## Edgy brands and controversial trade marks: pushing the boundaries

by Amanda Smith, NZILE member and trade mark specialist, CreateIP

## The world of intellectual property (IP) is a strange, yet wonderful one.

Without IP protection many businesses would not exist. Inventors would not make money from their inventions. Authors and publishers would not profit from their writing – JK Rowling would not be rolling in dough. In branding, trade mark rights rule. Without your business and product names, who will know to pick you from the rest?

Some may be surprised to learn that a trade mark cannot be registered for everything. It is a common misconception that if you own a trade mark, no one else can use it for anything, ever. This is not so. There are 45 classes in which a trade mark can be registered: 35 for goods, 10 for services. Don't try and register a mark in every class - you won't succeed. A trade mark for, let's say, car parts in Class 12 would be unlikely to be used by the same owner as a brand name for also selling live chickens in Class 31.

You may have heard of the NEK MINIT t-shirt saga, which was featured on the television programme Fair Go earlier this year. Auckland-based skater-turned-You-Tubesensation Levi Hawken coined the catchphrase and was outraged to hear that Australian clothing giant Supre was cashing in on his slogan. They had produced and sold tshirts that bore "Nek Minute" without his knowledge and consent. (Local t-shirt designer Mr Vintage also grasped the 15minute trend and produced their own "Nek Minit" t-shirts, but offered Levi a share of the profits.) During the Fair Go interview, Levi was devastated to learn that a south Auckland brewing company had already applied to register "Nek Minnit". The interviewer said that the brewers were willing to drop the application if Levi were to make his own application probably because of the bad press they have now received. But what Fair Go failed to explain to Levi - or the viewers - was that both marks could live in harmony: the brewer's application was in the 'soft drinks' category (Class 32) only, leaving many other categories (including t-shirts, which would be in Class 25) open to Hawken.

Another common myth is that exclusive rights to a mark are protected by registration only. This is not entirely true, although it is much easier to enforce your rights if a mark is registered. Common law rights (established through case law or precedent) begin to incur from the date a mark is first used - the longer a mark is used in trade (even if unregistered) the greater the incurred rights.

Many companies are pushing the limits of good taste today in an attempt to attract attention and be more memorable. But when does a trade mark cross moral and social boundaries? Section 17(1)(c) of the Trade Marks Act 2002, the section that governs absolute grounds for not registering controversial marks, states:

- s17(1) The Commissioner must not register as a trade mark or part of a trade mark any matter...
- ... the use or registration of which (c) would, in the opinion of the Commissioner, be likely to offend a significant section of the community, including Maori.

Trade marks that fall into this category are the ones that gain media attention - containing shock, horror and sometimes hilarity, often with mixed reviews.

Take NUCKING FUTS for example. Okay, so it was an Australian trade mark application, but if this was applied for in New Zealand it would receive the same refusal on examination as it received in Australia. You can probably guess why. The reason it eventually got through to registration in Australia was because the mark owner agreed to the conditions that the product (snack nuts) would only be sold in bars, so would only be accessible to those over the age of 18.

Other examples of the 'touchy' variety are marks that point toward religious terms, e.g. JESUS (for jeans). In the past we have seen



HALLELUJAH for clothing refused (in the UK), but, moving with the times, restaurant names incorporating Buddha's name may soon take their place on the register through the filing of evidence demonstrating extensive use and reputation.

Anything in the overtly immoral, profane, vulgar, explicit, ethnic and gender-biased categories is also likely to get a bad reception. As you can appreciate, trade mark applications are now being filed for words, expressions and phrases that would not have even crossed the lips of a business owner 30 or so years ago. At the end of the day common sense prevails, so if a proposed trade mark sounds like it could be particularly controversial, just make sure you proceed with caution.

But it's not just the English words that gain controversy. The Trade Marks Act 2002 created the Maori Advisory Committee to address the concerns of Maori for marks that contain words and symbols that may be deemed offensive or used in an offensive way. Any mark that could be seen to contain a Maori word or symbol has to go past the committee for approval. Examples of Maori symbols that have been used in an offensive way on trade marks in the past include a tiki on a beer bottle label and a depicted carving on a packet of cigarettes.

On application for a mark that contains a word in a foreign language, the English translation and language transliteration must be provided also.

With all that said, it is a good option for anyone coming up with an edgy brand name to think it through properly and get the right advice before going ahead and spending up large on advertising and labeling their products. On the other (less moral, but business-like) hand any press is good press. Would you have otherwise heard of the small, home-based brewing company in south Auckland?







