



Talking Law

Episode 121 – Common Misconceptions in Trademark Registrations Outside Australia

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Transcript

Joanna:

Hi, it's Joanna Oakey here. Welcome back to Talking Law, a podcast proudly brought to you by our commercial, legal practice Aspect Legal. Now today we have on the show, once again, the fabulous Robyn Purdy from our very own Aspect Legal, Robyn, thank you for coming onto the show today. It's always a joy.

Robyn:

It's always a pleasure, Jo. I love coming on the show. Let's talk trade marks,

Joanna:

So today we're talking about a topic in trade marks that I think is really commonly misunderstood. So we're talking about registering trade marks in other jurisdictions other than Australia. Now, we're going to be focusing a bit on the USA, and some technicalities, to register trademarks that are different to Australia. But I just want to

start before we go there, I just want to step back. And Let's bust some of those common myths in relation to the registration of trademarks. So I'm going to sit here and fire some questions to Robyn, because I think there's some things that come up again, and again, and again. And I just think, because we sit in trade mark land, and it's easy for us to forget, you know, some of those critical basics that maybe aren't so obvious to others. So the first thing that I think quite often comes to us is this sort of lack of understanding about the way in which trademarks are really jurisdiction based, you know, and that there is no such thing as out worldwide protection, or I just want to trademark everywhere, well, that doesn't exist, does it Robyn.

Robyn:

Unfortunately No. In an ideal world, absolutely. We would love worldwide protection, especially, you know, we're developing our brands, we're working so hard, we're putting so much money into these brands. And we're really looking at trying to take on the world and take on these global audiences, we want as much protection as we can get. But there is no worldwide system of registration. And so what that means is you really need to consider the markets that you're going to be targeting, and look at the protection that you can achieve in those markets. And sometimes that means actually giving consideration to that step before you start developing your brand. Because it may be that you're safe to use your particular brand or your trademark in Australia, but you might encounter problems overseas in different countries. So obviously, the earlier you can start giving thought to these sorts of things, the better you're going to be.

Joanna:

Yep. And do you know what that's a really good point. And there's quite a few components of that. I think the first thing is, if you're in Australia, start in Australia. There are some and that's maybe a mistake that I see sometimes this idea that Australian businesses are thinking offshore of protection before thinking onshore, you know, and of course, perhaps it's not relevant to have an Australian mark, if you're not represented here in Australia at all, we're assuming that you are but if you have a business here in Australia product here in Australia, then then obviously, you want to think about the Australian registration first. But you also want to think of where else cities that you might be using this mark and might need to protect that mark. Now, we've had a lot of instances of clients who've come in, where we might be acting for an overseas an offshore based company, and they haven't thought of Australia, because we're a little bit smaller than some of the other jurisdictions at the time that they had been registering their marks. And you know, we've had to act, in many instances for businesses who are trying to get trademark see when they've already been taken. And I guess this is a risk for young players expanding into markets where you haven't done your trademark searches in those jurisdictions can be very risky.

Robyn:

Absolutely. I mean, you don't want to find that you spend a lot of money and time investing in your brand, only to find out that your brand can't be protected in one of these markets that you're really interested in, whether that be at home in Australia or one of the global markets.

Joanna:

Yeah, yep. And we have some large clients who over time have had to resign themselves to the fact that they're going to have to have dual brands. So sometimes, you know, the decision might be if they've used a brand in Australia for a long time and have then

subsequently expanded internationally realized that brand was taken, they then had to, you know, do your brand and come up with a new brand for that jurisdiction. But certainly if you can get in early enough at brand development phase and you know where it is that you're likely to use your mark, then it's really important to do that brand development, taking into account searches in each of those different jurisdictions. Absolutely.

Robyn:

I mean, we all we don't have the crystal ball so we don't know what is going to take off in any what markets, you know, it's going to be successful and international registration can be a bit expensive. So we don't want to see a situation where you're spending time and money going ahead with searches. And indeed, applications for registration in lots of different global markets in lots of different jurisdictions are at a huge expense, I later find out that you weren't going to, you know, expand into that territory anyway. So it is about giving some careful consideration to realistically where you see your business going, at least in the initial stages. And then, you know, if it is a situation where later down the track where you're looking at expanding to a global market to a jurisdiction, and unfortunately, that mark is already protected there by a third party, you know, that's not the end of the day for you, there are always options that we can help you explore maybe looking at things like coexistence agreements, if the parties amenable to that, or, as you said, container having to take on jaw branding considerations. So it's not always the end of the day. It's not always bad news. But obviously, the better position to be in is to give these issues, some thought at the beginning, and put yourself in the strongest position as you can be going forward.

Joanna:

Yeah, great point. And I guess the other thing to add to this discussion, as well, is the real importance of bearing in mind, even if you might not decide to register your mark and these other jurisdictions in which you're trading or selling, you really do need to make sure you're avoiding infringement actions. So that's why searches at very minimum are super important before you're entering into new markets. Then let's talk about the process then, of having registrations for trademarks, outside of Australia can sometimes be very different to Australia. So I guess that's the other thing to bear in mind. And whilst we do have, you know, certain conventions of which Australia is a party to it doesn't mean that registration in each of these different countries is exactly the same. Now there are some countries where registration is just extremely different, but some countries in which registration seems similar, but then has a few different nuances. So I think today we're going to talk a little bit about registration in the US. And one of the nuances for registration in the US that is a little bit different to here in Australia. What's that take us through that issue, Robyn?

Robyn:

Yes. So basically, in Australia, once you've achieved registration for your trademark, the Australian system doesn't impose any obligation on a trademark owner to demonstrate that they've continually use their trademark to enable that protection to can continue throughout the lifespan of the trade mark.

Joanna:

One thing we'd throw in there is, is if someone has not used a mark at all, for an extensive period of time, there's there's an ability for another party to bring a non use application.

Robyn:
Absolutely.

Joanna:
What we're talking about here is part of the requirements of actual registration in.

Robyn:
Yes, absolutely. So what are the nuances in Australia is that the system here for trademark registration, once you've actually achieved registration does not require a trademark owner to continually use their trademark to ensure its protection. Now, we'll pause here just to note the slight difference there when we're talking about a brand new trademark application that's achieved registration that can potentially be open for attack for non use if it's not used for five years. So generally speaking, you file your application, it's accepted, you've then got five years to use it before anybody can attack you. If you don't use it within that five year period, then your trademark will become vulnerable to an application for removal for non use. And you must then can demonstrate that you've used it for a period of three years in that in that timeframe. Okay, so what we're now talking about in Australia is following that time period for non use having expired once you can demonstrate that you've used it in that time period, your trademark protection will be secure in that respect. The system in the USA is a little bit different. The procedure in the USA is that owners need to declare actual use throughout the period of the trademarks registration. And essentially what that means is that you have to use your trademark in business to keep it alive and demonstrating use just once isn't enough, you must be able to continually demonstrate your ongoing use of this trademark through the life if you want to continue its protection and keep its benefits there.

Joanna:
Yeah, and so I think that it's a super interesting point. So I guess just to rehash here in Australia, you can apply for a mark, even something that you're not using right now on the basis that you have this intention to use it in the future. And you have a, you have five years, a five year grace period to actually go and do that, but it's not the same in the US. In the US, you need to be using your mark. And over and above that, you actually need to be ready to submit evidence to show that you've been using that mark. And, and I think this comes back to a really important point, which is, what is the correct use of a mark. Now, we won't go into all of that right now, because it's a little bit technical, for a podcast, you're running along the beach, or you're on your commute to work, you probably don't want anything too heavy. You would not probably want to hear the intricacies. But the point is, It's super important that if you're registering in any trademark registration, you should understand ultimately, what you need to do in the future in terms of use. But if you're registering in the US, there's sort of this additional requirement, and you need to absolutely make sure you understand what is the use of the mark and what you'll be required to provide in the future. As evidence of that use.

Robyn:
And really important to remember, is the system of registration the way that it is, in Australia, you will you'll register in a specific class, let's take class 25, for example, which deals with clothing, and articles of clothing, shoes, t shirts, all that sort of all those items that fall within that broad heading of clothing, if you've got a registration

in class 25, and you just need to be able to show that you're using it in relation to the goods in in that class. So if your registrations for clothing, it's sufficient to be able to show you've used your trademark on a T shirt. In the US if you've got your registration in class 25 for clothing, and you've specified jumpers, socks, scarves, gloves, t shirts, jeans, or whatever the items may be within that one class all of these sub specifications. In the USA, you need to be able to demonstrate that you have used your trademark on each and every one of those individual specifications. So if you've sufficient to say I have used my trademark on the T shirt, but not if you've got protection for socks, and you haven't used it on the socks, you're not going to be able to maintain that that registration for socks.

Joanna:

And so so I think this brings back really importantly, two things. Number one, I just like to reiterate that this shows what's super important that trademark registrations aren't just done willy nilly that you're talking to advisors who understand these implications, and that you have people that you can rely on to walk you through the process. That's the first thing you know and I think that there is a misperception here in Australia, that trademark registration is easy, because ultimately anyone can register and put in your trademark registration. But people just don't understand the nuances for all of the decisions that they're making the trademark application process. And this is just a classic example of where that plays as well.

Robyn:

Absolutely.

Joanna:

So that's a first point I wanted to make. But the second point is a question. So we've talked about the need for proof. Over time, can you just you know, just give a snapshot of so what happens if you don't have the proof?

Robyn:

you have these set periods in the USA, which like they call them maintenance periods. And the first one is usually between the fifth and sixth anniversary of the trademark. So it's been registered for five years. And now between the fifth and the sixth anniversary, we need to submit evidence of how the trademark is being used in relation to each of those specifications. And what that consists of is providing specimens of use. So you know, photographs and swing tags, mock ups, where appropriate, and in some instances, mock ups won't always be accepted in the USA by the trademarks office there and they have quite a set of specific details there about what kind of evidence is required. But importantly, if you do have an early ability to delete specifications from your registration, so before you get to this period where you need to submit your proof of use. If you've reviewed your trademark registration, and you look at the time that I registered, I really did intend to use it on jumpers and jeans and socks. But as it turns out, we've been so successful in just jumpers, we've never expanded past that we haven't been using it for jeans and socks, you do have the ability at that stage to be able to delete that specification without penalty. If however you go, you don't do it at that early stage, and then you're up your timeframe for having to submit your evidence of use has approached and you're unable to satisfy the office, that you have indeed used it for all of your items, then there can be fees that will apply in relation to having to amend your trademark registration to delete those inapplicable specifications. So the key takeaway from that is that before you, the owner of the trademark is required to

file their maintenance documents, they're proof of use documents, you need to carefully review your trademark. And if you're not using it for one of the goods or services that you've actually specified in the registration, then you need to identify those in the declaration that you submit and ask them to be deleted, before you have to follow your proof of use. And that way you'll avoid those penalty charges.

Joanna:

I guess the over arching sort of takeaway out of these is, it's not as easy as it seems on first blush, simply getting a trademark registration, actually, at the end of the day, isn't necessarily the protection that you're after, you'll only ever know how good your trademark registration is when you come to these points of difficulty. So that might be this point for a US registration of have to having to actually prove you but it also might be having to actually use your mark in a way to stop other traders who were using something similar. So you know, ultimately, at the end of the day, trademark registrations aren't about the ease of the registration process itself. It's about the consideration that is given to each of these factors that are extremely important to allow you to keep and then use the trademark registration in the way that you'd wanted. I think that's my thoughts.

Robyn:

Yeah, I think you know, at the end of the day, your registration is only going to provide you that protection, so long as it can be enforced. And so long as it can stand up to any sorts of challenges like this. I mean, really, to submit an application for a trademark is a fairly straightforward process. But it's making sure that that that trademark protection is robust and can stand up to challenges whether those challenges are coming from the office, the trademark office itself or from a third party in relation to an opposition or an infringement sort of action. You want to be in a position where you've given considered thought to what you want that protection to actually look like and how it will actually work in connection with your everyday business operations. And I think that's what's really important to give thought of at the beginning of your stages, and certainly to take professional advice in relation to

Joanna:

Yep, totally agree. Brilliant. Okay, wonderful. Well, I just want to say a massive thank you, Robyn, for coming on to Talking Law today to talk about these important topics. And of course to you our listener will be linking straight through Robyn and our team of legal Eagles that Aspect Legal, if you're your clients have any questions about trademark registrations or brand protection as a whole that you'd really like to dig into with Robyn and our other experts in trademarks. Robyn, thank you so much for coming on Talking Law today.

Robyn:

Always a pleasure, Jo.

Joanna:

Brilliant. Well that's it. And thanks again for joining into this episode of talking more where we investigated all about registering trademarks outside of Australia. Now if you'd like more information about this topic then just head over to our website at talkinglaw.com.au where you'll be able to find details of everything that we spoke about today in relation to trademarks but you'll also be able to find details as to how to contact Robyn Purdy and our other legal Eagles at Aspect Legal If you or your clients would like

any assistance with trademarks whether or not you have trademark registrations in place at the moment and would like someone to assess whether or not they will actually stand up to you in the future when you want to use them or if you're looking at developing a brand and looking at protection in relation to that or you have a brand already and would like to lock in some protection or find out what is involved. Now if you pop over to the talking law page, which isn't to find the show notes here for this podcast episode, you'll be able to see that we have an information pack that's available for free that you can download. Well I hope you enjoyed what you heard today and if you did, please make sure you head over to your favourite podcast player and hit that subscribe button thanks again for listening in you've been listening to Joanna Oakey and the podcast is Talking Law a podcast proudly brought to you by our commercial legal practice Aspect Legal. See you next time.