

**ADVISORY COUNCIL ON INTELLECTUAL PROPERTY
REVIEW OF ENFORCEMENT OF TRADE MARKS**

COMMENTS ON ISSUES PAPER

Please note that the following comments are my personal views gained through experience as a practitioner. They are not the views of my current or former employers. They follow from my attendance at the ACIP workshop in Melbourne on 23 and 24 April 2002.

4.1 *Adopting a trade mark*

4.1.1.a *Business and company names*

The business name system should be substantially reformed as a Federal system. In addition, business name applications should be refused if they are identical to pre-existing trade mark applications or registrations.

4.1.3 *Proprietorship*

Some trade mark applicants do not recognise the issue of copyright in the trade mark. Would it be possible to include a statement regarding copyright ownership in the trade mark application? For example, the applicant ticks a box to indicate that it either owns the copyright or has the consent of the copyright owner to apply for the trade mark registration.

4.2 *Examination and registration*

4.2.1.a *Examiner's reports*

There is a high level of inconsistency in the "administration" side of the reporting procedure. That is, in respect of providing details of objections.

For example:

- it is common for a first report to raise a general section 41 (5) objection against a multi-class application and a phone call to the examiner then reveals that the objection is only against one or some of the classes;
- some examiners question correct classes for specifications but do not explain the possible correct class but others provide very helpful examples of the possible correct classification..

4.2.1.c *Restricted searching by class*

The new cross class search list has some advantages. However, as a result, some trade marks are proceeding to acceptance when there is a likelihood of confusion with registered marks.

For example trade mark no. 837212 for "NOUVELLE VAGUE" in class 16 was accepted despite the pre-existing registration no. 764646 for the identical mark in class 14. Although the two classes are no longer related on the new cross class search list, a consideration of the nature of the goods and the particular applicants would suggest that there was a high degree of risk of confusion in the market place.

Perhaps the practice should be that the new cross search class list is used except when there are identical marks which may be of concern.

The other aspect of concern in relation to the restricted list is that a greater number of marks of concern proceed to acceptance and registered owners may be compelled to institute opposition proceedings rather than rely on the examination process to prevent a registration. This is obviously both costly and time consuming.

4.2.1.f *Material brought to the attention of Examiners by a third party*

I was unaware that a third party could bring material to the attention of an examiner. For this reason alone I think it would be desirable for this practice to be clarified with a practice note circulated.

The difficulty in advising the applicant that a third party has made submissions is that it may open the way for a defacto opposition process to begin during the examination procedure. It would be likely that the application would seek to respond to the third party's material.

4.2.2 *Disclaiming non-distinctive elements of a trade mark*

I have asked an examiner who raises a section 41 (5) or (6) objection whether a voluntary disclaimer would allow acceptance of an application. In some situations this has been the solution.

Rather than making it mandatory to disclaim non-distinctive material, could the examiner propose this in a report? This would be similar to the current practice where an examiner suggests that section 41 (5) or (6) objections can be overcome by submission of evidence of use.

4.3 *Board of review*

Some Hearing Officers are very experienced and competent, some are not. A Board of Review would provide greater consistency in decision making and reduce the need for court action.

A similar Board comprising experienced senior examiners could also review trade mark applications that have reached an impasse at examination to avoid long examination periods.

4.4 *Opposition proceedings*

The grounds of opposition may not be clear to the opponent at the time that the Notice of Opposition is filed. The current practice of allowing an opponent to list all possible grounds in the Notice should continue with a specific requirement that at a certain point (at the time of submitting evidence in support?) the opponent should clarify the exact grounds of the opposition.

4.4.3 *Costs*

The scale of costs should be reviewed particularly to put off vexatious opponents.

4.4.4 *Extensions of time*

The current policy in regard to extensions of time is very relaxed because an opponent embarking on an opposition can comfortably expect that it can delay serving evidence support for at least 12 months. The office should tighten up its view on acceptable reasons for granting extensions.

However, provided that the party due to submit evidence is actively involved in settlement discussions then the period for extensions should continue almost indefinitely.

Further it seems unfair that a party who has proposed a settlement to the other side should be compelled to continue to pay extension fees while it is waiting for a response from the other party. Could the regulations be amended to require the party delaying the process to pay extension fees? I suspect that a party who has proposed a settlement would be prepared to provide adequate evidence to IP Australia regarding the status of the settlement so that this could be enforced.

4.4.5 *Where use of marks would be ‘contrary to law’*

In my experience section 42 is not adequately used. Either an examiner refers to it without apparently understanding the meaning of ‘contrary to law’ or, more often, its application is overlooked.

The use of this section would link in with submissions by third parties during the examination process. For example, evidence of copyright ownership by a third party should allow a trade mark application to be rejected as being contrary to law.

4.6 Proof of use

A proof of use upon renewal would be of benefit. Presumably the time period within which use must be shown should be the same as that required under applications for removal for non-use.

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