



21 April 2004

NV:SG

BY E-MAIL & NORMAL MAIL

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Mr Jeff Roberts
The Advisory Council on Intellectual Property
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Dear Mr Roberts,

RE: ACIP REVIEW OF RELATIONSHIP BETWEEN TRADE MARKS AND BUSINESS NAMES, COMPANY NAMES AND DOMAIN NAMES

I refer to your letter of 16 January 2004 requesting comments on ACIP's review on the relationship between trade marks, business name and company names, and domain names.

The Law Institute of Victoria (LIV) welcomes the opportunity to comment on the discussion paper. Attached is the LIV's submission.

If you would like to discuss any of the matters raised please do not hesitate to contact me or Natalina Velardi on 9607 9382.

Yours sincerely,

A handwritten signature in cursive script, appearing to read "Chris Dale".

Chris Dale
President
Law Institute of Victoria



Law Institute of Victoria

Submission on the Review on the Relationship between Trade Marks and Business Names, Company Names and Domain Names

1. Background

The Advisory Council on Intellectual Property ('ACIP') prepared an issues paper entitled 'A review of the relationship between trade marks and business names, company names and domain names' dated January 2004 ("Issues Paper"). The Law Institute of Victoria ('LIV') was requested to comment on the Issues Paper. LIV welcomes the opportunity to comment on the Issues Paper. The Intellectual Property & Information Technology committee of the Commercial Law section has reviewed the Issues Paper and provides the following comments.

2. Comments on specific questions in the issues paper

2.1 *Item 3.2.1 and 3.2.2: Availability of information 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 and the capacity of educative methods to address misconception.*

The LIV acknowledges that information is provided by state and territory business name authorities, ASIC and IP Australia. However, the material provided is in the form of information rather than education about the differences between company and business names and the risks that a person potentially faces if adequate searches are not conducted.

The LIV considers that the current tools do not go far enough in providing education to the community at large on the differences between business and company names. In particular, it is the experience of LIV members that many small businesses do not know the differences between business names and company names. There is a need to provide more detailed information than currently exists, particularly for start up small business proprietors.

Other methods of distributing information should also be considered. For example, greater cross-referencing of material between the various authorities would also be of assistance. Alternatively, an outline could be given to applicants of other places to obtain information and referring applicants to advisers if required.

At present the information about the difference between a business name, company name and trade mark is provided on a separate sheet to the application form. Information should also be placed on the application form and in a more prominent position on application forms.

2.2 *Item 3.2.3: Would the abolition of the state/territory business names registers*

go some way in alleviating misconceptions as to 'rights' conferred by registration of a business name.

The LIV considers that the abolition of the state/territory business names register would do little to alleviate the misconceptions that currently exist as to the 'rights' conferred by registration of a business name.

From a practical perspective, the UK approach would require much more information to be included in a business's stationery. For example, a letterhead would need to include all the details of the business's proprietor(s) rather than simply the business name that is being used to trade under.

2.3 *Item 3.2.4: Should a trade mark register search be a condition of a business or company name registration.*

Whilst making a trade mark register search a condition of a business or company name registration appears attractive, the LIV considers that attraction to be a superficial one. It fails to consider the additional cost to small to medium sized enterprises (SME's) and individuals. It also does not guarantee the a recipient of the information will understand the significance of the information provided and therefore properly understand any risks that may be associated with the information obtained from the search.

2.4 *Item 3.2.5: Whether the state/territory business names register should be replaced by one central register. Whether a central register would alleviate the misconception as to the legal nature of the business name.*

The LIV considers that the establishment of a central register for business names would reduce the administrative time and cost currently associated with registering business names in different jurisdictions (if this is required).

Such a register would not alleviate the misconception of the legal nature of the business name. Simply having one central register would not explain any differences between a business name and company name or trademark to an applicant.

2.5 *Item 3.2.6: Whether 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.*

See comment for item 3.2.5.

2.6 *Item 3.2.7: Whether a two-tier trade mark system should be introduced and what form it would take. To what extent would it address the misconception as to the nature of business and company names?*

The LIV opposes the establishment of a two-tier trade mark system. It considers that it will serve to further confuse the difference between trade mark, business names and company names. It would not alleviate or address the misconception as to the nature of business and company names. It considers that the Law Council's position put in relation to ACIP's issues paper of February 2002 is equally valid in the current Issues Paper. The importance of a trade mark system 'which provides registered owners with quality trade mark with strong, clear and certain rights' cannot be underestimated.

Uncertainty would also exist in a two-tiered system on exactly what rights were conferred by automatic registration upon registration of a business or company name. Explaining to an individual that registration confers some rights but, not all rights, will be unnecessarily confusing.

2.7 *Item 4.1: The effectiveness of the auDRP and the remedies available of cancellation or transfer of the domain name. The extent to which complaints are being made under the auDRP in bad faith.*

The LIV considers that the current system is working well. It is not aware of any complaints made under the auDRP system that are being made in bad faith.

2.8 *Item 4.2: 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 what measures should be taken to minimise this.*

The LIV considers that there is a risk of good faith registration and use of a domain name infringing a registered trade mark. The issue should be left to the Courts' discretion and the auDRP processes to determine the outcome on a case by case basis.

2.9 *Item 5.1 and 5.2: Whether federal legislation should allow for business or company name registration to be challenged and on what grounds.*

As acknowledged in the Issues Paper, there may be constitutional obstacles to passing legislation for business or company name registration to be challenged. These obstacles should not be underestimated. Assuming the constitutional obstacles can be dealt with, the LIV supports the use of a non-litigious setting to challenge business or company name registration.