

Government Response—ACIP Trade Mark Enforcement Review

Recommendation	Government Response
<p>Recommendation 1</p> <p>(a) IP Australia should continue to monitor its examination processes to ensure the outcome of examination is consistent with the quality control benchmarks which it has adopted and should consider whether there is a need for it to formulate and implement additional quality standards and procedures to meet its charter. In particular, consideration should be given to increasing the involvement of senior examination staff in the examination of cases and providing additional training for all examination staff.</p> <p>(b) IP Australia should ensure that it handles material received from third parties during examination consistently and its practice should be clarified in a Practice Note.</p> <p>(c) IP Australia should ensure that relevant interest groups are consulted prior to making changes to practices and procedures, and information about any changes should be widely disseminated using the IP Australia website, email and Official Journal Notices.</p>	<p>Accept. IP Australia is working towards aligning its processes with the ISO 9001 standard. To this end IP Australia has already made a number of changes to enhance consistency and quality of the trade mark examination process.</p> <ul style="list-style-type: none"> • The Trade Marks Office has restructured its operations to place a greater emphasis on quality and consistency by giving senior managers key responsibilities. • A Deputy Registrar of Trade Marks is now responsible for management of the quality system and a Deputy Registrar of Trade Marks is responsible for improving the consistency of examination. • A process of quality audits has been implemented. • Examiner training material and course content are being reviewed. • The Trade Marks Manual of Practice and Procedure is being updated in relation to key areas of technical interpretation. • The Trade Marks Office continually monitors the effectiveness of its quality system in conjunction with interest groups. <p>Accept IP Australia will update the Trade Marks Manual of Practice and Procedure to clearly identify the Trade Marks Office practice regarding material received from third parties during examination.</p> <p>The Government notes that trade mark files are available under the <i>Freedom of Information Act 1982</i>.</p> <p>Accept IP Australia currently undertakes broad consultations with interest groups before making major changes to practices and procedures.</p> <p>IP Australia notifies the public of changes to practices and procedures that affect them by Official Notices published in the Official Journal of Trade Marks which is available on the IP Australia website. IP Australia also notifies users of changes to practice and procedure via email and updates the Manual of Practice and Procedure accordingly.</p>

<p>Recommendation 2</p> <p>IP Australia should revert to its pre-July 2000 cross class search list, with amendments to cover classes 43 to 45 of the Nice Classification. In addition, a working group should be established consisting of representatives of IP Australia and relevant interest groups to improve and enhance the parameters of the associated classes.</p>	<p>Not Accepted</p> <p>Following the introduction of the 1995 Act and a number of consequent court decisions the cross class search list used by examiners as a general guide in deciding how to search for conflicting marks was modified.</p> <p>In developing this list, IP Australia has sought to achieve a balance between avoiding unnecessary searching while limiting the risk of omitting relevant trade marks for consideration.</p> <p>IP Australia is currently working with interest groups on proposals for some extension to the list and will continue to monitor its suitability to ensure the needs of the system and its users are met.</p>
<p>Recommendation 3</p> <p>Consideration should be given to introducing a requirement for the Registrar of Trade Marks to carry out a classification check as soon as possible after the application is filed to ensure that the applicant has nominated the correct classes.</p>	<p>Not Accepted</p> <p>IP Australia expects that it will have reduced the trade mark examination backlog by mid 2006 so that trade mark applications are examined within four weeks of filing. This means that there will not be an undue delay between filing and consideration of classification.</p> <p>IP Australia recently introduced an interactive trade mark classification tool for those who file electronically over the internet. IP Australia expects that this tool will significantly decrease the number of classification problems in trade mark applications filed by private applicants.</p> <p>IP Australia introduced a service to provide assistance to people filing applications (the Assisted Filing System - AFS) in October 2005, and this will further reduce problems relating to classification.</p>
<p>Recommendation 4</p> <p>IP Australia should continue to monitor its practice to ensure that an application to register a shape, colour, scent, sound or aspect of packaging is treated in a manner that is consistent with an application to register a word or device mark and that the threshold for registration is the same.</p>	<p>Accept</p> <p>In recent years court decisions have confirmed that the principles for examining applications for shape, colour, scent, sound and aspect of packaging should be the same as those for standard word or device trade marks.</p> <p>This approach is now clearly supported in an update to the Trade Marks Manual of Practice and Procedure and is further promoted through examiner training.</p> <p>As with all aspects of examination practice and procedure, the Trade Marks Office will be using its quality audit process to assist in ensuring that appropriate, consistent practice is followed by examiners.</p>

<p>Recommendation 5</p> <p>The Trade Marks Act should be amended to reintroduce mandatory disclaimers for non-distinctive elements of trade marks, without retrospective effect. The current provision which allows an applicant to voluntarily disclaim non-distinctive material should be retained. If this recommendation is not accepted, the Government should conduct a specific review to more fully examine the advantages and disadvantages of disclaimers.</p>	<p>Not Accepted at this stage</p> <p>The Government recognises there is strong support in the trade mark attorney profession for the reintroduction of mandatory disclaimers for non-distinctive elements of a trade mark (mandatory disclaimers). While it recognises that mandatory disclaimers may offer some benefits, the Government needs to balance these against other considerations:</p> <ul style="list-style-type: none"> • the Government is not persuaded that a disclaimer offers the certainty claimed as it does not clarify what rights flow from registration; • under the previous regime the Registrar had some discretion in relation to requiring a disclaimer and returning to this practice will not necessarily provide more certainty; • there are significant administrative difficulties posed by the reluctance of applicants to use disclaimers and compounding difficulties in identifying which non-distinctive elements of a trade mark should be disclaimed; • there would be further uncertainty about the status of the more than 200,000 marks registered since disclaimers were last imposed <p>In light of these competing concerns the Government, in consultation with stakeholders, will investigate options for clarifying that registration gives rights in the mark as a whole and not necessarily for any part of it alone, while at the same time increasing the certainty of the rights held in a trade mark.</p>
<p>Recommendation 6</p> <p>(a) IP Australia should undertake a comprehensive review of its trade mark opposition process to identify and address areas in which improvements could be made. In particular, the review should look at the granting of extensions of time, the clarification of the grounds of opposition at an early stage in the process, the appropriateness of the current scale of costs and the handling of confidential information filed in opposition proceedings.</p> <p>(b) Consideration should be given to introducing a case management process to ensure oppositions run smoothly and are kept on track.</p>	<p>Accept</p> <p>IP Australia as part of its Trade Mark Legislation Review has reviewed the trade mark opposition process and will implement significant changes following suggestions from interest groups.</p> <p>IP Australia will review the current scale of costs in 2006.</p> <p>IP Australia considers all requests for the release of trade mark information under the <i>Freedom of Information Act 1982</i>. The Government believes there is adequate protection for confidential information filed during opposition proceedings.</p> <p>Accept</p> <p>IP Australia will introduce a case management system.</p>

<p>Recommendation 7</p> <p>(a) The Government should support research into the economic and legal benefits of, and costs associated with, extended protection of well-known marks.</p> <p>(b) Australia should continue to actively participate in international discussions regarding well-known marks.</p>	<p>Accept</p> <p>IPRIA is a national centre for multi-disciplinary research into the protection, management and exploitation of intellectual property. Established in 2002, it is funded by the Commonwealth and Victorian Governments, and the University of Melbourne.</p> <p>As part of its research, IPRIA is considering the question of the expanded protection for well-known trade marks as a discrete project. This project is concerned with the issue of whether well-known trade marks should have extended protection under Australian law. The project has three main objectives:</p> <ul style="list-style-type: none"> (i) To understand the rationale behind calls for reform of trade mark law, as a basis for assessing the desirability of such reform. (ii) To understand the current Australian law on the protection of well-known marks, and the economic effects of that law. (iii) To identify possible solutions to the problem of under protection (if any), and to make recommendations about the solution that Australia should adopt. <p>Accept</p> <p>IP Australia actively participates in international fora and regularly participates in meetings of the Standing Committee on the Law of Trade Marks, Industrial Designs and Geographical Indications where an agenda item is well-known marks.</p>
<p>Recommendation 8</p> <p>(a) The Government should give consideration to:</p> <ul style="list-style-type: none"> • amending section 133 of the Trade Marks Act to allow the Australian Customs Service to seize goods that are similar or closely related to the goods or services in respect of which the notified mark is registered; and • allowing the Australian Customs Service to disclose information to the objector or trade mark owner that may help to identify the source of the goods. 	<p>Provisionally Accept</p> <p>IP Australia and the Australian Customs Service will collaborate to develop cost-effective procedures for the identification of similar or closely related goods. Subject to the outcome of this work, the Government will consider amending section 133 of the <i>Trade Marks Act</i>.</p> <p>Accept</p> <p>The Government will consider whether there is a need to clarify current provisions to enable information to be released by the Australian Customs Service concerning the source of goods that are the subject of a notice of objection.</p>
<p>(b) The Government, through appropriate consultative processes with the States, should investigate extending seizure powers for counterfeit goods to other State and local government agencies.</p>	<p>Provisionally Accept</p> <p>The Government is aware of concern about counterfeit trade marks and has instructed IP Australia to consider the adequacy or otherwise of current seizure and related powers, in consultation with the Attorney-General's Department, the Australian Federal Police and the Australian Customs Service. The possible role of State agencies in seizing counterfeit goods will be considered in this context.</p>

<p>Recommendation 9 The penalties for offences under sections 145, 146, 147 and 148 of the Trade Marks Act should be reviewed to ensure they are set at an appropriate level and operate as an effective deterrent.</p>	<p>Accept The Government recognises that there is broad concern in the business community regarding the level of penalties for infringement of trade mark rights. The Government believes the underlying issues are similar in both trade mark and copyright infringement and has asked IP Australia to work with the Attorney-General's Department, during the Government's review of criminal penalties in Commonwealth legislation, which is due to commence in late 2005.</p>
<p>Recommendation 10 In amending the Trade Marks Act to implement the Intellectual Property and Competition Review Committee's recommendation on parallel importation and the assignment of trade marks, the Government should ensure that the amendments will cover the importation of all types of goods. If the amendments to the Trade Marks Act mean that section 198A of the Copyright Act is redundant, ACIP recommends that provision be repealed.</p>	<p>Accept This issue is being considered as part of the process of preparing amendments to implement the Intellectual Property and Competition Review Committee's recommendation on parallel importation and the assignment of trade marks.</p>
<p>Recommendation 11 ACIP encourages IP Australia to continue to monitor international developments in the area of trade mark infringement on the Internet.</p>	<p>Accept IP Australia will continue to monitor international developments in the area of trade mark infringement on the Internet.</p>
<p>Recommendation 12 The relevant legislation should provide a ground for refusal of a geographical indication where there is a likelihood of confusion between the geographical indication and a trade mark right that exists by virtue of use or is the subject of a registration or pending application.</p>	<p>Accept Australia meets its TRIPs obligations to protect wine and spirit geographical indications through specific legislation, and other GIs through a range of unfair competition and consumer protection legislation, as well as the common law. The key legislative instruments are:</p> <ul style="list-style-type: none"> • the Trade Practices Act 1974 which prevents misleading conduct, including representations concerning the place of origin of goods; • the Trade Marks Act 1995 which allows for the registration of certification marks; and • the Australian Wine and Brandy Corporation Act 1980 which sets up a specific register of protected names for wine. <p>To implement relevant provisions of the Australia United States Free Trade Agreement, the Australian Wine and Brandy Corporation Act was amended to provide a ground for refusal of a geographical indication where there is a likelihood of confusion between the geographical indication and a trade mark right. The amendment took effect when the Free Trade Agreement came into force on 1 January 2005.</p>