

What to do if another business uses your trade mark

If a competitor uses a trade mark that is identical or similar to a trade mark used or registered by you, your intellectual property rights might be infringed.

Trade marks are valuable business assets and should be protected. Registering your trade mark is an important step but may not be enough to stop others infringing your rights. If you discover another business using your trade mark or a confusingly similar one, you need to act quickly.

If you think another business is infringing your intellectual property rights, here's what you should do.

- Contact A J Park immediately for advice. The longer another business uses your trade mark, the greater the risk that your rights will be eroded.
- Get a sample showing how your trade mark is being misused. If you have to buy samples of products, keep the receipts as records of when and where you made the purchases.
- Take photographs of signs or products that you think are infringing your intellectual property rights and keep a record of when, where and who took the photographs.
- If someone confuses your business or your product with your competitor's business or product, keep the contact details of that person and record details of how and why they were confused.

Once we have enough information about your business and the possible infringement, we can advise you.

There are several laws that the infringer may be breaking: the Trade Marks Act, the Fair Trading Act or the law of passing off. We can assess the situation and advise you which laws apply.

The Trade Marks Act

The Trade Marks Act 2002 gives the owner of a registered trade mark the exclusive right to use that trade mark on the products listed in the trade mark's registration. If another business uses a trade mark identical or similar to yours, on products identical or similar to those your trade mark is registered for, that business may be liable for trade mark infringement.

If you succeed in an action for trade mark infringement, the court can make an order banning the infringer from continuing to use the trade mark. You may also be awarded damages to compensate you for any harm done to your business as a result of the infringement.

Fair Trading Act

The Fair Trading Act 1986 prohibits misleading or deceptive conduct in trade. If another business uses a trade mark that looks or sounds like yours, or uses packaging or advertising that is similar to yours, this may be misleading or deceptive conduct for which you can sue under the Fair Trading Act.

The Fair Trading Act provides an alternative remedy for owners of unregistered trade marks who cannot use the remedies provided under the Trade Marks Act. The Fair Trading Act is also much broader in scope than the Trade Marks Act, banning misleading or deceptive conduct, for example, representations that goods are of a particular quality.

As with trade mark infringement, a court can make orders banning conduct that infringes the Fair Trading Act. Breaching some of the provisions of the Fair Trading Act is a criminal offence and can result in substantial fines.

Passing off

Passing off is a remedy created by the courts—as opposed to being a remedy based on an act of Parliament.

Passing off occurs when one business represents to consumers that its products are the products of another business. This may happen when a business uses a trade mark, trading name, or packaging that is identical or similar to a competitor's.

To succeed in an action for passing off you must show the court that:

- you have an exclusive reputation in your goods or services, because the public recognises your trade mark, packaging, or trading name as being distinctive of your goods and services
- your competitor is misrepresenting to consumers that its goods or services are your goods or services
- your business is being damaged because of the misrepresentation, or is likely to be damaged.

If a court finds your competitor liable for passing off it can order that business to stop the infringing activity, and pay you compensation for damaging your business.

We will recommend the most effective course of action to stop your intellectual property rights being infringed and help prevent infringement in the future.

Contact A J Park for the best advice on trade mark infringement.