

intellectual property

– opportunities for young practitioners

Steve White, White SW Computer Law

When a trade mark, domain name or other intellectual property dispute arrives at your firm it's time for young practitioners (or young at heart practitioners) to apply some computer skills to get proper instructions and resolve the dispute. Before applying these skills you need some legal background.

Domain Names

A domain name is used as a means by which to identify and locate material on the Internet. When the framework of the Internet was being established, a convention was adopted that a domain name would be made up by characters which allowed the "address" to be easily remembered, rather than using numbers with no particular meaning as for telephone numbers. eg www.computerlaw.com.au – 139.130.50.38

With the use of domain names and the explosion of use of the internet, suddenly something that was simply meant to be a nickname became a new method of "brand" and had a commercial value.

Unlike non-internet based advertising, material available on the Internet is available to be viewed by anyone who has an internet connection. Small local businesses in one country now have the ability to infiltrate the client base of a major corporation in another country. Intellectual property owners (particularly American based start up operations) are becoming increasingly vigilant of their rights as the online market continues to grow.

Because domain names are usually chosen to be easily remembered, there is a strong likelihood that a domain name in use in multiple jurisdictions will be similar or identical to trade marks in one or more of those jurisdictions.

So who should have the right to use the domain name? The first to register? The first to trade? The party with the highest turnover? The party with a registered trade mark? Each of these parties has some claim to be able to use the domain name in dispute and each of them may be in a different jurisdiction. Which Court is to decide which party has the strongest claim?

Getting the relevant information to advise your client and commence proceedings

If your client wants to take action against a domain name holder, in order to begin to assess the validity of your client's claim you will need the following information.

- What is the domain name?
- Who is the registered owner?
- When was the domain name registered?
- Who uses the domain name?
- When did the use of the domain name commence?
- In which jurisdictions does your client's marketplace exist?
- Does your client have a registered trade mark? If so, what was the date and country of registration?
- In association with which goods or services does your client use their trade mark?
- In association with which goods and services is the domain name being used?
- What advertising has been undertaken by the parties?
- Have there been any incidents in which an existing or potential customer of your client has been misled or deceived by the use of the domain name, in that they believed that the web site

belonged to or had some sponsorship by or affiliation with your client?

- In which jurisdictions does the owner/user of the domain name's marketplace exist?
- Does the owner/user of the domain name have a registered trade mark? If so, what was the date and country of registration?
- Does the relevant domain name register have a dispute policy? If so, how must a dispute be commenced?

It is important to note that any claim that your client makes against another party will inevitably put your client's rights under examination. How strong are they?

Claims

Regarding Australian infringements, before advising your client you need to consider, amongst other provisions, ss.120(1), (2) and (3) of the *Trade Marks Act 1995* which provide:

- (1) *A person infringes a registered trade mark if the person uses as a trade mark a sign that is substantially identical with, or deceptively similar to, the trade mark in relation to goods or services in respect of which the trade mark is registered.*
- (2) *A person infringes a registered trade mark if the person uses as a trade mark a sign that is substantially identical with, or deceptively similar to, the trade mark in relation to:*
 - a. *goods of the same description as that of goods ("registered goods") in respect of which the trade mark is registered; or*
 - b. *services that are closely related to registered goods; or*
 - c. *services of the same description as that of services*

("registered services") in respect of which the trade mark is registered; or

d. goods that are closely related to registered services.

However, the person is not taken to have infringed the trade mark if the person establishes that using the sign as the person did is not likely to deceive or cause confusion.

- (3) A person infringes a registered trade mark if:
- a. the trade mark is well known in Australia; and
 - b. the person uses as a trade mark a sign that is substantially identical with, or deceptively similar to, the trade mark in relation to:
 - i. goods ("unrelated goods") that are not of the same description as that of the goods in respect of which the trade mark is registered ("registered goods") or are not closely related to services in respect of which the trade mark is registered ("registered services"); or
 - ii. services ("unrelated services") that are not of the same description as that of the registered services or are not closely related to registered goods; and
 - c. because the trade mark is well known, the sign would be likely to be taken as indicating a connection between the unrelated goods or services and the registered owner of the trade mark; and
 - d. for that reason, the interests of the registered owner are likely to be adversely affected.

Section 120(3) will be the most common claim for well known brand names as asserted by American based start up operations.

Claims for misleading and deceptive conduct (Section 52 and Section 53 claims) under the *Trade Practices Act 1974* and associated state fair trading legislation are typically made in association with claims for alleged trade mark infringement.

Passing off may also form the basis of a claim but is less common due to the need to establish reputation.

Defending a claim

If your client is on the receiving end of a claim for trade mark infringement arising out of the use of a domain name, what are their possible defences? Consider, amongst other things:

- Is the trademark in Australia?
- Is the trademark valid?
- Is the mark substantially identical or deceptively similar?
- Is there any real and tangible risk of confusion?
- To which classes of registration does the trade mark apply?
- What is a related class? There are 42 possible international registration classes in which one can register a good or service.
- Are there any other special defences under the Trade Marks Act?

Likewise consideration should be given to possible defences in relation to the Trade Practices Act. Consider, amongst other things:

- Is the conduct misleading and deceptive?
- Whose fault is the misleading and deceptive conduct?
- What are the circumstances of the whole conduct?
- Is there any loss?
- Were clear and prominent disclaimers used?
- Are there other penalties that should be considered, eg civil penalties?

Read the relevant policies

As of 1 January 2000 the Internet Corporation for Assigned Names and Numbers ("ICANN") has now adopted the Uniform Domain Name Dispute Resolution Policy, which sets forth the terms and conditions in connection with a dispute between a domain name holder and any party other than ICANN. It is hoped that this policy will

assist domain name holders who have registered domain names in good faith.

The full terms and conditions may be read at www.icann.org. By registering, maintaining a registration or renewing a registration, a domain name holder is held to warrant that, amongst other things, to their knowledge, the registration of the domain name will not infringe upon or otherwise violate the rights of any third party; that they are not registering the domain name for an unlawful purpose; and that they will not knowingly use the domain name in violation of any applicable laws or regulations. It is the domain name owner's responsibility to determine whether their domain name registration infringes or violates someone else's rights.

In some cases, where a domain name holder was forced to relinquish their domain name in the past, for example due to an alleged trade mark infringement, they will be able to make an application that the domain name be restored to them. A number of cases are now being decided.

Further, new laws, particularly in the US (such as the *AntiCybersquatting Consumer Protection Act*), are making it increasingly difficult to register commercially desirable domain names on a purely speculative basis.

Conclusion

Intellectual property disputes provide unlimited opportunities for young practitioners to exercise their computer research and legal skills. Do not forget that law as you practise it now with respect to many commonplace transactions such as conveyancing and leasing will be fundamentally different and primarily non-legal in the future. Intellectual property is one area of law that is continuing to expand – if you get the opportunity to become involved, take it!