

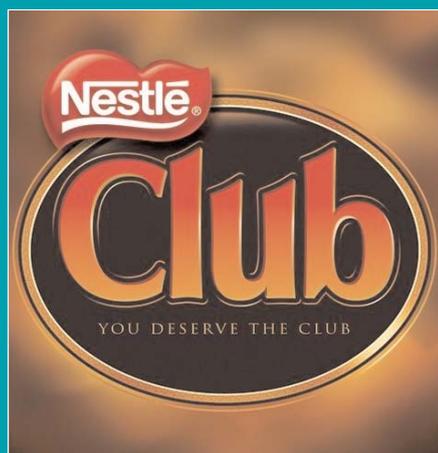


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TRADE MARK TIPS: ENSURING SWEET SUCCESS WITH YOUR BRAND

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In the world of confectionery branding, the brand name is very much wrapped up in the “personality” of the brand and therefore often makes up a large part of the “selling power” that the brand holds.



Therefore it is important to be aware of the best method of protecting your confectionery brand from a legal perspective.

A brand that stands

Trade mark registration is the strongest form of protection you can have for a brand in Australia.

While trade mark registration is not compulsory, it can enable you to stop third parties from using “deceptively similar” or “substantially identical” names in relation to the goods or services for which you have registered your mark. This is, of course, subject to factors such as someone else having used it honestly and concurrently with you or prior and continuous use, but these examples are generally the exception rather than the norm.

If you have not obtained a trade mark registration, to protect your brand from “copycats” you will generally need to rely upon what is known as the law of “passing off” or proving misleading and deceptive conduct (under legislation such as the *Trade Practices Act*). This generally requires you to demonstrate that you have a reputation in the brand and that the use of the brand by someone else is likely to cause deception or confusion. This can be a costly and time-consuming process.

Having a trade mark registration also means that you can display the symbol ® beside the brand and this can deter others from copying it for their own confectionery products or similar products.

Business name and company name registration

It might be the case that the brand name that you choose is also registered as a company or business name. For example, the word “Nestlé” is registered as a business name in all Australian States but is also a well known brand for confectionery and other products.

It is important to realise that business name and company name registrations do not give you legal protection for your brands as they are essentially administrative in nature. It is a legal requirement to register the business name that you are trading under so that people can identify who is carrying on the business. Australia-wide company names, which are administered by the Australian Securities and Investments Commission, also do not give you any proprietary rights in the name.

The lesson

In summary, if you have a distinctive and valued brand name for your confectionery product, the strongest form of protection is registering it as a trade mark.

Distinctiveness – make the name unique!

For a name to be registrable it must distinguish your goods or services. If the brand is descriptive, for example, then IP Australia (which incorporates the Patents, Designs and Trade Marks Offices) will not allow you to register it as this would give you a monopoly over

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something that other traders might have a legitimate need to use. For this reason, names such as "popping candy" or "jubes" cannot be registered on their own because over time they have become generic in the confectionery industry and are considered to be descriptive (there was in fact an IP Australia hearing about this issue in respect of the words "popping candy"). Brands such as Jaffas, Freckles and Snakes Alive have been protected trade marks from the time of their very first use and have not become generic.

Maintaining your brand

Industrial designer Hector Lan once famously stated that "machines wear out, cars rust, people die, but what lives on are the brands".

Once you have obtained a trade mark registration, the registration needs to be maintained and managed.

Recommended trade mark safeguarding checklist

Below is a list of some trade mark tips to ensure that once you have protected your brand as a registered trade mark it doesn't lose its sparkle or bubble well into the future.

- Trade mark law is based on a "use it or lose it" philosophy. If you do not use your registered marks, third parties may challenge the marks on the basis of non-use.
- Trade marks should never be used in a generic sense as they may become vulnerable to removal from the Trade Marks Register. A good rule of thumb is to use your trade mark as adjectives rather than verbs or as nouns (for example, "Enjoy ROLO® chocolates" (correct use), rather than "Have a Rolo").
- Subject to continuous use, it is crucial to renew your trade mark every ten years. Australian icons such as the Arnott's parrot image have been registered since the Trade Marks Office first opened in 1906.
- You need to ensure that you use your trade marks in the same form in which they are registered. Changing a minor aspect of the mark might impact on the validity of their registered trade mark rights. This may necessitate

the need to have some sort of monitoring process in place, particularly for companies with very large trade mark portfolios where the brands are continuously revamped.

- Using the ® symbol next to the mark is advisable if the mark is registered as a trade mark in Australia. Care should be taken that marks bearing the ® symbol are not used on goods exported to countries in which the trade mark owner does not have registered rights in that country. (Note that it is against the law to use this symbol if the mark is not registered in Australia.)
- If you are considering extending the use of a brand or mark to additional products in the foreseeable future (such as foods or services), it is important that additional trade mark protection is considered.
- If you are using more than one trade mark, make sure that the additional trade marks are afforded proper recognition by positioning and by the use of trade mark symbols. Advertising should also direct attention to the trade mark character of the added marks, for example, by setting out the trade mark in quotation marks and separately from the main body of the marketing material.
- If a particular element of your "house" mark is used as a key identifier of the mark then you might want to take advantage of the fact that consumers immediately recognise it as coming from a particular source because of its well established reputation. This has been done by Societe Des Produits Nestlé's registered trade marks, which include Nestea, Nesquik, Nestlé Gold, Nestlé Club, Nesresso and Nescafé.

NOTE: The contents of this article are intended to be of a general nature and should not be relied upon as a substitute for tailored professional legal advice. For further information about trade marks and intellectual property, visit <http://www.ipaustralia.gov.au/trademarks/index.shtml> (Australia) or <http://www.iponz.govt.nz/pls/web/dbssiten.main> (New Zealand) ❖

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