

TAX TALKS

Australia's Tax News Podcast - The Podcast for Australian Tax Professionals

The following information is only of a general nature and should not be taken as professional advice.

79 | Trademarks

Applying for a trademark is often something that we don't think of straight away. Many of us and probably many of our clients assume that registering a business name is all it takes. And it might. But then again it might not.

Trademarks

To better understand why we and our clients should or shouldn't consider registering a trademark, we went to see IP Australia in Canberra. Here is what we learned.

To listen while you drive, walk or work, just access the episode through a podcast app on your mobile phone.

IP Australia

IP Australia administers intellectual property (IP) rights and legislation relating to patents, trade marks, designs and plant breeder's rights. It also advises government in IP matters. And helps Australian businesses to make the most of their IP.

IP Australia is an Australian Government agency. It falls within the [Department of Industry, Innovation and Science](#) but operates independently of this department on financial matters and with some degree of autonomy on other matters.

Intellectual Property

Intellectual property (IP) is the property of your mind or proprietary knowledge. It is a productive new idea you create. This can be an invention, trade mark, design, brand or even the application of your idea.

You own intellectual property (IP) if you created it (and it meets the requirements for a patent, trade mark, design or plant breeder's right) or you bought IP rights from the creator or a previous owner. You usually won't own the IP for something you created as an employee. IP can have more than one owner. It can belong to individuals or a separate legal entity. You can sell, transfer or licence it.

Why a trademark?

A business brand is often a business' key asset. But if you don't have legal protection for your brand, others may freely use it without limitation.

A trade mark might be the most important IP right to consider as a tax practitioner or a small business to distinguish goods or services from those of competitors.

What trademark

You can register any sign and that sign can include words, phrases, movement, sound, images, even smells or a combination of these elements. Unless it is something that can't be registered or something that somebody else already has a registered trademark for.

What Not to Register

It is impossible to state in general terms what will never be registered. But here are some indications:

It is difficult to register words or images which are ordinarily used in that specific context. So you can't trademark Apple to talk about apples. But you can trademark Apple to talk about computers. It is near impossible to trademark a descriptive or generic term that is ordinarily used in that context.

Anything considered scandalous is also difficult to trademark.

And then surnames, geographical names, flags, emblems, official signs and others. The list is quite long. But it makes sense. Imagine if somebody trademarked the word Australia to refer to our beloved continent.

Non-Use

You must actively use your trade mark in the course of trade. If you don't, others can apply for its removal on the grounds of non-use. This is to discourage traders from registering multiple trade marks simply to stop others from using them. So the best protection of your registered trademark is to use it.

Anyone may [apply for removal due to non-use](#). If this happens, IP Australia will send you a notice and you can [defend your trade mark's removal](#).

Class and Item

When you apply, you need to choose at least one class and at least one item in this class. Choose wisely. This is where most mistakes happen. Applicants choose the wrong class or item or choose far too many. IP Australia has a dozen really good videos on YouTube called "Choose Wisely" that explain the selection of classes and items in detail.

You don't need to cover everything you do to run your business. You only need to cover what you earn your money with. So a tax accountant for example would choose something like accounting services, but not marketing or advertising. They don't earn their money with marketing or advertising, even though they do it on a regular basis.

Costs

The cost of a trademark depends on how many classes you apply for as well as the application method you choose. And whether you engage a trademark attorney.

You pay for every class you apply for. But you can choose as many items within a class as you need within that class without further cost. So whether you apply for 1 or 10 items within one class, doesn't change your fee. But whether you apply for one or two classes, does.

When you apply, you need to specify whether you want to apply through the [TM Headstart service](#) or the [Standard filing service](#). The TM Headstart application is more expensive upfront but might turn out to be less expensive if it helps you to avoid expensive mistakes.

Most trademark applications are lodged directly through the applicant without the use of a trademark attorney or professional. But if you do engage a professional, then this will obviously change your costs.

TM Headstart

The TM Headstart program costs extra but gives you a lot more flexibility and assistance. It will help you to identify any problems your application may contain before you publicly file.

If you apply through the TM Headstart a trademark examiner of IP Australia will contact you within five working days to discuss your application and help you.

Using TM Headstart is a good way to apply for a trade mark if you are unsure of the process. It is confidential and no one will see your trade mark until you are ready to file, because your application is not published during the initial TM Headstart assessment. It will only be published if you decide to continue and pay the Part 2 fee, converting your TM Headstart application to a standard application.

Education

IP Australia has a lot of education material on their website and on YouTube. Look for the “Choose Wise” videos. They are really good and very helpful.

How to Actually Apply for a Trademark

So all this was a general overview. But what does the process actually look like? How do you get a trademark? What do you need to do?

Login

The very first step is to go to the IP Australia website and sign up. This will now give you access to Trademark Assist and a wealth of information. It also means that you now can apply online.

Trademark Assist can help you from here on. It basically takes you by the hand and walks you through the following step by step.

Search

At the very start you begin with a search. You need to know what else is out there. Maybe somebody else already trademarked or applied for a trademark for the exact term you want to use for the same class and item.

Search as widely as possible. Searching is not as simple as it sounds. It requires skill and persistence as merely searching for an identical mark is not sufficient.

IP Australia just built a brand new search platform that makes it a lot easier to search for trademarks.

Decide

You then need to decide what you want to trademark.

Mistakes can be costly, since a rejected application is usually not refundable. A common mistake is confusing the different types of intellectual property protection. Some, for example, confuse trade marks with design rights. Some believe that a trade mark can only be a logo, but that's not right. A trade mark is a sign that can include words, phrases, movement, sound, images, even smells or a combination of these elements.

Class

The next step is to specify the Class you want to apply for. Goods and Services are divided into 45 classes – 34 classes of goods and 11 classes of services. As a tax accountant or BAS agent you will probably apply for Class 35. As a financial adviser for Class 36.

Within each class there is a list of items. You need to choose at least one item you want to use your trademark for. You can choose as many classes and items within each class as you need.

Apply

Now you are ready to apply. There are two ways you can do that online. Either as a Standard or a TM Headstart application.

When you file a standard trade mark it is made publicly available very shortly after you file your application. Once it is published only very minor changes can be made.

With the TM Headstart process, your request is not published until you pay the Part 2 fee. This means you have a wider range of options to overcome potential barriers to registration. You can amend your trade mark and/or add new classes to your request.

Review

Once you submit your application, IP Australia will review your application. If there are no issues, they will then accept it for publication.

Publish

IP Australia publishes your trademark application in various public magazines and online. Other parties have two months to raise any objections and oppose registration.

Registration

If there is no objection, IP Australia will register your trademark and notify you in writing. You receive a nice-looking certificate that lists your trademark. And the Australian Official Journal of Trade Marks (AOJTM) will declare your trademark to the world. You will also be able to find it in the Australian Trade Mark Search.

Your trade mark registration lasts for ten years from its filing date. You can renew your trade mark registration 12 months before your renewal is due, or up to six months after.

Summary

So now you hopefully can see whether you need a trademark and how to go about it when you do.

The most important message in all this is probably that you usually can apply for a trademark yourself. IP Australia tries really hard to empower you to do it yourself. This makes a trademark a lot more affordable. If we all had to engage a trademark attorney to register a trademark, then very few of us could probably afford one. But this way there is an even playing field.

MORE

[The Great Debate](#)

[Family Law](#)

[Commercial Debt Forgiveness](#)

Disclaimer: Tax Talks does not provide financial or tax advice. This applies to these show notes as well as the actual podcast interview. All information on Tax Talks is provided for entertainment purposes only and might no longer be up to date or correct. You should seek professional accredited tax and financial advice when considering whether the information is suitable to your or your client's circumstances.

The information above is for general information only and should not be taken as constituting professional advice from Tax Talks. We are not a financial, legal or tax adviser. You should consider seeking independent legal, financial, taxation or other advice to check how the above information relates to your unique circumstances.