

The Do's and Don'ts of Trade Marks

When it comes to the protection of trade marks, many business owners are in the dark about how a trade mark can contribute to the value of their business, why registration of a trade mark is important, and what to do to ensure that the process of registering their trade mark runs smoothly.

On 12 April 2007, Hazan Hollander's Senior Associate Peter Whitehead answered those questions and more as he presented a seminar on the do's and don'ts of trade marks for members of the business community. Some of Peter's tips include:

- **Decide whether registration of a trade mark is right for your business**

There is no legal requirement to register your business' trade mark, so it is important to consider the benefits and drawbacks of registration in relation to the circumstances of your business when making a decision to register.

Importantly, registration of a trade mark gives your business the right to exclusively use that mark in connection with the goods or services specified in your claim. The registration process is relatively simple and inexpensive, and a registered trade mark is a valuable business asset that can be bought and sold.

On the other hand, it may be impractical for some businesses to obtain exclusive trade mark rights if they do not have the time or resources to successfully ensure their rights are enforced. Taking enforcement action in the Federal Court of Australia can become costly.

However, when weighing up the advantages and disadvantages of trade mark registration, it is important that businesses understand their legal position. While a business may acquire common law rights in a trade mark through years of use, it is simpler to register your trade mark. Registration of a trade mark gives rise to rights dating back to the lodgment of your application, and you can register your mark before you use it.

Another common misconception is that registration of a business also provides protection of that name as a trade mark. This is simply not the case, which many businesses find out to their detriment when they find themselves accused of infringing another person's registered trade mark.

- **Make sure you take appropriate preliminary steps before seeking registration**

It's essential that you choose a mark that will pass the registration process. The two most common problems for a person to encounter are that the mark is substantially identical with or deceptively similar to a pre-existing registered mark, or does not sufficiently distinguish the goods or services provided under their mark from those of other traders in the marketplace.

To overcome the first problem, it's important to carry out a search of IP Australia's database of trade marks, which is available to the general public. However, it is unwise to rely on an identical word search alone, as this will not reveal marks which are deceptively similar to yours. To avoid this risk, you may wish to consult a professional.

When it comes to making your business' mark distinctive, there are a number of techniques you can adopt. An invented word with no prior meaning or an existing word used in a different context to its ordinary meaning will be better than a word that simply describes the type or quality of the goods or services you provide. You may also wish to consider incorporating a graphic element or logo that further distinguishes your mark.

- **Be deliberate in using your trade mark and keeping records of use after registration**

Once your mark is successfully registered, it is important that your business uses it properly to preserve its character and the protection that registration provides. If you do not use a registered trade mark there are provisions in the *Trade Marks Act* that allow others to apply for its removal. It's also important that you use your mark in connection with the same types of goods or services specified in your description.

As a further safeguard, it is important to keep records of how you have used your mark over the years, such as by keeping samples of invoices, advertising material, catalogues and other samples. This will assist in the event of disputes or enforcement proceedings arising out of your mark.

For further information or to arrange a consultation about the specific trade mark needs of your business, please feel free to contact Peter Whitehead on 9233 4266.