

**Submissions by Blake Dawson Waldron  
to the Trade Marks Working Party  
for the Advisory Council on Intellectual Property**

The following is a summary of our views on some of the issues raised during the meetings held in Sydney 17-18 April 2002

**1. Disclaimers**

In our view, the restoration of disclaimers to the Trade Marks Act would enhance the Australian trade mark regime by allowing for a clearer statement of the monopoly rights enjoyed by a trade mark owner as well as eliminating doubts as to the actual extent of monopoly in opposition and infringement proceedings. This would further the view expressed by some owners that they value a system which is robust and which provides the highest degree of certainty with regard to the rights conferred by registration. The administrative burden of reintroducing disclaimers does not seem sufficient to justify their continued exclusion. We strongly recommend that disclaimers be reintroduced.

**2. More powers to the Customs service**

In our view, and that of our client's, customs officials do not have sufficient power to adequately enforce the trade mark rights of companies doing business in Australia. For instance, we would favour a provision which stated that, once goods are seized, if no one comes forward to claim them within a specified period of time, they are forfeited. This would eliminate the long, expensive and burdensome procedure presently in place. The reality is that very few of these seized goods are ever claimed by a rightful owner who can demonstrate a proper claim to them. Despite this, in every case, the trade mark owner is forced to endure a lengthy and costly procedure to prove its claim.

**3. Opposition procedure**

The present opposition procedure appears to work very well and is relatively inexpensive. Therefore, we believe that any changes to procedures ought to be carefully considered and kept to a minimum.

**4. Association**

We believe that it would be best if any problems with associated marks be left to the marketplace. Most companies do a complete due diligence before acquiring part or all of another company. Therefore, any marks which would have been associated are generally discovered and included in any assignment. If companies decide, for reasons of their own, to divide marks which might have been associated, this is basically a business decision for them which could ultimately weaken the value of any of the trade marks. Having the Registrar take over this responsibility seems an unnecessary burden.

**5. Evidence of use at renewal**

We believe the present system of renewal works very well and the introduction of a requirement of proof of use would only complicate the system and add an unnecessary burden to both trade mark owners and the Trade Marks Office. Generally, we find that if

clients are not using a trade mark and have no intentions to resume use, the renewal fees themselves discourage renewal.

6. **A two-tiered system**

We strongly recommend that any system of trade marks which would involve two tiers, two classes or some other nomenclature, be rejected. A two-tiered system would introduce a huge number of administrative and policing problems which are simply not justified. The present one tier system works quite well. One of the justifications for introducing a 2<sup>nd</sup> tier seems to be the perception that some small businesses can't afford the present system. This was contradicted by several small business owners who spoke at the meeting indicating that they spend hundreds of thousands of dollars setting up their business and that a few thousand more for a strong, protectable trade mark is really not significant. We are sceptical of a system whose main impetus is the perceived impecuniousness of some potential users. Any system which charges fees at any level will be too expensive for some. This is, unfortunately, unavoidable. However, the vast majority of trade mark owners are well-served by the present system. A cheaper 2<sup>nd</sup> tier system with fewer administrative requirements and a lesser degree of protection seems not only an administrative nightmare but wholly unnecessary.

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