same numbering:

3.2.1 Educative measures

The ACS believes that most lay business people have a poor understanding of even very basic intellectual property concepts. For this reason government bodies that register different species of identifiers should take a more pro-active role in ensuring that their registrants have a good appreciation of what they have registered and what rights and responsibilities are entailed. In particular, the ACS calls for a standardised document to be provided to any applicant for any one of the identifiers in question which describes the nature and purpose of the various species of identifiers used to distinguish one’s entity, business, product or web site. This information should also be online at each of the sites maintained by providers of registration services, together with links to each other’s sites and, in particular, to the search page for each other’s register.



3.2.2 Structural change

The ACS believes that educative methods, combined with a streamlined and integrated search facility, are capable of significantly reducing if not eliminating the confusion which continues to prevail. In our view, if people had an easily digested synopsis of the nature of the identifier they were seeking to register, and the nature of the rights and obligations attached to that identifier, as well as the ability to search the same text string in the other registers, the majority of current difficulties could be overcome. In addition, if a signed acknowledgment was required that the standard information had been read and understood, and that acknowledgment were freely available on a single public register, much (feigned or real) ignorance about existing identifiers would also be eliminated.

3.2.3 Abolition of the business names registers

The ACS does not support such a course. If applicants had to acknowledge expressly that registration of a business name was for the sole purpose of enabling people to identify them as being responsible for the business' acts and omissions, and that registration conferred no right to stop others from using the same name, it is hard to see how confusion could continue. Indeed part of the reason for the misconception is attributable to the conduct of business name registries in rejecting a name if it matches an existing name, thus conferring a de facto proprietary right in the first applicant for a registrable character string. It would actually be better if, instead of rejecting matching character strings, successive applicants for the same string were allowed to register with the addition of an ordinal number appended to the character string, such as "Brown's Dairy no. 3". Provided the educative material explained the lack of proprietorship to the identifier, and multiple similar character strings were permitted, applicants (and their advisers) would more readily appreciate the nature of what they had registered.

3.2.4 Mandatory trade mark register search

The ACS recommends that applicants for all identifiers should be required to give a statutory declaration that they have satisfied themselves that the identifier for which they are making application is not likely to be confused with any substantially similar identifier already registered as a trade mark, company name, business name or domain name and was not otherwise known to be used by any other trader. Again, this material should be available on a public register for use by anyone seeking to enforce intellectual property rights in respect of an identifier alleged to be wrongly registered or used.

Although searches of other registers should not be mandatory, links to the search facilities of other registries should be provided and people should be warned of the consequences of giving a false statutory declaration.

3.2.5/6 Central registers

The ACS would not oppose a central register, but believes that an integrated search facility could achieve the same practical effect at lower cost. Indeed the ACS recommends a cascading series of options be considered, starting with a low cost central site that simply describes the nature and purpose of each identifier and gives a link to the search function for the register for that identifier. The next increment would be a web site where the user is guided to enter a single character string which is then used to search selected registers. The next increment would be a similar site where the search is automated. And the final step if that were thought necessary would be a super register merging the existing registration information into a single searchable database, with an



additional code reflecting the role of the identifier (which could be multiple) for a given registrant.

3.2.7 Two-tier trade mark system

The ACS is opposed to the two-tier trade mark system described for the simple reason that it perpetuates the misconception about the nature of a trade mark. A trade mark is a badge of origin of goods or services - it is supposed to be identified in the minds of the public with a trader. For that trader's name then to be dealt with as a 'second-tier mark' in the manner described in the Issues Paper is unprincipled if not a trifle bizarre.

4.1 Bad faith registration of a domain name and the auDRP

The writer chaired the working group which adapted the UDRP to create the auDRP. One has to remember that the generic top level domains (.com, .net, etc) are completely open. That is to say, there are no eligibility criteria. Unlike the gTLDs, however, some country 2nd level domains, such as .com.au and .net.au, do have threshold eligibility criteria that must be satisfied before a domain name licence can be granted. In Australia's case, the eligibility criteria (<http://www.auda.org.au/policies/auda-2002-07/>) essentially require that the domain name sought be reflective of an existing identifier such as a business name, a company name or a trade mark. Thus there will rarely be situations where competing rights in a domain name do not reflect competing interests in similar underlying identifiers.

Another aspect to bear in mind is that, as the auDP only applies contractually, it has no application to domain names registered before 1 August 2002 until their two year term expires. Thus, until 31 July 2004, there will be 2LD names registered in the .au space which are not amenable to auDRP resolution. At present the experience appears to have been that, in respect of those domain names subject to auDRP, the decisions made under auDRP have been consistent with what one might have expected had the UDRP applied to the same dispute.

Based on the relatively small number of disputes to have so far been the subject of auDRP, it is too early to determine whether reverse domain name hijacking is a real problem. There have been no findings of reverse domain name hijacking in any auDRP decision published to date.

4.2 Trade mark infringement

The domain name system (DNS) is a mechanism for associating an Internet Protocol address with a more easily remembered (or 'guessable') alphanumeric string. Thus the very purpose of a domain name is to serve as a mental associative device, being the identifier most likely to be chosen for the website operated by a particular trader for its goods or services. Domain names in Australia, as noted above, cannot be registered unless reflective of an already existing name or mark. Any dispute involving Australian 2LDs will therefore almost always reflect a dispute between competing underlying identifiers and involve no element idiosyncratic of domain names other than the fact, as noted in the issues paper, that there can only be one domain name per 2LD. That underlying dispute will be a trade mark dispute, a passing off dispute or a misleading conduct dispute, or some combination of those. The auDRP also allows a complaint to be brought if the domain name registrant can be shown to have misrepresented the existence of the eligibility criteria for that domain name, but these are rare.



5.1/5.2 Bad faith registration/possible challenges

There have been cases where the trade mark of a well known foreign product or the name of a well known foreign trader has been adopted as the company or business name of a local trader. Existing statute and common law provides ample remedy if a complainant can show that the local trader's conduct creates a conventional cause of action in passing off, trade mark infringement or misleading conduct. If the ACS's recommendations for an educative approach combined with the availability of practical multi-register search capabilities are implemented, the likelihood of such cases being genuine cases of inadvertent selection will be rare, and perhaps the evidentiary foundation for a legitimate complaint will be much easier to adduce. There may also be fewer cases of 'honest concurrent user' beyond the existing application of that principle in a trade mark context (being attributable to the Nice trade mark classification system), as exemplified by the High Court's decision in *Campomar Sociedad, Limitada v Nike International Limited [2000] HCA 12* (in which the writer represented the successful appellant).

For these reasons the ACS does not support any proposal for Federal legislation to enable name challenges to be brought on bases that do not presently exist.

This submission was prepared for the Australian Computer Society by Philip Argy, National Vice President. Mr Argy is available to meet with ACIP to discuss any of the comments made in this submission.

Sydney

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