

# Abandonment of Trade Marks

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# Abandonment

- ▶ non-use + intention to abandon
- ▶ **King Par, LLC v Brosnan Golf P/L [2014] FCA 795** per Greenwood J at [188]
- ▶ *Riv-Oland Marble Co (Vic) Pty Ltd v Settef SpA* (1988) 19 FCR 569 at 571-572 per Bowen CJ
  
- ▶ abandonment is question of fact - inference from primary facts
- ▶ objective - mere subjective intention not to abandon is not enough
- ▶ not to be inferred *merely* from non-use
  
- ▶ proposed Trade Marks Bill 1994 section 11 - three consecutive years non-use
- ▶ rejected

# King Par LLC v Brosnan Golf Pty Ltd

- ▶ ORLIMAR - golf, golf clubs, golf equipment
- ▶ Interlocutory - application to strike out defence no reasonable prospects
  
- ▶ decision not to renew and remove from register  
(tho failure to renew may not be decision not to renew)
- ▶ Lengthy period of non-use
- ▶ No assignment of mark in asset sales agreements
- ▶ Goodwill attached to business is lost or dissipated
  
- ▶ BGPL ought not be denied forensic opportunity to test the fact in issue on the pleadings and test character of applicant's engagement between 2008 and 2012

# Settef SpA v Riv-Oland Marble Co (Vic)

- ▶ RIV- OLAND - plastic wall panels, building materials, fittings and accessories
- ▶ proprietary title is lost at common law by intentional abandonment but not by mere non-use
- ▶ Observe Settef's activities in relation to Australia after it had become proprietor of the trade mark in Australia to infer from this whether Settef formed an intention to abandon its proprietary interest
  
- ▶ Settef use Australian distributor / agent for a period
- ▶ Settef never complained about RMC's name
- ▶ Settef didn't use from 1973 to date of registration 1978
  
- ▶ at no time when it was not using the mark did it have it in mind that would not resume use
- ▶ nothing to suggest any decision to abandon or cease using the trade mark
- ▶ *as distinct from* pausing in making use of it
- ▶ If Settef had been aware of RMC's activities and use of from end of its agency in 1970 to the date of registration, that could have a bearing on whether it abandoned its trade mark

# US - rebuttable presumption

- ▶ rebuttable presumption of abandonment if non-use for three consecutive years
- ▶ evidence of intention
  - ▶ sought regulatory approval for the goods and use cannot begin until the same is granted;
  - ▶ approached distributors for the goods;
  - ▶ purchased advertising for the goods that features the trademark;
  - ▶ produced internal “story boards” or presentations referring to goods bearing the trademark; or
  - ▶ retained an outside licensing agency
- ▶ evidence of *intention* - none of these would qualify as “use as a trade mark”
- ▶ <http://www.inta.org/TrademarkBasics/FactSheets/Pages/LossofTrademarkRightsFactSheet.aspx>

# consequences of being abandoned

- ▶ loss of “proprietorship”
- ▶ cannot rely on being “owner” of mark
- ▶ cannot register mark
- ▶ another may be able to register even if not “owner”
- ▶ “owner” may not be able to rely on section 58 to remove another’s mark
- ▶ “Leaving aside the question of whether circumstances which show that BGPL is not the owner of the trade mark (for the purposes of s [58](#) of the [Act](#)) can be overcome (so as to sustain the registration of the trade mark), by identifying contended loss of proprietorship in another (thus giving rise to a principle of ownership by secondary adoption)” King Par [78]

# *what* is being abandoned

- ▶ What is “owned”
- ▶ Trade mark is a statutory right
  
- ▶ Unregistered Copyright
- ▶ Common law copyright unpublished works abolished by section 31 Copyright Act 1911 (Imp)
- ▶ Copyright purely creature of statute - *Leslie George Lobsey v Liverpool Plains Shire Council* [2014] NSWSC 446 per Kunc J at [18]
  
- ▶ Unregistered Trade Mark
- ▶ Creature of equity which established form of property in a mark gained by use and reputation - *Colbeam Palmer Ltd v Stock Affiliates Pty Ltd (1968) 122 CLR 25* per Windeyer J at 33
- ▶ protected by passing off / section 18 ACL - *Lobsey* per Kunc at [19]-[20]
- ▶ need to show reputation

# abandonment - parallels

- ▶ land
  - ▶ adverse possession land -section 27(2) Limitation Act
    - ▶ Possession which is open, not secret; peaceful, not by force;
    - ▶ not by consent of true owner - *Mulcahy v Curramore Pty Ltd* [\[1974\] 2 NSWLR 464](#) at 475).
  - ▶ Contract
  - ▶ conduct of the parties objectively determined allows court to infer contract has been discharged - *Walleria Pty Ltd v CGM Investments Pty Ltd*
    - ▶ Both parties sent (ineffective) notices of rescission and termination to each other - *DTR Nominees v Mona Homes*; *Summer v Commonwealth*
    - ▶ Executory contract, neither party performed or called on other to perform - *Fitzgerald v Masters*
    - ▶ Related parties enter into inconsistent agreements - *JRC v Cummings*
    - ▶ NOT if contract for proprietary right such as real estate - *Fitzgerald v Masters*
- Not include IP licence because licence contractual not proprietary - *Walleria v CGM*



# references

- ▶ *Shanahan*, 5<sup>th</sup> Ed [10.1510]
  - ▶ Lahore [48,085]
  - ▶ King Par, LLC v Brosnan Golf Pty Ltd [2014] FCA 795
  - ▶ Settef SpA v Riv-Oland Marble [\(1987\) 10 IPR 402](#)
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- ▶ Mouson & Co v Boehm (1884) 26 Ch D 398
  - ▶ Blogg v Anderson (1900) 21 NSW Eq 238
  - ▶ Norman Kark Publications Ltd v Odhams Press Ltd [1962] 1 WLR 380