Overcoming a citation

This document provides guidance on methods of overcoming a citation including methods under section 26 of the Trade Marks Act 2002. These guidelines do not constrain the judgement and discretion of the Commissioner of Trade Marks, and each application will be considered on its own merits.

1. Introduction

Subpart 3 of Part 2 of the Trade Marks Act 2002 (the Act) contains the relative grounds for not registering a trade mark, and incorporates sections 22 to 30 of the Act. Pursuant to section 25 of the Act, the Commissioner may refuse to register a trade mark on the grounds that it conflicts with another trade mark that belongs to a different owner. These Guidelines focus on methods of overcoming a citation both under section 26 of the Act and by other means.

Section 26 sets out three situations where the Commissioner must register a trade mark notwithstanding the fact that section 25 applies.

2. Methods that will not overcome a citation

There are some methods which an examiner will not consider to overcome a citation.

2.1 Prior use

Examiners will not consider submissions attempting to prove that the applicant has used its mark in New Zealand prior to the priority date of a mark that has been cited against the application.

The Act is very clear that each application must be determined "according to its order of priority".[1] The mark with the earliest priority will proceed to acceptance and will be raised as a citation against applications with later priority. An applicant with later priority must either oppose the registration of a mark that has earlier priority, or must overcome the citation via the methods outlined in these Guidelines.

2.2 Notice

Notice is not a means by which citations may be overcome under the Act.

Under the Trade Marks Act 1953, applicants were able to overcome citations by serving notice on the owner of the cited mark, thereby advising the owner of the advertisement of the applicant's application, and of the opportunity to oppose its registration. However, this had ceased before the new Act came into force.[2]

3. Consent

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[3] Section 25 of the Act will not prevent the registration of a trade mark if the owner of the cited mark provides consent to the registration under section 26(a) of the Act. It follows that a citation will always be overcome if the applicant obtains written consent from the owner of the cited mark.

There are certain criteria that are essential in a consent document.

1. The consent document must clearly identify the applicant's mark.
   The application number(s) is sufficient. It is not essential to include the trade mark or to identify the earlier trade marks owned by the person giving consent;
2. The consent document must clearly identify the person giving consent and be signed by that person.
   Where the person giving consent is not recorded on the register as the owner of the mark, the letter should indicate that the person signing has the necessary authority to consent on behalf of the owner and proof of that authority should be supplied. For example, for corporate bodies, the person signing should indicate his or her name and position within the company, on official letter-headed paper or on paper carrying the company seal.
3. The consent document must relate to the registration of the applicant's mark.
4. The consent document may identify the goods and services.
   Where the consent document does not refer to the specification, IPONZ will assume that the applicant's specification is acceptable to the party giving consent. However, if the owner of the cited mark consents to the registration of the applicant's mark, but in respect of a narrower specification of goods or services than that originally applied for, then the applicant must request a limitation of its specification, pursuant to section 37(1) of the Act, so that the specification includes only those goods or services listed in the consent document.

IPONZ has provided an example of the consent document below.

Where an applicant has obtained consent, the applicant must forward the consent document, or a copy of the consent document, to IPONZ. Upon receipt of a letter of consent, the examiner must check that the consent document includes all of the necessary information and that the person providing the consent has authority to do so.

Where the owner of the cited mark is the parent or subsidiary in business of the applicant, the provision of consent is an obvious way whereby the citation may be overcome.

3.1 General letter of consent

A general letter of consent may be provided confirming that one party is prepared to consent to any trade mark applications made by another party. The general consent document must still meet the requirements above except that the general consent need not identify the applicant's mark. The general consent document need only identify the applicant to whom the general consent is being given.

Whenever a copy of the general letter of consent is filed or referred to, the applicant or their agent must supply a covering letter certifying that the general consent is still valid and on which file the general consent is attached.

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4. Honest concurrent use

Pursuant to section 26(b) of the Act, a trade mark may proceed to registration if a case of honest concurrent use exists that, in the opinion of the Commissioner or the Court, makes it "proper" for the trade mark to be registered.

Honest concurrent use was originally a common law doctrine that required the owner seeking protection to "come with clean hands".[4] The requirement that the concurrent use must be honest has been reproduced in the legislation.

The onus is on the applicant to prove the existence of honest concurrent use. The applicant must file evidence of use in order to do this.

4.1 Form of evidence

Any evidence should be supplied in the form of a statutory declaration or declarations. Informal submissions or statements will not be considered. See Appendix 1 for an example of a statutory declaration form.

The applicant should also submit, in the form of exhibits, examples showing how its mark has been used in New Zealand. The exhibits should be referred to in the leading statutory declaration of the applicant.

An annexure listing all documents and exhibits must be supplied with all evidence submitted. This annexure will be retained on file.

4.1.1 Exhibits

Electronic images or clear and detailed photographs of exhibits will continue to be accepted (and preferred) in place of the exhibits themselves.

Exhibits containing one or more of the following should not to be provided as evidence unless there is no practical alternative:

- Foodstuffs;
- Liquids;
- Any material, such as glass, which, if damaged in any way may be dangerous; or
- Any material that is not directly related to the trade mark applied for, e.g., the contents of containers where those contents are immaterial to the trade mark concerned.

4.2 Extent of use

The evidence submitted by the applicant should include:

- An explanation of how the applicant came up with its trade mark.
- The date the applicant's mark was first used on its goods and/or services in New Zealand.
- Information about the geographical extent of the use of the applicant's mark in New Zealand.

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- Sales or turnover figures pertaining to the goods and/or services provided under the applicant's mark in New Zealand (preferably set out as annual figures).
- Advertising or promotional expenses in respect of the goods and/or services provided under the applicant's mark in New Zealand (preferably set out as annual figures).
- A list of the goods/services that the applicant's mark identifies in New Zealand.
- Information about any actual instances of confusion that the applicant is aware of having occurred between its mark and the cited mark(s).
- Any other information that may assist in establishing that the applicant's mark has been used in New Zealand concurrently with the cited mark(s) without any confusion as a result of the concurrent use.

4.3 Assessing whether use exists

There are various factors to be taken into account when assessing whether a case of honest concurrent use exists that justifies the registration of a mark pursuant to section 26(b) of the Act. These factors are drawn from the decision of the House of Lords in Re Pirie's Application[5] and have been summarised as follows:

- The extent of use in duration, area and volume;
- The degree of confusion likely between the trade marks in question;
- Whether any instances of confusion have in fact occurred;
- The honesty or otherwise of the concurrent use;
- The relative inconvenience that would be caused to the respective parties if the applicant's trade mark were registered.

Each of these five factors is considered below.

When assessing whether a case of honest concurrent use exists, the examiner must take careful note of the exhibits accompanying the applicant's declaration. Insofar as the goods/services of the applicant's mark conflict with the goods/services of the cited mark(s), the specification must be limited to the goods/services for which use has been shown.

4.3.1 The extent of use in duration, area and volume

The applicant must be able to demonstrate honest concurrent use prior to the date that its application was filed.

There is no set rule as to the minimum period of concurrent use necessary to lead to registration.[6] A substantial period of use must generally be shown. In some circumstances a shorter period may be acceptable.[7] The extent of use required is directly proportional to the degree of confusion that is expected to arise due to the similarity of the trade marks.

The applicant's trade does not need to have been greater in volume than the trade under the cited mark; however the evidence should demonstrate that the applicant's trade mark has real commercial value.[8]

From a practical perspective, the more use of its mark that an applicant can demonstrate, as evidenced through sales figures for example, the stronger that applicant's case will be.

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4.3.2 The degree of confusion likely between the marks in question

The more likely it is that the public will be confused if the applicant's mark is registered alongside the cited mark the weaker the applicant's case is for concurrent registration. The public interest must be considered.

The entire scope of the registration must be considered. Consideration should not be limited to how the mark is currently being used.

The degree of confusion is likely to be greater if the trade mark is very distinctive in relation to the goods or services.

4.3.3 Whether any instances of confusion have in fact occurred

The applicant's case for honest concurrent use is stronger if there has been no instance of actual confusion. In Re Pirie's Application[9] it was stated that a lack of proof of confusion "cannot be regarded as unimportant even though allowance be made for difficulty of proof".

4.3.4 The honesty or otherwise of the concurrent use

As stated previously, it is essential that the concurrent use be honest. The necessary standard of honesty has been described as "commercial honesty, which differs not from common honesty".[10] This means that concurrent registration may not be granted to an applicant who:

- Copied the cited mark,[11] or
- Adopted its mark with the knowledge that the mark was identical or very similar to the cited mark,[12] or
- Used their mark surreptitiously.[13]

It is possible for an applicant to use a mark honestly even if it has knowledge of the cited mark,[14] for example if the applicant is seeking registration of its company name, by extending its use to another field, without improper motive.

Use may be honest even where the owner of the cited mark is objecting to the application.

To address the issue of honesty, the evidence supplied by the applicant should include an account of how the applicant came to adopt its trade mark.

4.3.5 Relative inconvenience to parties

The relative inconvenience caused to each owner should be weighed up and taken into account when considering whether it would be proper to register the applicant's mark based on honest concurrent use.

If the applicant is unsuccessful in its attempt to obtain registration based on honest concurrent use, the inconvenience caused to that applicant may include:[15]

- Exposure to infringement proceedings.
- Loss of goodwill.
- The necessity to adopt a new trade mark.

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If the applicant is successful in its attempt to obtain registration based on honest concurrent use, the inconvenience caused to the owner of the cited mark may include:[16]

- Diversion of trade due to confusion in the marketplace.
- The need to re-label products to minimise confusion.
- Dilution of its rights in the trade mark.

4.4 Advertisement of honest concurrent use applicants

When an application has been accepted on the basis of honest concurrent use, the advertisement will quote the application and registration number pertaining to any citation that has been overcome by the filing of evidence to substantiate the claim to honest concurrent use. The explanation will be entered as follows:

Honest concurrent use with Trade Mark No:…….

Honest concurrent use with Trade Mark Nos:…….

5. Other special circumstances

Under section 26(b) of the Act, a trade mark may proceed to registration where "other special circumstances" exist that, in the Court's or the Commissioner's opinion, makes it "proper" for the trade mark to be registered.

As with honest concurrent use, this condition depends on commercial realities which, in the Court's or the Commissioner's opinion, justify registration despite a real risk of deception and confusion.

In *Berlei Bali Limited v Bali Brassiere Co Inc* (1968) 118 CLR 128, Fox J stated:

> Section 12(2) [of the 1938 UK Act] is dealing with special circumstances. Thus, it refers to the "case of honest concurrent use, or of other special circumstances"; it is dealing with special circumstances which justify taking the case out of the ordinary rules so that justice may be done to the applicant.

Honesty of use is still essential. However, applications which fail to overcome citations on the basis of use may be able to overcome them because of "other circumstances".

These circumstances could include the following:

5.1 Applicant may overcome citation because of their earlier registered trade mark

The Office will offer an applicant for a mark, which is also the proprietor of a registered earlier filed mark, the opportunity to advance its later filed application to acceptance on the grounds of s26(b), in the face of any intervening registration in the name of a different proprietor and cited against the applicant's application, provided that <u>all</u> of the following criteria are met:

1. The intervening mark:
    a. does not have an earlier filing date than that of the applicant's earlier mark, and

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    b. clearly conflicts with the applicant's earlier trade mark, and
    c. is registered
2. The applicant's earlier mark is not subject to proceedings
3. The applicant's later filed mark is the same or a substantially identical mark, in respect of the same or very similar goods/ services, to its earlier trade mark registration

The applicant will need to agree to the following explanation being entered on the Register:

"Section 26(b) of the Trade Marks Act 2002 applies because of prior rights from (enter IP number(s))."

Example 1: Proprietor of mark 3 <u>will be</u> offered the opportunity to advance mark 3 to acceptance on the grounds of s26(b).

<u>Applicant files for a new mark:</u>

DOLINE (Mark 3)
In class 33 for spirits and liqueurs

<u>Intervening trade mark registration:</u>

DOLINES (Mark 2)
In class 33 for alcoholic cocktails

<u>Applicant's earlier trade mark registration:</u>

DOLINE (Mark 1)
In class 33 for wines, spirits and liqueurs

Example 2: Proprietor of mark 3 <u>will not</u> be offered the opportunity to advance mark 3 to acceptance on the grounds of s26(b)

In this example, while applicant's later filed mark is the same mark as its earlier filed mark, the later filed mark is not in respect of the same or very similar goods to its earlier trade mark registration because the specification is much broader than the applicant's earlier registration. In this situation the Office will cite mark 2 against mark 3 and will not offer to accept mark 3 on the grounds of s26(b).

<u>Applicant files for a new mark:</u>

DOLINE (Mark 3)
In class 33 for wines, spirits, liqueurs

<u>Intervening trade mark registration:</u>

DOLINES (Mark 2)
In class 33 for alcoholic cocktails

<u>Applicant's earlier registration:</u>

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DOLINE (Mark 1)
In class 33 for spirits

5.2 Applicant has previously consented to the registration(s) of a potential citation

Where the owner of an application facing a citation/(s) has previously given consent to the registration of that potential citation/(s) as owner of a still earlier mark, it will not usually be necessary to cite the intervening mark(s) unless the owner's latest application covers additional goods/services which creates additional conflict with the goods/ services covered by the potential citation(s).

The Office, in this situation, will enter the following explanation on the Register:

"Section 26(b) of the Trade Marks Act 2002 applies because the owner has previously consented to the registration of (enter IP number(s) of the potential citation(s))."

5.3 Applicant has applied to revoke the citation where the effective date of revocation post-dates the application filing date

Where a citation is registered, the applicant may decide to apply to have the registration of the cited mark revoked[17]. If the effective date of the revocation post-dates the filing date (or deemed date of registration) for the application for registration, it may be possible to overcome the section 25 objection on the basis of 'other special circumstances' under section 26.

Whether 'other special circumstances' exist will be determined on a case-by-case basis but given the Supreme Court's decision in *International Consolidated Business Proprietary Ltd v SC Johnson & Son Incorporated* [2020] NZSC 110 is a recent one, IPONZ is currently taking a relatively broad interpretation of special circumstances in cases where a cited mark is revoked after the trade mark application date.

6. Restricting the specification of goods and service

~~17~~ [18] An applicant may be able to overcome a citation by restricting its specification of goods and services pursuant to section 37(1) of the Act so as to avoid any overlap with the goods and services of the cited mark. Please see Practice guidelines - Amendments to trade mark applications. A restriction to the specification of goods and services may be done by:

- Deleting goods or services from the existing specification;
- Adding a positive limitation; or
- Excluding certain goods or services from the existing specification.

6.1 Deleting goods or services

An applicant may attempt to overcome a citation by deleting the goods or services from the specification so that the overlap between the conflicting trade marks is removed. This option is only possible if the applicant has applied for a wider range of goods or services than those covered by the

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cited mark and if they are prepared to restrict their specification to the goods or services of interest to them.

The proposed amendment to the specification must clearly remove the possibility for confusion or deception in the market place. For example:

Original specification	Cited mark's specification	Amended specification
Games and playthings; gymnastic and sporting articles; decorations for christmas trees	Games	Gymnastic and sporting articles; decorations for Christmas trees
Education; entertainment; sporting and cultural activities	Sporting and cultural activities	Education

6.2 Adding a positive limitation

An applicant may attempt to overcome a citation by requesting a positive limitation be inserted to more clearly define the goods or services and remove any possibility of overlap with the cited marks goods or services. This would involve clearly identifying the area of conflict and substituting a more precise list of goods or services instead of the broad terms used in the existing specification. For example, the following amendments to the specification would be acceptable:

Original specification	Cited mark's specification	Amended specification
Electrical apparatus and instruments	Electric plugs and sockets	Electric arc cutting apparatus and electric arc welding apparatus
Computer software	Computer game software	Computer software for use in the energy sector

Where the goods or services of the cited mark are specifically related to a particular industry, field or type of good, the following amendments to the specification would be acceptable:

Original specification	Cited mark's specification	Amended specification
Sporting articles	Sporting articles for use in tennis	Sporting articles; all being for use in golf
Spraying machines	Agricultural machines and parts therefor	Spraying machines; all for industrial use

However, it is unlikely that an applicant will be able to overcome a citation where the cited mark's specification covers the entire class or where the cited mark's specification is substantially broader than that of the applicant's mark.

6.3 Excluding particular goods or services

An applicant may be able to overcome a citation by excluding the goods or services which are similar or closely related to the goods or services covered by the conflicting mark. The relevant area of conflict must be identified and the relevant goods and services excluded. The usual form of exclusion uses the words "but not including" or "none being". For example:

Original specification	Cited mark's specification	Amended specification
Cycles	Motor vehicles	Cycles, but not including motorised cycles
Clothing; headgear	Footwear	Clothing; headgear; none of the aforementioned being footwear~~18~~19
Rental of vehicles	Rental of vehicles for the purpose of motor racing	Rental of vehicles; none being in connection with or related to motor racing
Clothing	Clothing for children and babies	Clothing, none being children's clothing or babies' clothing

6.3.1 Excluding goods or services leading to confusion

Proposed exclusions should be carefully considered to ensure that they could not still lead to confusion or deception. IPONZ will not accept a limitation to the specification of goods if it could still lead to confusion or deception as to the provider of the goods or services.~~19~~20 For example:

Original specification	Cited mark's specification
Commercial vehicles including trucks	Pick-up trucks and utility trucks

Exclusion: Commercial vehicles and trucks, excluding pick-up trucks and utility trucks

This exclusion is not acceptable as there is still a clear overlap in the nature of the goods being provided. However, an amendment of the specification to "commercial vehicles for carriage of goods only, none being pick-up trucks or utility trucks" would be acceptable as the nature of the goods is clearly different.

The exclusion required will usually be wider than the goods or services covered by the cited trade mark as it is necessary to remove any overlap which may result from the co-existence of similar and closely related goods or services.

6.3.2 Excluding goods or services not in specification

Previous Office practice also allowed the exclusion of goods or services which are not covered in the specification. The purpose of a specification is to provide a statement of the goods and services for which the applicant requires registration.

The Office will not allow the limitation of a specification of goods or services, if the limitation has the effect of excluding goods or services which are not covered in the specification. Common sense dictates that where a specification does not include goods or services, they cannot be excluded.~~20~~21

Such amendments may be considered in situations where the marks are identical and the goods or services being provided are similar in nature such that consumers would be deceived or confused into believing that the goods or services originate from the same proprietor. Where the goods or services being provided are considered to be similar but not identical, the applicant will not be allowed to specifically exclude the goods or services of the cited mark simply to overcome the citation, if they are not directly covered within the scope of the applicant's specification.

Examples of unacceptable specification amendments are given below.

Original specification	Cited mark's specification	Amended specification
Apparatus for recording, transmission or reproduction of sound or images; computer hardware and peripherals	Computer software for business	Apparatus for recording, transmission or reproduction of sound or images; computer hardware and peripherals; excluding computer software
Clothing and headgear	Shoes	Clothing and headgear, but not including shoes
Milk, eggs and cheese	Butter	Milk, eggs and cheese, excluding butter

6.4 Restricting the specification of the cited mark

Where the specification of the cited mark is very broad, it may not be sufficient for the applicant to limit its specification. In such instances the applicant may consider entering into negotiations with the owner of the cited mark, in the attempt to persuade the owner of the cited mark to limit the specification of the cited mark.

Where the owner of the cited mark agrees to do so and the cited mark is not yet registered, the owner of the cited mark must request to limit the specification of the application pursuant to section 37(1) of the Act. Please see Practice guideline 12, Amendments to trade mark applications.

Where the cited mark is registered, the owner of the cited mark must apply to have the registration cancelled in respect of some of the goods and services[~~21~~22] or request the striking out of certain goods and services, or classes of goods and services.[~~22~~23] Please see practice guideline 19a Cancellation and Alteration of Registered Trade Marks.

Subject to the same rules as above, a restriction to the specification of goods and services may be done by:

- Deleting goods or services from the existing specification;
- Adding a positive limitation; or
- Excluding certain goods or services from the existing specification.

It is the responsibility of the applicant to advise IPONZ once the specification of the cited mark has been officially amended.

7. Other methods of overcoming a citation

There are various other means whereby an applicant may be able to overcome a citation including:

1. convincing IPONZ that deception or confusion is unlikely;
2. assignment of the application or the cited mark;
3. successful opposition of the cited mark;
4. expiry of the one-year period under section 60 of the Act;
5. cancellation, revocation or invalidation of the registration of the cited mark;
6. abandonment or withdrawal of the cited mark; or
7. division of the application.

Each of these means is discussed in further detail below.

Before an examiner recommends for acceptance an application where a citation has lapsed or has been amended to delete the conflicting goods and services, they will always check whether an application for division based on a citation has been filed.

7.1 Convincing IPONZ deception or confusion is unlikely

Where a citation has been raised under section 25(1)(b) of the Act, an applicant may be able to convince IPONZ that the co-existence of the applicant's mark with the cited mark is not likely to deceive or confuse. For example, an applicant may argue:

- That their mark is not similar to the cited mark.
- That their goods/services are not the same as, or similar to, the goods/services of the cited mark.

The applicant must make their submissions in writing.

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7.1.1 Where the owner of the cited mark is the same entity

Where the name of the owner of a cited mark is different from the applicant but is in fact the same entity, the citation(s) will not be withdrawn until one of the following two situations occur:

- The details in the IPONZ database have been amended so that both marks are in the same name; or
- Consent from the owner of the cited mark has been supplied.

7.1.2 Address details

Where the owner of the cited mark(s) has the same name as the applicant, but a different address and a concern has been raised under section 25 of the Act, the applicant should either:

- Arrange for the amendment of the address details held in the IPONZ database, so that the database records the same address for the owner of the cited mark(s) and the applicant; or
- Advise IPONZ that the owner of the cited mark is in fact the same as the applicant.

7.2 Division of the application

Dividing the application does not, strictly speaking, overcome a citation. However, where part of the application can be divided out so that either the initial application or the divisional application is no longer in conflict with the cited trade mark, at least part of the original application may be able to proceed.

Where the division has resulted in the conflicting trade mark or goods and services being divided out to a new application, the new application must be raised as a citation against the application under examination if the conflict between the trade marks and the goods and services still exists. The new citation will be treated as if the citation had been raised at the time of the initial examination.

7.3 Withdrawal of the cited mark

Where a citation has been raised against an application, and the cited mark is the subject of an application with earlier priority that is not yet registered, the applicant may decide to enter into negotiations with the owner of the cited mark, in the attempt to persuade that owner to withdraw its application pursuant to section 37(1) of the Act. Please refer to Practice guideline 12, Amendments to Trade Mark Applications.

IPONZ will withdraw the citation if the owner of the cited mark withdraws its application.

It is the responsibility of the applicant to advise IPONZ once the cited mark has been marked off as abandoned in the IPONZ database.

7.4 Abandonment of the cited mark

Where a citation has been raised against an application, and the cited mark is the subject of an application with earlier priority that has not yet been accepted, it is possible that the application in respect of the cited mark will subsequently be treated as abandoned due to lack of response on the part of its applicant.

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An application must be treated as abandoned if the Commissioner does not receive a response from the applicant to a Compliance Report within the time specified by the Commissioner under section 44(1) of the Act.

IPONZ will withdraw the citation if the cited mark is treated as abandoned pursuant to section 44(1) of the Act.

It is the responsibility of the applicant to advise IPONZ once the cited mark has been marked off as abandoned in the IPONZ database.

7.5 Assignment

A citation may be overcome by assignment. Once the cited mark and the application under examination are in the name of the same owner, section 25 of the Act cannot apply.

There are several possibilities:

- Assignment of the application under examination to the owner of the cited mark(s).
- Assignment of the cited mark(s) to the applicant.
- Assignment of the application under examination and the cited mark(s) to the same third party.

A trade mark may be assigned at any time, whether before or after registration.~~23~~24

7.6 Opposition of the cited mark

Where a cited mark is not yet registered but has been accepted and advertised, the applicant may decide to oppose the registration of the cited mark.

Where an applicant has lodged an opposition against a cited mark, the applicant must advise IPONZ of this fact prior to the expiry of the deadline set in the Compliance Report that issued to the applicant. Upon receipt of the applicant's advice that an opposition has been lodged against the cited mark, IPONZ will, upon verification of the facts, place the application in abeyance pending the outcome of the opposition proceedings.~~24~~25

If the cited mark is successfully opposed, IPONZ will withdraw the citation once the cited mark has been marked off as abandoned in the IPONZ database.

It is the responsibility of the applicant to advise IPONZ once the cited mark has been marked off as abandoned.

7.7 Removed marks

~~25~~26Where a cited mark has been removed from the register because its owner failed to renew its registration in time, under section 60(1) of the Act the citation is valid~~26~~27 for the period of one year from the date of expiry of the registration of the cited mark, but not beyond that date.~~27~~28

However, section 60(2) of the Act reads as follows:

> *Subsection (1) does not apply if the Commissioner is satisfied either that –*

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a. *there has been no genuine use of the trade mark that has been removed during the 2 years immediately before its removal; or*
b. *no deception or confusion would be likely to arise from the use of the trade mark that is the subject of the application by reason of any previous use of the trade mark that has been removed.*

Therefore, an applicant may overcome a citation of a mark that has been removed from the register where the applicant can show that there has been no genuine use of the trade mark in the previous two years prior to its removal or no deception or confusion is likely to arise from use of the mark.

The onus is on the applicant to prove this to the satisfaction of the Commissioner. The Commissioner will exercise this discretion cautiously as the owner of the recently removed mark will not necessarily be aware of the proceedings.

Where a removed trade mark has been raised as a citation against an application, the applicant has the following options:

- Where the deadline set for response to the Office's Compliance Report is after the deadline for renewal of the cited mark, await the expiration of the renewal deadline of the cited mark and advise IPONZ if the cited mark is then abandoned. Note that it is It is the responsibility of the applicant to advise IPONZ once more than a year has passed since the date of expiry of the registration of the cited mark; or
- Where the deadline set for response to the Office's Compliance Report is before the deadline for renewal of the cited mark, apply for an extension of time until one month after the cited mark's renewal deadline. Note that unless an additional extension of time is requested in writing and granted, the application will be treated as abandoned, pursuant to section 44(1) of the Act, if IPONZ does not receive a response to the Compliance Report on or prior to the expiry of the new time limit; or
- Demonstrate, to the satisfaction of the Commissioner, that either:
    - There has been no genuine use of the cited mark during the two years immediately before it was removed from the register~~28~~29; or
    - No deception or confusion would be likely to arise from the use of the trade mark that is the subject of the application by reason of any previous use of the trade mark that has been removed.~~29~~30

The Commissioner will exercise this discretion cautiously and will contact the owner of the cited mark before any decision is made.

7.8 Voluntary cancellation of the cited mark

Where a registered mark has been raised as a citation against an application, the applicant may decide to enter into negotiations with the owner of the cited mark, in the attempt to persuade that owner to cancel its registration.

The owner of a registered trade mark may request the cancellation of its registration pursuant to section 61 of the Act. Please refer to Practice guideline 12, Amendments to Trade Mark Applications.

IPONZ will withdraw the citation if the registration of the cited mark is cancelled.

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It is the responsibility of the applicant to advise IPONZ once the registration of the cited mark has been cancelled.

7.9 Cancellation, revocation or invalidation of the cited mark

Where a cited mark is registered, the applicant may decide to apply to have the registration of the cited mark revoked,~~30~~ declared invalid[31] or cancelled.

Where an applicant has filed a revocation application, a cancellation application or a declaration of invalidity against a cited mark, the applicant must advise IPONZ of this fact prior to the expiry of the deadline set in the Compliance Report that issued to the applicant. Upon receipt of the applicant's advice that a revocation application, cancellation application or an invalidity application has been filed against the cited mark, IPONZ will, upon verification of the facts, place the application in abeyance pending the outcome of the revocation proceedings, the cancellation proceedings or the invalidity proceedings.[32]

IPONZ will withdraw the citation if the registration of the cited mark is revoked,[33] cancelled or declared invalid.

~~It is the responsibility of the applicant to advise IPONZ once the registration of the cited mark has been revoked, cancelled or declared invalid.~~

Appendix 1: Sample statutory declaration

Available as: Appendix 1: Sample statutory declaration [PDF, 17 KB]

Appendix 2: Sample letter of consent

Available as: Appendix 2: Sample letter of consent [PDF, 16 KB]

Appendix 3: Honest Concurrent use checklist

Available as: Appendix 3: Honest concurrent use checklist [PDF, 140 KB]

Footnotes

1 See section 35(b) of the Act.

2 See 'Removal of formal notice requirement for trade mark files', Information for Clients No. 2 of 18 June 1998.

3 Practice Guideline Amendment 2005/07, IPONZ Newsletter, October 2005.

4 General Electric case [1972] 1 WLR 729 at 743.

SUPERSEDED

5 (1933) 50 RPC 147 at 159.

6 Re Pirie's Application (1933) 50 RPC 147 at 212; Peddie's Application (1944) 61 RPC 31 at 36.

7 See Shanahan, Australian Law of Trade Marks and Passing Off, 2nd edition, 1990, at page 204, for case examples.

8 See Granada Trade Mark [1979] RPC 303.

9 See section 208(3)(a) of the Trade Marks Act 2002.

10 Parkington & Co. Ltd's Appn (1946) RPC 171 at 182; see Shanahan, Australian Law of Trade Marks and Passing Off, 2nd edition, 1990, at page 203.

11 Parkington & Co. Ltd's Appn (1946) RPC 171 at 204

12 Cohen v Fidler & Co. (1916) 33 RPC 129.

13 Shanahan, Australian Law of Trade Marks and Passing Off, 2nd edition, 1990, at page 204.

14 Re Pirie's Application (1933) 50 RPC 147

15 Shanahan, Australian Law of Trade Marks and Passing Off, 2nd edition, 1990, at page 206.

16 Ibid, page 206.

17 Section 66(1) of the Act

~~17~~ 18 Practice Guideline Amendment 2005/09, IPONZ Newsletter, October 2005

~~18~~ 19 NB. There is an overlap between clothing and footwear in items such as socks. A citation based on clothing and footwear may be overcome by amending the item footwear to specific items, for example, slippers or shoes.

~~19~~ 20 The European Court of Justice provided guidance on such exclusions in Koninklijke KPN Nederland NV and Benelux-Merkenbureau (Postkantoor) [2004] E.T.M.R 57. See also Croom's Trade Mark Application [2005] RPC 2 (the McQueen Clothing case) where the exclusion "none being items of haute couture" was not sufficient to overcome the citation being the style and quality of the goods.

~~20~~ 21 See the European Court of Justice decision in Koninklijke KPN Nederland NV and Benelux-Merkenbureau (Postkantoor) [2004] E.T.M.R 57 which has provided guidance on such exclusions.

~~21~~ 22 Section 61 of the Trade Marks Act 2002.

~~22~~ 23 Section 78(b) of the Trade Marks Act 2002.

~~23~~ 24 See sections 12(1) and 82 of the Act.

~~24~~ 25 Pursuant to section 44(2) of the Act.

SUPERSEDED

~~25~~ 26 Paragraph 7.7 of this Guideline was updated by clarifying the Commissioner's approach to the exclusions in section 60(2).

~~26~~ 27 Provided that the status of the cited mark does not change, and provided that neither of the circumstances set out in section 60(2) of the Act apply.

~~27~~ 28 See section 60(1) of the Act and the discussion above under 'Section 60: raising removed trade marks as citations'.

~~28~~ 29 See section 60(2)(a)

~~29~~ 30 See section 60(2)(b) of the Act

~~30 Section 66(1) of the Act~~

31 Where the applicant is of the opinion that the cited mark was not registrable under Part 2 of the Act as at its deemed date of registration under section 73(1) of the Act.

32 Pursuant to section 44(2) of the Act, where the application is awaiting the outcome of proceedings in respect of a registered trade mark, the Commissioner must not treat the application as abandoned if, within the time specified by the Commissioner, the applicant has not responded to a notification under section 41 of the Act.

33 The registration of the cited mark may either be completely revoked, or revoked in respect of the goods or services that are at issue. See section 68(1) of the Act, which allows for revocation in respect of particular goods/services only "if grounds for revocation exist in respect of only some of the goods or services in respect of which the trade mark is registered". Where the registration of the cited mark is revoked on grounds of non-use, the requested effective date of revocation of the cited mark must pre-date the date of the pending application for registration, or the applicant may request consideration under section 26 'other special circumstances'. See above at 5.3 and IPONZ's guidelines on revocation of registration of trade mark.

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