



Australian Government

IP Australia

Discovery House, Phillip ACT 2606

PO Box 200, Woden ACT 2606

Australia

Phone: 1300 651 010

International Callers: +61-2 6283 2999

Facsimile: +61-2 6283 7999

Email: assist@ipaustralia.gov.au

Website: www.ipaustralia.gov.au

Official Notice

Passage of the Trade Marks Amendment Bill 2006

The Trade Marks Amendment Bill 2006 (the Bill) was passed by Parliament on 12 October 2006. The Bill will not commence until the Governor General has given it the Royal Assent.

The Bill amends the *Trade Marks Act 1995*, (the Act) which has been in force for ten years, and has recently been subject to review. The changes made by the Bill will improve the trade marks system in a number of ways. The Bill will strengthen trade mark rights, providing greater certainty to trade mark owners and the general public. An official notice giving more information about the development of the Bill was published in the *Official Journal of Trade Marks* on 21 and 28 June 2006, and is available on the IP Australia website at: <http://www.ipaustralia.gov.au/pdfs/news/Trade%20Marks%20Amendment%20Bill%202006%20-%20AOJTM%206%20July%202006.pdf>

There are a number of provisions in the Bill which will come into effect immediately upon Royal Assent. They include **two new opposition to registration provisions**, and amendments affecting **three existing opposition provisions**. The requirement that a removal applicant be **a person aggrieved** has been removed, and there is provision that only persons having **legal personality** may apply for a trade mark. This does not, however, affect the validity of trade marks filed prior to Royal Assent.

Listed below are brief descriptions of most of the changes listed in the Bill, except for minor, technical and consequential amendments. They are grouped according to whether they commence at Royal Assent, or within six months after that date (Proclamation). The Bill itself and the explanatory memorandum (EM) to the Bill should be considered for a full list and detailed understanding of the provisions. The Bill and the EM are available on-line at BillsNet: <http://www.aph.gov.au/ParlInfo/BillsNet/main.htm>.

IP Australia's publications, manuals and forms are currently being updated to reflect the operation of the first group of changes. Regulations will be needed to implement many of the changes listed in the second group, and IP Australia intends to consult further on the content of these regulations.

Changes to the Trade Marks Amendment Bill 2006

Commencing on Royal Assent

Reader's Guide and Definitions

Reader's guide

New references to:

- Part 17A (“Protected international trade marks under the Madrid Protocol”)
- “month”, “registered trade marks attorney” and “working day” to “list of terms defined in section 6”.

Section 6 and new section 6A

Definition of “month” and means of working out “periods expressed in months”. Calculation of period is in line with the *Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks* (Madrid Protocol), and current office practice.

Paragraph 15(a)

Change to definition of “originate” in relation to wine

Clarification added to paragraph 15(a), in line with section 5D of the *Australian Wine and Brandy Corporation Act 1980*.

Power of the Registered Owner

Section 22

Power of a Registered Owner to deal with a Trade Mark

The power of a registered owner to deal with their trade mark will now be limited only by any rights **recorded in the Register** as being vested in another person. This amendment will align the Act with other intellectual property Acts and encourage trade mark owners to register interests in their trade marks. This increases certainty in the marketplace as a potential purchaser will know of any encumbrances on the trade mark.

Ownership of a Trade Mark

Subsection 27(2)

Trade mark owner must be a legal personality

Only persons having legal personality may apply for trade marks filed after the date of Royal Assent. This provision does not affect the validity or otherwise of trade marks filed prior to that day in the name of, for example, trusts or business names, irrespective of when they are registered. **Collective trade marks** are exempt from this provision (new subsection 27(2A)).

Clarification of Grounds for Rejection, Opposition and Cancellation

Paragraph 31(b)

(Changes also made to sections 33(3)(b), 52(4), 57, 88(2)(a), 177(1), 181(2), 187, 188.)

The legislation has been clarified to ensure that the grounds of rejection, opposition and cancellation found throughout the Act and associated Regulations are appropriately included wherever they are relevant.

Clarification of Ground for Trade Mark Not Capable of Distinguishing

Subsection 41(6)

Trade marks not distinguishing applicant's goods or services

Clarification that subsections 41(5) and 41(6) refer to gradations of the same test, and subsection 41(6) applies only when there is no inherent adaptation to distinguish.

New or Amended Opposition to Registration Provisions:

(Will apply to trade mark applications made after Royal Assent, and applications pending but not accepted on that day.)

Section 55

Amendments contrary to the Act

This change affects how a trade mark found in opposition, under paragraph 62(a), to have been amended contrary to the Act may be handled by the Registrar. The changes will allow for acceptance to be revoked and the application re-examined. **Note:** This provision will **not** apply to International Registrations Designating Australia (IRDAs) under the Madrid Protocol.

Section 58A

Opponent's earlier use of similar trade mark

New section 58A will enable the owner of a trade mark that is **deceptively similar** to an applicant's trade mark, which has been in use and accepted for registration in the face of the owner's trade mark, (subsection 44(4), subregulation 4.15A(5)), to oppose its registration on the basis of absolute first use. (NB: Amendments to also include IRDAs under the Madrid Protocol are being considered. IP Australia will provide further information shortly.)

Section 60

Trade mark similar to a trade mark with a reputation in Australia

Change to paragraph 60(a) to make the requirements for opposition based upon a trade mark with a reputation in Australia clearer and less restrictive, so that the only thing to be established is any likelihood of deception and confusion.

Subsection 61(1)

Trade marks and false geographical indications

Change to clarify that opposition based upon a geographical indication only applies where the goods covered by an opposed trade mark are similar to those covered by a geographical indication, or the use of the opposed mark on the goods it covers is likely to deceive or cause confusion.

Section 62A

Application made in bad faith

This is a new ground of opposition to allow registration of a trade mark to be opposed on the basis that it has been applied for in bad faith. This provision is intended to cover situations where an applicant applies for a trade mark with bad intentions, for example where a person deliberately sets out to take advantage of the reputation of another trader. (NB: Amendments to also include IRDAs under the Madrid Protocol are being considered. IP Australia will provide further information shortly.)

Amendment and Cancellation Provisions:

Sections 86, 87, 88A and subsection 88(1)

The Registrar may initiate court action

The Registrar will be able to initiate court action to amend or remove a trade mark from the Register, under certain circumstances where this is clearly in the public interest. Currently only an aggrieved person may apply to a prescribed court for certain actions to be taken.

Paragraph 88(2)(c)

Amendment and cancellation - other specified grounds

Amendment clarifies that a trade mark may be removed from the Register, irrespective of the Trade Marks Act it was registered under, if it is likely to deceive or cause confusion to customers at the time a cancellation application is made.

Amended Removal of Trade Mark for Non-Use Provisions

Section 92

Removal for non-use application – applicant no longer required to be “a person aggrieved”

Any person to be able to make an application for a trade mark to be removed from the Register due to non-use, not just a person aggrieved. **Note:** This amendment will apply to **new** domestic applications for removal after commencement, but **will not** apply to applications for cessation of protection for non-use of protected international trade marks (under the Madrid Protocol). (NB: Amendments to also include protected international trade marks under the Madrid Protocol are being considered. IP Australia will provide further information shortly.)

Subsection 92(4)

Localised use of a trade mark

Addition of note to subsection 92(4), to clarify for the benefit of prospective removal applicants that the Registrar has discretion in removal opposition proceedings, under section 102, to restrict registration of a trade mark only used in a particular geographic area to that area.

Section 101

Registrar’s discretion not to remove a trade mark from the Register

Amendment to section 101, to clarify the Registrar’s discretion not to remove a trade mark from the Register where a potentially successful action has been brought for non-use of a trade mark on goods or services for which the trade mark was registered, but the trade mark owner has demonstrated use of the mark on closely related goods or services.

Amended Customs Provisions

Section 132

Notices of objection to importation needed at less frequent intervals

Amendment to section 132, to provide that notices of objection will now cease after 4 years, whereas previously they had to be renewed every 2 years. This should lessen what is currently a significant administrative burden on objectors, in re-submitting the required paperwork and evidence at frequent intervals.

Powers of Federal Court

Section 197

“Further evidence” unclear

Deletion of the word “further” from paragraph 197(a), to clarify that the Federal Court may admit any evidence on hearing an appeal from a decision of the Registrar, whether that evidence was previously filed with the Registrar or not.

Publication of the Official Journal of Trade Marks

Section 226

Amendments to section 226 to clarify that the Journal may be made available in a format determined by the Registrar, and to remove the requirement that the Registrar must sell copies.

Protection of the Commonwealth from Legal Action

Section 226B

The Commonwealth is to be protected from legal action for publishing scandalous or defamatory trade marks

New section 226B provides that the Commonwealth will be protected from legal action being taken, for example in relation to scandalous or defamatory trade marks where, after Royal Assent, the Registrar has published or otherwise dealt with them in good faith and in accordance with the requirements of the Act.

Changes to the Trade Marks Amendment Bill 2006

Commencing on Proclamation (expected to be no earlier than 27 March 2007)

Collective Trade Marks may be Owned by Incorporated Associations

Section 6

Definition of “association” has been deleted, to allow collective trade marks to be owned by incorporated associations.

Some Registrations made under the *Trade Marks Act 1955* may be Linked (Amalgamated)

Section 6

Change to Definition of Date of Registration

Amendment to section 6 to include a reference to new section 239A, to enable calculation of the date of registration of newly linked trade marks.

Section 239A

Linked trade marks

New section 239A provides for a registered owner who owns more than one registration, lodged on the same day for the same trade mark prior to 1 January 1996, to link the registered trade marks so that they are treated as one trade mark registration.

New Provisions for Divisional Applications

Section 6

Earliest date for divisionals of divisionals permitted

Replacement of paragraph (b) of the definition of “Filing Date”, with a provision that takes into consideration in the calculation of filing dates for divisional applications, that the most recent application in a “chain” of divisionals can receive the filing date of the oldest trade mark in the chain.

Sections 45 and 46

Replacement of the current unnecessarily complex provisions with different time limits, with a new system which incorporates the most commonly used variation and the longest time frame currently available. The new provisions set out the conditions that have to be met in order to file a valid divisional application. These are:

- the trade marks must be the same; and
- the divisional application must be made whilst the parent application is pending; and
- the parent application may itself be a divisional application; and
- the applicant must specify the goods and services to which the divisional application relates; and
- the applicant must specify the goods and services to remain in the parent application; and
- the Registrar must amend the goods or services of the parent application, unless it has already lapsed (after the divisional application was filed).

New Provisions for Trade Mark Series Applications

Subsections 27(5), 51(1)

Series applications may now be made in more than one class

References to series applications not able to be made in respect of goods or services in more than one class removed – to allow for multiclass series applications.

Paragraphs 51(1)(c) and (d)

Requirements for series applications clarified

Removal of paragraph 51(1)(d) clarifies the requirements for a series of trade marks. Only minor and obvious variations are allowable.

Sections 51A and 82A

Series applications and registrations filed prior to Proclamation may be “linked”

New sections 51A and 82A provide that multiple series applications or registrations filed in respect of single classes prior to commencement may be “linked” to form single multiclass applications or registrations.

New and Clarified Amendment Provisions

Sections 63 and 66

Requests for minor amendments to trade mark applications no longer need to be in writing

There are amendments to sections 63 and 66, to remove the references to “written” and “in writing”, to allow the Registrar to process telephone requests for minor amendments to trade mark applications and other documents.

Section 66A

Registrar can still require some requests to be in writing

New section 66A provides for the Registrar’s discretion to determine that an amendment requested by telephone is not minor, and will not be actioned until it is put in writing.

Section 65

Amendment provisions for published application particulars clarified

Current provisions of section 65 are replaced by provisions which explain more clearly the kinds of amendments which can be made to an application after its details have been published on the Trade Marks Database.

Section 65A

More flexibility for the Registrar to correct clerical errors or obvious mistakes

New section 65A gives more flexibility for the Registrar, when this is fair and reasonable, to correct the kind of clerical errors or obvious mistakes in published applications not covered by new section 65. If the Registrar is satisfied that the request for amendment would be granted, it must be advertised in the *Official Journal*, to give other parties an opportunity to oppose the amendment.

Change to Period for Renewal

(Applies to trade marks registrations which expire at least six months after Proclamation.)

Sections 78 and 79 (and 128(1))

Period for renewal (“grace period”) 6 months instead of 12

The grace period within which a trade mark registration can be renewed has been reduced from 12 months to 6, in line with the periods allowed under *Patents Act 1990*, the *Designs Act 2003*, and the Madrid Protocol. This will provide greater certainty for other trade mark owners and members of the public in determining when a registration has been abandoned, and also cause less confusion between systems for owners of multiple IP rights.

Amended Customs Provisions

Subsection 133(3) and section 141

Notices of objection to importation – objector may give a written undertaking to repay Customs’ seizure expenses, instead of a cash security

Trade mark owners will be able to provide a written undertaking as security for the Customs Office’s expenses in seizing infringing and counterfeit goods, instead of having to provide \$10,000 cash security up-front.

Section 141A

Customs CEO may take action if an objector fails to make payment in accordance with a signed undertaking

New section 141A provides that Customs will not be obliged to seize any further goods under a notice of objection, until payment already owed by an objector under their signed undertaking has been made in full. There is a transitional provision (Item 90) which allows for a person who has previously lodged a notice of objection to be able to seek the return of their existing security, and provide an enforceable undertaking instead, without the need to file a new notice of objection.

Queries: Brendan Bourke
Domestic Policy Section
+61 2 6283 2148

Contact: IP Australia
Phone: 1300 651 010 or +61 2 6283 2999
Fax: +61 2 6283 7999
E-mail: assist@ipaustralia.gov.au
Web: www.ipaustralia.gov.au