

## Protecting your trade mark overseas

Contrary to popular belief, a trade mark registration in New Zealand does not grant the exclusive right to use a trade mark internationally. So, if you are expanding into overseas markets, you must register your company's trade mark in target countries.

As you can imagine, registering a trade mark overseas can be prohibitively expensive. But this is where the 'Madrid System' may be of assistance.

The Madrid System allows you to seek registration of a trade mark in several countries on the basis of a single application. Once the application is filed, it is considered by the Intellectual Property Office of each country where registration has been sought. Once accepted and registered in each nominated country, you are able to renew your trade mark registration by making a single payment to the World Intellectual Property Office.

This system significantly streamlines the process (and therefore the cost) of registering trade marks and maintaining them in more than one country.



As New Zealand has not been a party to the agreements underlying the Madrid System, it has not been possible for New Zealand businesses to use this system. However, the Government has recently passed legislation that will bring us a step closer and it is hoped

that the system may be available by the end of 2010.

In the meantime, many clients of Duncan Cotterill are able to take advantage of our trans-Tasman practice and file Madrid applications via Australia.

## GOOGLE ADWORDS

In our last newsletter, we brought you a story about Google's Adwords advertising service. This allows businesses to purchase keywords (including trade marks owned by their competitors) to position advertisements in a 'sponsored link' section of the search results triggered by an internet search based on the purchased keyword. The European Court of Justice (which is known to have influence on New Zealand decisions) effectively put Google in the clear recently. It found that the practice of allowing people to purchase the words

of their competitors' trade marks as keywords did not amount to trade mark infringement.

Relevant to its finding was the fact that the average internet user is aware that sponsored links generated by a search for a trade mark (and similar 'advertising' listings and banner ads), and in fact even the 'natural' results for an internet search, are not necessarily associated with or created by the owners of the trade mark. Therefore, consumers are unlikely to be deceived and trade mark owners are unlikely to be harmed by the purchase of their trade marks as keywords.

This situation is not unlike your competitor taking out a billboard ad right outside your shop - it's annoying, but not illegal. What matters is the content - if the advertisement suggests a connection with you as the trade mark owner then (generally speaking) it's illegal.



# Rugby World Cup

The Major Events Management Act provides enhanced trade mark protection for the hosts and their official sponsors of events that have been declared Major Events under the Act.

As we all know, the 2011 Rugby World Cup is one such event and there are already reports of a clamp down on businesses using Rugby World Cup logos and trade marks without permission. So you will need to tread carefully when it comes to your marketing plans to take advantage of this event.



Central to which marketing is prohibited under the Act, is whether the marketing in question gives the impression that the enterprise is in some way officially connected with the event. This impression can be created by your choice of words and images in advertising, or simply by the positioning of advertising and its proximity to the event. In addition, there is a long list of words and logos that are given special protection - if you use these, it can be assumed that your use creates an unauthorised association with the Rugby World Cup. Click here to see the list.  
<http://www.legislation.govt.nz/regulation/public/2008/0250/latest/whole.html>

If you would like to know more about what is allowed under the Act, please contact the Duncan Cotterill IP team.

## BRAND AIDS

Registering your brand as a trade mark is like taking out insurance - you may not recognise its value until a particular situation arises - like a competitor adopting an identical or confusingly similar brand or you sell the business and the registration is valued as an asset!

A trade mark registration is at its most effective when a competitor adopts an identical trade mark and uses it for the same type of goods or services (or something very close to them) as those specified in your registration. In this situation, presenting your registration certificate to the competitor is usually sufficient to stop them; otherwise, court action is relatively inexpensive with a favourable result (unless special circumstances exist). Of course, things become harder when the competitor is using a similar brand, as opposed to an identical brand, but a registration is still of assistance in these situations.

A benefit of registration that you are unlikely to ever witness is its deterrent value. For those approaching their branding 'by the book', the presence of your brand on the trade marks register is likely to dissuade them from adopting an identical or confusingly similar brand (unless their intentions are less than honourable!). Similarly, the Intellectual Property Office will refuse the registration of any trade mark that is identical to any existing registration in respect of the same or similar goods or services; it will also refuse registration of trade marks that it considers too close to those already on the register for the same or similar goods or services. A trade mark registration is the unsung hero in these situations.

Another effective insurance tool for brand protection on the internet is domain name registration. Even if you don't intend to set up a website dedicated to a particular brand from your portfolio, someone else might - unless you prevent that possibility by registering the domain name yourself. While a trade mark registration may give you the means to get the domain name back from the rogue user, it is far easier and cheaper to register the domain in your name in the first place.



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## QUICK IP TIP

Some trade marks can fall victim to their own success - they can become so well known and synonymous with a product that they become another name for them. Take, for example, Roller Blades and Trampolines - originally trade marks but now widely used as generic terms with no connection to any particular manufacturer.

It's hard to control what the public do with your trade mark, but you can do your part by setting a good example. Avoid using your brand name/trade mark as a noun for your product and always identify your brand name in a special way (for example, by using capital letters, bold type face or a different font) and try to give a generic description for the product. So for example, if you've come up with the brand name OUTTATIME for a time machine, you should refer to it as the "OUTTATIME time machine."

## THANK YOU

The Duncan Cotterill IP Team was runner up for the Intellectual Property Specialist Award at the 2009 Law Awards. As you may be aware, the Law Awards are based on client feedback and votes. Placing in this award is a real vote of confidence and we would like to take this opportunity to thank our clients for their support with the Awards and throughout 2009.



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