



The Trademark Prosecution Review

2024

**Australia: The Prosecution Landscape
From Pendency to Use Requirements**

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The first edition of the *WTR Trademark Prosecution Review* takes a wide-ranging view of best strategies for securing trademarks in the key regions of the Americas, the Asia-Pacific, and Europe, the Middle East and Africa. The review combines on-the-ground knowledge and analytic insight to offer an unparalleled deep dive into the prosecution landscape in specific key markets.

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Australia: The Prosecution Landscape From Pendency to Use Requirements

[Rebecca Jones](#), [Sahil Verma](#) and [Graci Chen](#)

[LegalVision](#)

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In summary

Australian law provides protection for a range of traditional and non-traditional trademarks. Both registered and unregistered trademarks are recognised and protected in Australia, either by way of formal registration under trademark legislation, or the protection afforded by the consumer law and the common law tort of passing off. Australia's trademark legislation provides avenues for the opposition to registration of trademarks, as well as removal of trademarks from the register.

Discussion points

- What can and cannot be registered as a trademark
 - How unregistered trademark rights are protected
 - How non-traditional marks and trade dress are protected
 - How trademark oppositions and cancellations are handled
 - Trademark licensing and assignment best practice
 - Key 'need to knows' for Australia
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Referenced in this article

- [Trade Marks Act 1995 \(Cth\)](#)
- [Competition and Consumer Act 2010 \(Cth\)](#)
- [Copyright Act 1968 \(Cth\)](#)
- [BP plc](#) [2014]
- [Kraft Foods Group Brands LLC v Bega Cheese Limited](#) [2020]

What can I register?

Australian trademark legislation (the Trade Marks Act 1995 (Cth)) provides for registration through the Australian trademarks office (IP Australia) of a sign used or intended to be used to distinguish a trader's goods or services from those of others in the marketplace.

Registrable signs

Signs that may be registered as a trademark in Australia include words, logos, phrases, letters, numerals, symbols, foreign characters, signatures, images, devices, colours, sounds,

scents, shapes, movements, aspects of packaging or a combination of these. The most common types of trademarks registered in Australia are words and logos.

A single 'series' trademark registration may be granted for two or more trademarks that resemble each other in material particulars, and differ only regarding statements or representations as to the goods, services, number, price, quality, names of places or the colour of any part of the trademark.

Use or intention to use

Trademarks are only validly registered in relation to the goods or services, or both, for which they are used or intended to be used. An exception to this are 'defensive' trademark registrations, which may allow extremely well-known trademarks to be registered regarding goods or services not provided by the applicant.

Other types of trademark registrations

IP Australia also provides for registration of:

- certification trademarks (including geographical indications), used to distinguish goods or services that meet a certain standard or characteristic from those that do not; and
- collective trademarks, used to distinguish goods or services provided by members of an association from those of non-members.

What can I not register?

Trademark registrability is assessed on both inherent and relative grounds. The most common objections relate to inherent distinctiveness and similarity to existing trademarks.

Descriptive or non-distinctive trademarks

A trademark cannot be registered if it lacks capacity to distinguish the applicant's goods or services from those of other traders. A trademark generally cannot be common to the trade, descriptive of some aspect of the goods or services, or likely to be required to be used by another trader lacking improper motive. Depending on the severity of such an objection, an applicant may be able to overcome this by demonstrating evidence of use (or in some cases intended use) of the trademark.

Identical or similar to prior trademarks

A trademark cannot be registered if it is substantially identical, or deceptively similar, to an existing trademark application or registration with an earlier priority date, claiming the same or closely related goods or services. However, this type of objection may be overcome if the applicant can demonstrate prior use or honest concurrent use of their trademark.

Other grounds for rejection

A trademark application may also be rejected if the trademark:

- is scandalous or its use would be contrary to law;
- is likely to deceive or cause confusion;
- contains restricted financial terms such as 'bank' and 'credit society' in relation to Class 36 services, unless the applicant is appropriately authorised; or
- contains prohibited signs including flags, emblems or armorial bearings as prescribed by the Paris Convention for the Protection of Intellectual Property.

How are unregistered rights protected?

Australian Consumer Law

The Australian Consumer Law (being Schedule 2 to the Competition and Consumer Act 2010 (Cth)) contains provisions relating to misleading and deceptive conduct. These provisions may be relied upon to protect rights in an unregistered trademark, if the defendant has used a confusingly similar trademark in a way that is misleading or deceptive, or likely to mislead or deceive. Available remedies include an injunction and compensatory damages.

Passing off

Being a common law jurisdiction, unregistered trademarks can also be protected in Australia by the common law tort of passing off. Available remedies include an injunction, damages and exemplary damages. The plaintiff must establish that:

- there is goodwill or reputation in its branding, packaging, get-up, etc;
- the defendant has made a misrepresentation (either implied or express) that their goods or services are those of the plaintiff, or are in some way associated with or authorised by the plaintiff; and
- the plaintiff has suffered, or is likely to suffer, damage as a result of the misrepresentation.

Best practice

Although the above actions provide a valuable safety net for protecting unregistered trademarks, there is a high evidentiary burden to be met to establish a claim of passing off or misleading and deceptive conduct. It is therefore strongly advised that trademarks should be registered to enable the owner to take action for trademark infringement under the Trade Marks Act 1995 (Cth). Available remedies include an injunction, and an account of profits or damages, as well as additional damages for flagrant infringement.

How are non-traditional marks prosecuted?

Registered non-traditional trademarks

Non-traditional trademarks, such as shapes, sounds, scents and aspects of packaging, can be registered in Australia. Once registered, they can be enforced by way of trademark infringement proceedings under the Trade Marks Act 1995 (Cth). The examination procedure and requirements for non-traditional trademark applications are essentially the same as for traditional trademarks.

However, it may be more difficult to satisfy the distinctiveness requirements for a non-traditional trademark, for example proving that a particular colour alone is in fact capable of acting as a badge of origin for one trader's goods or services. As an example, in the BP case,^[1] the applicant (otherwise known as British Petroleum) attempted for over a decade to register the colour green as a trademark in Australia in respect of fuels and service stations, and despite its extensive use was ultimately unsuccessful.

Unregistered non-traditional trademarks

Non-traditional trademarks may also be enforced under the misleading and deceptive conduct provisions of the Australian Consumer Law, and under the common law tort of passing off. For each of these actions, the plaintiff would need to establish the required reputation in the particular aspect of their branding that forms the non-traditional trademark. Protection by way of trademark registration would, therefore, be beneficial, as a trademark infringement action under the Trade Marks Act 1995 (Cth) does not require evidence of reputation.

How is trade dress protected?

Trade dress is a broad term that loosely refers to the overall image or appearance of a good or service. For example, trade dress can incorporate the distinctive colours, shapes, logos, signage, word marks or patterns that form part of the packaging of certain products.

If the trade dress of a particular product or service is capable of distinguishing the source of the product or service from those of other traders, then the trade dress may satisfy the requirements for trademark registration in Australia.

Distinctive shape trademarks, for example, are routinely filed in Australia to protect the trade dress of a particular product. Popular registered shape trademarks in Australia include the shape of the Crocs shoe (Australian trademark No. [1823669](#)) and the distinct packaging of the Vegemite jar (Australian trademark No. [1842067](#)). Filing an application for a shape trademark registration may be more attractive than filing for design registration, given the less onerous requirements surrounding use before filing.

However, rights can still be accrued within trade dress that is otherwise unregistrable as a trademark or design. The Australian Consumer Law and the tort of passing off can both

protect owners of unregistered trade dress when their trade dress is copied by imitators, if this imitation is either likely to mislead or deceive or misrepresent the source of the particular goods or services in question. Any goodwill or reputation established within the trade dress through its unregistered use can be relied upon within either of these two claims.

If particular aspects of the relevant trade dress satisfy the requirements of a 'work' within which copyright subsists, it may also be protected by Australia's copyright legislation (the Copyright Act 1968 (Cth)).

How are oppositions handled?

Trademark oppositions are handled before IP Australia and can involve oppositions to:

- the registration of a particular trademark;
- the removal of a trademark registration on the basis of non-use;
- an extension of time of more than three months; or
- an amendment to a trademark application.

The first two oppositions above are generally the most common type of proceedings.

Once a trademark application has been accepted for registration, or a removal application has been filed, the registration or the removal action may be opposed by a third party. The opposition proceeding stages are:

1. the opponent (in a non-use application, this is usually the registered owner) files a notice of intention to oppose followed by a statement of grounds and particulars to specify its basis of opposition;
2. the applicant (in a non-use application, this is the party that filed the non-use action) files a notice of intention to defend, failing which the trademark application or non-use application will lapse;
3. parties are then given the opportunity to file evidence if they wish to do so, namely evidence in:
 - support of the opposition filed by the opponent;
 - answer filed by the applicant; and
 - reply filed by the opponent, which is limited to addressing material raised in the evidence in answer (if filed);
4. either party may then request a hearing in the matter, which can be oral or by way of written submissions, or both, or alternatively a request can be made for a decision on materials filed (without a hearing or submissions);and
5. IP Australia issues a decision within three to four months of the hearing date.

Costs may be awarded to the successful party in any type of opposition proceedings.

How are cancellations handled?

In Australia, a trademark may be removed or cancelled by a third party for non-use based on two grounds, namely:

1. as at the filing date, the owner had no intention in good faith to use the trademark, and has not used the trademark in relation to the claimed goods or services, or both in Australia; and
2. the owner has not used the trademark in relation to the claimed goods or services, or both, in Australia for a continuous period of three years.

A non-use application on the second ground is only available where, if the application was filed:

- before 24 February 2019, five years have passed since the filing date of the application; or
- on or after 24 February 2019, three years have passed since the trademark particulars were entered in the Register.

The onus is on the person who would like to preserve the registration to oppose the non-use application and demonstrate use of the trademark in the relevant period (or acceptable reasons for non-use).

The relevant non-use period ends one month before the non-use application is filed. This is to allow an interested party to contact the owner to attempt to resolve the matter amicably, without the risk that the owner may be prompted to commence use to defeat a potential non-use action.

What are pendency levels for the last 12 months?

In a straightforward case, registering a trademark in Australia takes a minimum of seven months. When filing a trademark application through IP Australia's standard process, the usual time frame for an application to be examined is three to four months (though this can be expedited with adequate reasons). There is also an option to request a preliminary Headstart assessment before filing a formal application, which provides an indication within five business days as to whether the trademark application is likely to encounter any examination issues. For issues or objections raised during the examination stage, IP Australia aims to review any responses and respond to the same within a month.

In relation to processing times for oppositions, a decision in relation to an opposition proceeding will usually be issued within three to four months of the scheduled hearing date. However, the wait times for a hearing date to be set will vary depending on the type of decision requested. Notably, the current wait time for an oral hearing date to be scheduled is approximately 12 months from when it is requested. For an opposition that will be determined by way of written submissions only, the current wait time for the relevant date to be set is seven months from when it is requested.

How to transfer ownership of trademark registrations

To transfer or assign ownership of a standard trademark application or registration, the assignor or the assignee must notify IP Australia of the change in ownership as soon as it occurs.

Importantly, IP Australia requires documentary evidence to support a request for assignment of a trademark. Common forms of evidence include providing a deed of assignment or sales agreement, which must include details of the assignor and assignee and the official number of the trademark in question (among other details) to ensure the assignment is valid. Both parties must sign the agreement, and notarisation or legalisation are not required.

It is also possible for an assignment to transfer the ownership of the trademark in whole or in part. In practice, this can mean that an assignee will acquire ownership of the trademark for some of the goods and services, and the assignor will continue to own the trademark for the remaining goods and services it is registered for.

Once IP Australia reviews and approves an application to record an assignment (together with the relevant evidence), the owner of the trademark will be updated on IP Australia's database, and the assignee will be considered the registered trademark owner.

If an assignor intends to assign trademark rights that have not been applied for or registered with IP Australia, the *Kraft v Bega* case^[2] established that the underlying goodwill in the business must also be assigned to ensure the assignment is valid.

Licensing and assignment best practice

Licensing

Under Australian law, registered trademark owners are granted the exclusive right to use, or authorise the use of, their registered trademark. For use by a licensee to be considered use authorised by the trademark owner, the owner must exercise some element of control over the licensee or their use. Otherwise, use by the licensee may not be considered attributable to the owner of the trademark. This may result in the owner being unable to rely on such use to defend their rights, for example to defeat a non-use attack on the registered trademark.

While it is best practice to ensure that a formal written agreement is in place between the registered owner and the licensee that specifies the scope of the licence and any other essential terms, this agreement alone will not constitute 'control' for the purposes of establishing use in non-use proceedings. The registered owner should also ensure that it regularly exercises either quality control over the goods or services or financial control over the licensee's trading activities, or both (eg, where the licensee is a subsidiary or associated entity).

Assignment

With respect to the assignment of rights in a trademark, this is also allowable under Australian law. It is generally best practice to ensure that written agreements (such as sale of business agreements or assignment deeds) are in place to record the assignment of both registered and unregistered rights within the trademark, if applicable. To ensure unregistered rights are adequately captured by the agreement, the document should explicitly refer to the goodwill accrued within the trademark throughout its period of use. Failure to include reference to these unregistered rights may impact the assignee's future rights.

Written agreements should then be provided to IP Australia to record the transfer of ownership of the trademark on the trademark register.

What are the five key 'need to knows' for the jurisdiction?

Common law and unregistered rights

Australia is a common law country, which recognises both unregistered as well as registered trademark rights.

Acceptance deadline is not a response deadline

If an adverse report is issued by IP Australia during examination of a trademark application, the applicant will be given a 15-month deadline from the date of the adverse report. This is an acceptance deadline rather than a response deadline, so any responses should be filed well ahead of the deadline to ensure that the application is placed in order for acceptance before the deadline expires.

Cancellation of a trademark registration

Trademark registrations can only be cancelled or removed before IP Australia if:

- IP Australia revokes registration on the basis that the mark should not have been registered;
- the owner surrenders its registration voluntarily;
- the registration is not renewed in time; or
- the registration is successfully removed following a non-use application.

If a third party wishes to have a registration cancelled on any other basis (such as on grounds of prior use), then it would need to commence proceedings before a prescribed court.

Deferment of acceptance

Trademark applicants can seek to defer their application acceptance deadlines (instead of relying on extensions of time) in certain situations. For example, if a cited trademark is yet to achieve registration, an applicant can defer its acceptance deadline to await the outcome of the cited mark. Other grounds for deferral include:

- waiting to determine whether a cited registered trademark is renewed during the renewal grace period;
- relevant court action is pending;
- awaiting the outcome of a non-use proceeding filed against the cited mark; and
- if the applicant requires more time to compile evidence of use or negotiate consent from the owner of a cited mark.

Trademark use requirements

Trademark registrations in Australia are subject to an intention to use requirement at the time of filing, and an ongoing use requirement once the trademark has been on the register for three or five years, depending on when the mark was first applied for. However, unlike some other countries (such as the United States), there is no initial requirement to provide evidence of use to obtain or maintain a trademark registration. Evidence of use or an intention to use generally only needs to be produced if subject to challenge by a third party by way of opposition or non-use removal, or if such evidence of use is relied upon to overcome a third-party mark cited during examination of the application.

Footnotes

[1] BP plc [2014] ATMO 59 (17 June 2014).

[2] Kraft Foods Group Brands LLC v Bega Cheese Limited [2020] FCAFC 65.

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Being a common law jurisdiction, unregistered trademarks can also be protected in Australia by the common law tort of passing off. Available remedies include an injunction, damages and exemplary damages. The plaintiff must establish that:

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HOW ARE NON-TRADITIONAL MARKS PROSECUTED?

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However, it may be more difficult to satisfy the distinctiveness requirements for a non-traditional trademark, for example proving that a particular colour alone is in fact capable of acting as a badge of origin for one trader's goods or services. As an example, in the BP case,^[1] the applicant (otherwise known as British Petroleum) attempted for over a decade to register the colour green as a trademark in Australia in respect of fuels and service stations, and despite its extensive use was ultimately unsuccessful.

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The relevant non-use period ends one month before the non-use application is filed. This is to allow an interested party to contact the owner to attempt to resolve the matter amicably, without the risk that the owner may be prompted to commence use to defeat a potential non-use action.

WHAT ARE PENDENCY LEVELS FOR THE LAST 12 MONTHS?

In a straightforward case, registering a trademark in Australia takes a minimum of seven months. When filing a trademark application through IP Australia's standard process, the usual time frame for an application to be examined is three to four months (though this can be expedited with adequate reasons). There is also an option to request a preliminary Headstart assessment before filing a formal application, which provides an indication within five business days as to whether the trademark application is likely to encounter any examination issues. For issues or objections raised during the examination stage, IP Australia aims to review any responses and respond to the same within a month.

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HOW TO TRANSFER OWNERSHIP OF TRADEMARK REGISTRATIONS

To transfer or assign ownership of a standard trademark application or registration, the assignor or the assignee must notify IP Australia of the change in ownership as soon as it occurs.

Importantly, IP Australia requires documentary evidence to support a request for assignment of a trademark. Common forms of evidence include providing a deed of assignment or sales agreement, which must include details of the assignor and assignee and the official number of the trademark in question (among other details) to ensure the assignment is valid. Both parties must sign the agreement, and notarisation or legalisation are not required.

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Licensing

Under Australian law, registered trademark owners are granted the exclusive right to use, or authorise the use of, their registered trademark. For use by a licensee to be considered use authorised by the trademark owner, the owner must exercise some element of control over the licensee or their use. Otherwise, use by the licensee may not be considered attributable to the owner of the trademark. This may result in the owner being unable to rely on such use to defend their rights, for example to defeat a non-use attack on the registered trademark.

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With respect to the assignment of rights in a trademark, this is also allowable under Australian law. It is generally best practice to ensure that written agreements (such as sale of business agreements or assignment deeds) are in place to record the assignment of both registered and unregistered rights within the trademark, if applicable. To ensure unregistered rights are adequately captured by the agreement, the document should explicitly refer to the goodwill accrued within the trademark throughout its period of use. Failure to include reference to these unregistered rights may impact the assignee's future rights.

Written agreements should then be provided to IP Australia to record the transfer of ownership of the trademark on the trademark register.

WHAT ARE THE FIVE KEY 'NEED TO KNOWS' FOR THE JURISDICTION?

Common Law And Unregistered Rights

Australia is a common law country, which recognises both unregistered as well as registered trademark rights.

Acceptance Deadline Is Not A Response Deadline

If an adverse report is issued by IP Australia during examination of a trademark application, the applicant will be given a 15-month deadline from the date of the adverse report. This is an acceptance deadline rather than a response deadline, so any responses should be filed well ahead of the deadline to ensure that the application is placed in order for acceptance before the deadline expires.

Cancellation Of A Trademark Registration

Trademark registrations can only be cancelled or removed before IP Australia if:

- IP Australia revokes registration on the basis that the mark should not have been registered;
- the owner surrenders its registration voluntarily;
- the registration is not renewed in time; or
- the registration is successfully removed following a non-use application.

If a third party wishes to have a registration cancelled on any other basis (such as on grounds of prior use), then it would need to commence proceedings before a prescribed court.

Deferment Of Acceptance

Trademark applicants can seek to defer their application acceptance deadlines (instead of relying on extensions of time) in certain situations. For example, if a cited trademark is yet to achieve registration, an applicant can defer its acceptance deadline to await the outcome of the cited mark. Other grounds for deferral include:

- waiting to determine whether a cited registered trademark is renewed during the renewal grace period;
- relevant court action is pending;
- awaiting the outcome of a non-use proceeding filed against the cited mark; and
- if the applicant requires more time to compile evidence of use or negotiate consent from the owner of a cited mark.

Trademark Use Requirements

Trademark registrations in Australia are subject to an intention to use requirement at the time of filing, and an ongoing use requirement once the trademark has been on the register for three or five years, depending on when the mark was first applied for. However, unlike some other countries (such as the United States), there is no initial requirement to provide evidence of use to obtain or maintain a trademark registration. Evidence of use or an intention to use generally only needs to be produced if subject to challenge by a third party by way of opposition or non-use removal, or if such evidence of use is relied upon to overcome a third-party mark cited during examination of the application.

Endnotes

- 1 BP plc [2014] ATMO 59 (17 June 2014). [^ Back to section](#)
- 2 Kraft Foods Group Brands LLC v Bega Cheese Limited [2020] FCAFC 65. [^ Back to section](#)

LEGALVISION

Level 2, 241 Commonwealth Street, Surry Hills, NSW 2010, Australia

Tel: +61 2 8074 7400

<https://legalvision.com.au/>

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