

2011

PATENT ATTORNEYS

EXAMINATION

PAPER B

The New Zealand Law and Practice
relating to Trade Marks

Regulation 158 (1) (b)

Duration: 3 hours (plus 10 minutes for reading)

When considering answers to the questions in this year's examinations, no account is to be taken of any provisions of the Patents Bill, the Trade Marks (International Treaties and Enforcement) Amendment Bill, the Regulatory Improvement Bill (as it relates to amendment of the Designs Act 1953), or any other bill that may be before the New Zealand Parliament.

Question 1

A foreign associate has asked for your advice regarding the possible licensing of a trade mark in New Zealand. Specifically, your associate asks:

- (a) Is it mandatory to record the interest of a licensee on the Register of Trade Marks?
- (b) Can an application to record a licensee be made before that trade mark is registered?
- (c) Can a licence be registered in respect of some (but not all) of the goods/services covered?
- (d) Are there any advantages to the trade mark owner from recording a licensee of its mark on the Register of Trade Marks?
- (e) What is required under New Zealand law to record a trade mark licence, including documents required, time frame and official fees?

10 marks

Question 2

- (a) What are the grounds for an Application for Declaration of Invalidity?
(4 marks)
- (b) s.75 of the Trade Marks Act sets out the presumption of validity of a trade mark registration. What is the time frame before the presumption applies and what are the circumstances in which the presumption does not apply?
(2 marks)
- (c) Provide details of any provisions which prevent a trade mark from being declared invalid where the grounds for an Application for Declaration of Invalidity have been initially made out?
(1 mark)
- (d) Excluding non-use, what are the grounds for revoking a trade mark registration under s. 66?
(3 marks)

10 marks

Question 3

OzCo is an Australian based manufacturer of clothing.

In 1996 OzCo began using the trade mark SEDUCE in Australia in relation to its range of lingerie.

Between 2003 and 2008, OzCo sold its SEDUCE lingerie throughout New Zealand via the Farmers chain.

In April 2008 Farmers decided not to stock OzCo's SEDUCE lingerie because sales were falling, and so OzCo stopped distributing SEDUCE lingerie in New Zealand. However, OzCo has continued to use the brand in Australia and its lingerie can be purchased from its website www.seduces.com.au

On 3 November 2007, KiwiCo applied to register the trade mark SEDUCE for clothing in Class 25, and the sale of clothing and clothing accessories in Class 35. The trade mark application proceeded to registration on 3 June 2008 without any problems.

In September 2009 KiwiCo opened two high fashion boutique stores in Dunedin and Queenstown. The boutiques trade under the name SEDUCTION. At the same time KiwiCo began using the SEDUCE label on its range of ball gowns for sale in its two boutiques.

In May 2011 OzCo re-starts sales of its SEDUCE lingerie in New Zealand through Glassons stores nationwide.

KiwiCo threatens OzCo with legal action for trade mark infringement and breach of the Fair Trading Act.

OzCo wants to keep using SEDUCE and comes to you for advice as to whether this can be achieved. Advise OzCo of any steps it can take to achieve its aims, and what further information would you require?

15 marks

Question 4

Part I

The Skull Factory Limited ("TSFL") is a small clothing and sports accessories company based at Mount Maunganui which has traditionally catered to the sports of motor cross and BMX. THE SKULL FACTORY has been a successful brand and now the company is looking to break into the emerging sport of kite surfing with the new brand SKULLKITES

Your client has asked you to advise if SKULLKITES is available to use and register in New Zealand in relation to clothing (in class 25) apparatus and equipment for kite surfing (in class 28) and eyewear, goggles, life jackets (in class 9).

Devise a search strategy for this mark, including any methods or parameters for searches you make on the IPONZ website.

4 marks

Part II

Your search discloses the following:

- (i) Registration No. 189914 SKULL N BONES covering "sporting apparatus and equipment" in class 28 – application filed 27 February 2011, registered on 10 September 2001; due for renewal on 27 February 2011; current status - "Expired but restorable". Your investigations indicate the trade mark owner was struck off the Register of Companies in January 2008 and the trade mark hasn't been in use since then.
- (ii) Registration No. 771266 SKULLCANDY covering "clothing, footwear, headgear; clothing and headwear, namely t-shirts, sweatshirts, and hats" in class 25 – application filed 28 June 2007, registered on 10 January 2008 – mark is in use.
- (iii) Application No. 835253 SKULZ covering "protective helmets" in class 9 – application filed 22 December 2010, advertised for opposition purposes on 28 June 2011.
- (iv) Registration No. 716235 HEADKITEZ covering "kite boards, kite boarding kites, kite board pads, kite board harnesses, kite board lines and kite board gloves" in class 28 – application filed on 3 August 2008, registered on 10 February 2005 – your client has advised that this mark is not in use in New Zealand but that it is a popular brand, and its HEADKITEZ boards and sails feature in articles appearing in popular international surfing magazines and in message boards on www.kitesurfing.com.

- (v) Registration No. 801654 for SKULL Device:



covering "sportswear" in class 25 – application filed on 1 December 2008, registered on 4 July 2009.

- (vi) Company registration for Skull Surf Limited – further enquiries indicate the company operates a surf retail store.
- (vii) Domain name registration for www.skullsurf.co.nz – a visit to the site has disclosed a domain name holding page advising that the site is "coming soon". The domain name was registered to ABC Ltd on April of 2005.

Advise TSFL on whether the SKULLKITES trade mark is available for use in relation to the goods of interest, in light of the search results. Discuss any obstacles that you consider to be problematic, including any strategies for overcoming those problems.

16 marks

Part III

TSFL then advises that it filed a trade mark application for the word SKULLKITES covering "eyewear; clothing, including sportswear and swimwear; kite boards and related parts and accessories" in class 25 on 20 June 2011. A compliance report issued on 5 July 2011.

The following objections were raised:

Section 25 – Citations based on trade marks (i) – (v) (listed in Part II) found by your search.

Section 31 – A notification that "eyewear" is correctly classified in class 9 and "kite boards and related parts and accessories" are correctly classified in class 28. Your client has been advised the application cannot proceed with the current specification of goods.

Review the objections raised and advise your client of the arguments you would make to overcome the citations, and what steps you recommend are taken to address the s.31 objection.

10 marks

30 marks

Question 5

Your client Funbags Limited is arranging for the manufacture of black carry bags in China which he proposes to import into New Zealand next month and sell on TradeMe. On each side of the bags is an image of a rugby ball and the words WORLD CUP.

Advise your client as to:

- (a) The investigations you should make to ensure it can deal in these bags.
- (b) The risks it faces importing and selling the bags.
- (c) Any changes he can make to the bag to minimize the risks.

10 marks

Question 6

You act for Painaway Pharmaceuticals ("Painaway") which owns the following trade marks:

- Trade Mark No. 216075 DUROGESIC, registered since 7 February 1992 covering "analgesics and other pain relief preparations" in class 5.
- Trade Mark No. 216076 DUROTAC, registered since 7 February 1992 covering "analgesics and other pain relief preparations" in class 5.

Painaway has used these trade marks for almost 20 years in relation to transdermal patches containing pain relief medication which are sold by prescription only.

AB Chemicals Limited ("ABC") has filed Trade Mark Application No. 842865 DUROACT in relation to transdermal patches containing pain relief medication in class 5. The current status of the application is "under examination". ABC intends to launch its DUROACT brand of non-prescription (over the counter) transdermal patches tomorrow.

ABC also owns the following trade mark registrations:

- Trade Mark No. 69024 DUROMINE registered since 3 July 1961 in relation to "pharmaceutical preparations and substances for use in the treatment of obesity" in class 5.
- Trade Mark No. 100524 DUROTUSS registered since 15 May 1972 in relation to "pharmaceutical products for the treatment of pain, fever and colds" in class 5.
- Trade Mark No. 206548 DUROMAX registered since 11 August 1990 in respect of "pharmaceutical preparations and products" in class 5.
- Trade Mark No. 794166 DUOTRAM registered since 11 August 2008 in respect of "pharmaceutical preparations and products" in class 5.

Painaway is concerned by ABC's proposed use of DUROACT and wants to stop it using and registering DUROACT.

Advise Painaway:

- (a) As to whether and on what grounds it could prevent registration of DUROACT.
- (b) As to whether and on what grounds it could prevent ABC's proposed use of DUROACT, and what (if any) remedies might be available.

25 marks

Classification for applications from January 1 2007

- Class 1 Chemicals used in industry, science and photography, as well as in agriculture, horticulture and forestry; unprocessed artificial resins, unprocessed plastics; manures; fire extinguishing compositions; tempering and soldering preparations; chemical substances for preserving foodstuffs; tanning substances; adhesives used in industry.
- Class 2 Paints, varnishes, lacquers; preservatives against rust and against deterioration of wood; colorants; mordants; raw natural resins; metals in foil and powder form for painters, decorators, printers and artists.
- Class 3 Bleaching preparations and other substances for laundry use; cleaning, polishing, scouring and abrasive preparations; soaps; perfumery, essential oils, cosmetics, hair lotions; dentifrices.
- Class 4 Industrial oils and greases; lubricants; dust absorbing, wetting and binding compositions; fuels (including motor spirit) and illuminants; candles and wicks for lighting.
- Class 5 Pharmaceutical and veterinary preparations; sanitary preparations for medical purposes; dietetic substances adapted for medical use, food for babies; plasters, materials for dressings; material for stopping teeth, dental wax; disinfectants; preparations for destroying vermin; fungicides, herbicides.
- Class 6 Common metals and their alloys; metal building materials; transportable buildings of metal; materials of metal for railway tracks; non-electric cables and wires of common metal; ironmongery, small items of metal hardware; pipes and tubes of metal; safes; goods of common metal not included in other classes; ores.
- Class 7 Machines and machine tools; motors and engines (except for land vehicles); machine coupling and transmission components (except for land vehicles); agricultural implements other than hand-operated; incubators for eggs.
- Class 8 Hand tools and implements (hand-operated); cutlery; side arms; razors.
- Class 9 Scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching apparatus and instruments; apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs; automatic vending machines and mechanisms for coin-operated apparatus; cash registers, calculating machines, data processing equipment and computers; fire-extinguishing apparatus.
- Class 10 Surgical, medical, dental and veterinary apparatus and instruments, artificial limbs, eyes and teeth; orthopedic articles; suture materials.
- Class 11 Apparatus for lighting, heating, steam generating, cooking, refrigerating, drying, ventilating, water supply and sanitary purposes.
- Class 12 Vehicles; apparatus for locomotion by land, air or water.
- Class 13 Firearms; ammunition and projectiles; explosives; fireworks.
- Class 14 Precious metals and their alloys and goods in precious metals or coated therewith, not included in other classes; jewellery, precious stones; horological and chronometric instruments.
- Class 15 Musical instruments.
- Class 16 Paper, cardboard and goods made from these materials, not included in other classes; printed matter; bookbinding material; photographs; stationery; adhesives for stationery or household purposes; artists' materials; paint brushes; typewriters and office requisites (except furniture); instructional and teaching material (except apparatus); plastic materials for packaging (not included in other classes); printers' type; printing blocks.
- Class 17 Rubber, gutta-percha, gum, asbestos, mica and goods made from these materials and not included in other classes; plastics in extruded form for use in manufacture; packing, stopping and insulating materials; flexible pipes, not of metal.
- Class 18 Leather and imitations of leather, and goods made of these materials and not included in other classes; animal skins, hides; trunks and travelling bags; umbrellas, parasols and walking sticks; whips, harness and saddlery.
- Class 19 Building materials (non-metallic); non-metallic rigid pipes for building; asphalt, pitch and bitumen; non-

metallic transportable buildings; monuments, not of metal.

- Class 20 Furniture, mirrors, picture frames; goods (not included in other classes) of wood, cork, reed, cane, wicker, horn, bone, ivory, whalebone, shell, amber, mother-of-pearl, meerschaum and substitutes for all these materials, or of plastics.
- Class 21 Household or kitchen utensils and containers; combs and sponges; brushes (except paint brushes); brush-making materials; articles for cleaning purposes; steelwool; unworked or semi-worked glass (except glass used in building); glassware, porcelain and earthenware not included in other classes.
- Class 22 Ropes, string, nets, tents, awnings, tarpaulins, sails, sacks and bags (not included in other classes); padding and stuffing materials (except of rubber or plastics); raw fibrous textile materials.
- Class 23 Yarns and threads, for textile use.
- Class 24 Textiles and textile goods, not included in other classes; bed and table covers.
- Class 25 Clothing, footwear, headgear.
- Class 26 Lace and embroidery, ribbons and braid; buttons, hooks and eyes, pins and needles; artificial flowers.
- Class 27 Carpets, rugs, mats and matting, linoleum and other materials for covering existing floors; wall hangings (non-textile).
- Class 28 Games and playthings; gymnastic and sporting articles not included in other classes; decorations for Christmas trees.
- Class 29 Meat, fish, poultry and game; meat extracts; preserved, frozen, dried and cooked fruits and vegetables; jellies, jams, compotes; eggs, milk and milk products; edible oils and fats.
- Class 30 Coffee, tea, cocoa, sugar, rice, tapioca, sago, artificial coffee; flour and preparations made from cereals, bread, pastry and confectionery, ices; honey, treacle; yeast, baking-powder; salt, mustard; vinegar, sauces (condiments); spices; ice.
- Class 31 Agricultural, horticultural and forestry products and grains not included in other classes; live animals; fresh fruits and vegetables; seeds, natural plants and flowers; foodstuffs for animals, malt.
- Class 32 Beers; mineral and aerated waters and other non-alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages.
- Class 33 Alcoholic beverages (except beers).
- Class 34 Tobacco; smokers' articles; matches.
- Class 35 Advertising; business management; business administration; office functions.
- Class 36 Insurance; financial affairs; monetary affairs; real estate affairs.
- Class 37 Building construction; repair; installation services.
- Class 38 Telecommunications.
- Class 39 Transport; packaging and storage of goods; travel arrangement.
- Class 40 Treatment of materials.
- Class 41 Education; providing of training; entertainment; sporting and cultural activities.
- Class 42 Scientific and technological services and research and design relating thereto; industrial analysis and research services; design and development of computer hardware and software.
- Class 43 Services for providing food and drink; temporary accommodation.
- Class 44 Medical services; veterinary services; hygienic and beauty care for human beings or animals; agriculture, horticulture and forestry services.
- Class 45 Legal services; security services for the protection of property and individuals; personal and social services rendered by others to meet the needs of individuals.