

TRADE MARKS ATTORNEY SERVICES

Suite 4, 63 Comer Street, Como Western Australia 6152
Tel: (618) 9367-9972 Fax: (618) 9474-9392
ABN: 25 933 648 068

SUBMISSIONS TO ADVISORY COUNCIL ON INTELLECTUAL PROPERTY REVIEW OF THE RELATIONSHIP BETWEEN TRADE MARKS AND BUSINESS NAMES, COMPANY NAMES AND DOMAIN NAMES

March 2004.

We have commented on those issues that we felt required comment and were within our immediate field of expertise. For convenience we have adopted like numbered paragraphs. We have not sought to comment on all areas discussed in ACIP's Issues Paper.

3. Misconceived legal nature of business and company names

We are in agreement with ACIP's overall assessment of the problems associated with the misconceived legal nature of business and company names.

The state based business name systems are in need of substantial reform.

There is much anecdotal evidence to suggest that successful business name and company name registration continues to encourage many users of the system to consider they have proprietary rights in the business and company names registered. In our opinion, this is primarily caused through the

- (a) existence of the State Business Name Registers; and
- (b) lack of understanding as to the function of business name / company name registration being to provide a public registry of the details of individuals that carry on businesses within a particular state or territory.

3.2 Possible Initiatives to counter the misconception

It is our opinion that it is questionable whether educative measures alone are capable of addressing the misconceptions as outlined in the Issues Paper.

We submit the State Business Name Registers be abolished as was undertaken in the United Kingdom.

In 1985 the United Kingdom Register of Business Names was abolished and the new Business Names Act 1985 specified requirements for the use of business names and disclosure of ownership. This was subject to minor amendments by the Company and Business Names (Amendment) Regulations 1992 and 1995.

Under the United Kingdom Business Names Act 1985 and certain sections of the Companies Act 1985, there is no requirement for owners of businesses to register their business name. Now, although businesses are required to disclose their ownership the only registration requirement is for a limited company.

Consumers in the United Kingdom are entitled to information about the ownership of a business. This includes businesses conducted by individuals, partnerships and companies. Certain businesses simply trading under the owners own surname may be excluded. Where the company uses a trading name which is not the corporate name, the corporate name (and an appropriate address) must also be shown. The full name and address must be disclosed on documents such as:

- Business letters, notices and other official publications
- Written orders for the supply of goods or services
- Tax Invoices and receipts issued in the course of the business
- Written demands for payments of debts arising in the course of the business

The same information must also be displayed prominently so that it can be read easily in any premises where the business is carried on and to which customers have access.

Companies must also comply with the disclosure requirements if they trade under a business name different to the full corporate name of the company. Companies must also disclose their registered office address (which may be different from their trading address), registration number and place of registration.

A registered company must display its name outside every place of business, in a conspicuous position and in easily legible letters.

Although the writer is unaware of any difficulties experienced in practice in the United Kingdom in respect to the abolition of the Business Names Register, we would recommend that further research is undertaken.

3.2.4 Mandatory trade mark register search

In the absence of abolition of the Business Names Register we would consider supporting the following practices:

1. Mandatory Search of Trade Marks Register before Business and Company Name Registration;
2. Refusal of business name applications if they are identical to pre-existing trade mark applications or registration and the intention is to operate in same field of business;
3. Written disclosure on Certificates of Incorporation and other company documentation indicating registration of Business and Company Names do not of this action create proprietary rights in the name;
4. Further education for business professionals eg accountants, lawyers, marketing and business advisors.

3.2.5 Central register for business names

In the absence of abolition of all the state Business Names Registers we would consider supporting the following practices

1. Rationalization of the nine separate state and federal business and company name registers into one Federal register;
2. Public notice on ASIC Index of Corporate and Business Name as to the rights existing with trade mark owners;
3. Public notice on ASIC Index of Corporate and Business Name as to mandatory trade mark search and that they should obtain professional assistance with respect to same.
4. Link to IP Australia Website from ASIC Index of Corporate and Business Names;
5. Link to Institute of Patent & Trade Mark Attorneys website

3.2.7 Two-tier trade mark system

We submit that the implementation of a further two-tier trade mark system is unlikely to reduce any of the confusion regarding the nature of the business and company names and trade mark rights. We suggest that the many of areas of concern presently being discussed in ACIP's Issues Paper are the

direct result of the defacto two-tier system currently operating with respect to Trade Marks, and Business and Company Names.

We confirm our comments made in our submission to the Review on the Enforcement of Trade Marks in 2002 that the introduction of a two-tier trade mark system would not remove the difficulties which already exist. Should the Trade Marks Register be allowed to be undermined by second tier trade marks the extent of protection will inevitably require further clarification and definition through the Courts.

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

It is our submission future domain name infringement of registered trade marks could be significantly reduced through prerequisite searching of the trade marks register or proof of Trade Mark Registration before domain name registration.