

Our Ref: GF4580/RCK/ck

Sir,

Submission on Item 4.2.1.b of the Issues Paper on Review of Enforcement of Trade Marks

We refer to Item 4.2.1.b of the Issues Paper.

We write on behalf of one of our clients which is seeking registration as a shape mark, features which are part of its products. In particular the features are scalene triangular planes on each side of a trigger sprayer.

Our client has established a valuable market for its products in Australia but is finding itself deluged with counterfeit goods manufactured especially in Pacific Rim countries. The counterfeit goods slavishly copy our client's products including the features which are the subject of our client's trade mark application, but adopt differing operational mechanisms. Those alternative operative mechanisms are generally faulty and the counterfeit products have short lives. This is tarnishing the reputation of our client in the marketplace. Our client asks "isn't this what trade mark registration was designed to prevent in the first place?"

Shapes which have acquired distinctiveness have long been recognised in the United States and in other progressive industrialised countries throughout the world as a valid and legitimate and necessary form of trade mark protection. However, in Australia the barriers to registration have proven to be significant. For instance, it has been required of our client that it demonstrate that it has taken steps to educate the public that the trade mark is a trade mark. This requirement places the shape trade mark concerned in a category quite separate from most word trade marks. There is no requirement that a word trade mark be demonstrated to have been exposed to the public as a trade mark. Its very fact of use is sufficient. The requirement is also incongruous in that our client commenced its use well before the Trade Marks Act was amended to include provisions for registration of shape trade marks. Additionally, while our client's immediate market concerned is a small group of educated parties, the Trade Marks Office has insisted on the market being that of the public at large. This latter approach ignores the market realities for our client's products.

It is also relevant that our client's trade mark is part only of the goods. It is not the whole of the goods. This point appears to have been ignored by the Office.

Our client's trade mark has been registered in the United States, yet despite the fact that the markets in Australia and the United States for our client's products are very similar, the fact is that registration has not been given due weight, in our opinion. It is frustrating to our client that a feature forming part of goods may become so distinctive in the relevant market that it is recognised in that market as indicating that the goods come from one party and that distinctiveness counts for naught because steps have not been taken to educate the public at large that that feature is to be regarded as a trade mark.

Yours respectfully,

Robert C. Kelson
CALLINAN LAWRIE

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Sir,

We refer to Item 4.2.1.b of the Issues Paper.

We write on behalf of another of our clients which is seeking registrations as shape marks, features which are part of its goods. In these cases the features are the shapes or configurations of shrouds for pump sprayers.

Our client has achieved significant market share with its products, which are air-powered pumps (used for paint spraying and blasting). An important feature of these types of products is that they, and the replacement parts therefor, must meet high standards of safety and quality, as failure of components can lead to serious, and even fatal, injury. Our client has endeavoured to meet, and out-perform the safety requirements. However, its standing in the market is at risk from products of lesser quality which imitate our client's products by incorporating the particular shapes of the shrouds.

Our client is encountering very significant difficulties in its attempts to obtain registration of the shroud shapes for its products. There appears to be no presumption of registrability in favour of the applicant and our client is being required to demonstrate that it has educated the purchasing public that the shapes function as trade marks. As our client commenced selling its products in Australia well before the changes to the Trade Marks Act were contemplated and incorporated, education of the purchasing public in this way was hardly a consideration.

As our client's goods when new also bear our client's name, the weight that has been accorded to the shapes of the shrouds as trade marks has been greatly reduced. This is despite the fact that when replacement parts for a pump are required, one can rely only on the shape of the shroud to identify the origin of that pump, any names or other identifying indicia having been obscured by dust or paint.

The facts that our client has succeeded in obtaining trade mark registrations for its trade mark in the United States, has had the distinctiveness of those shape marks recognised by a United States Court and has an appreciable market in that country have been given little weight by the Australian Trade Marks Office, even though the respective United States and Australian markets are very similar.

If you require further information please contact the writer.

Yours respectfully
CALLINAN LAWRIE

Robert C Kelson