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# Intellectual Property

## New ventures - a guide to brand clearance and protection



This paper sets out the legal steps you should look at taking when developing a new brand and provides some guidance to help with your budgeting.

The steps outlined in this paper are focused on helping you answer the following questions:

- Will this brand stand out in the marketplace (which is a question with both commercial and legal ramifications)?
- Can I use this brand without infringing any existing rights?
- Can I secure ownership of this brand and how do I go about that most cost effectively?

### Step 1 – your own marketplace searches

The first step is to conduct your own marketplace searches to check that no one is already using your preferred brand,

or something confusingly similar, for a competing product or related product or service.

If you find someone using this brand or something similar in your key markets already then unless you are committed to your brand this is the best point at which to choose another option. Don't stick with the brand for emotional reasons if you find someone has rights in it already - move on.

For these marketplace searches you will want to search industry-specific online directories, general online business directories and conduct a Google search.

### Step 2 – register searches

If your marketplace search comes back clear you should then search the trade mark registers in your key markets, or get a lawyer to do this for you. If you find some brands in your marketplace you're unsure about, discuss these with your lawyer first.

There are two reasons why you need to search the trade marks register:

- A trade mark registration gives its owner the best litigation tool with which to prevent use of the registered brand and a wider degree of protection (i.e. the confusingly similar test applied for registered marks is stronger than for unregistered marks).
- The owner of a registration has strong rights even without using their brand for three to five years. So your search won't necessarily have found these parties in your marketplace searches.

If you can, conduct some searches on the trade mark register in your key markets before you engage a lawyer. That way, if you find something that is a clear obstacle you can discuss this with your lawyer or choose another brand option before incurring external legal costs. The usual first port of call for international markets is Australia, the United States, United Kingdom and China.

You can't search the Chinese registry online, but the other registers you should check are:

[www.ipaustralia.gov.au](http://www.ipaustralia.gov.au)

[www.uspto.gov](http://www.uspto.gov)

[www.ipo.gov.uk](http://www.ipo.gov.uk)

[www.oami.europa.eu](http://www.oami.europa.eu)

[www.wipo.int/romarin](http://www.wipo.int/romarin)

### Step 3 – professional searches

Assuming nothing alarming came up in steps 1 or 2, the next step is to have a lawyer conduct clearance searches for you. Usually a New Zealand or Australian lawyer will check both the register and marketplace as part of their searches. For other countries searches are usually limited (for cost reasons) to the country's trade mark register. The lawyer is looking for any registrations or applications for similar marks covering the same or similar goods/services as of interest to you. They are applying legal tests in assessing what is a similar mark, what are similar goods/services and whether confusion (and therefore infringement) is likely.

There are a variety of strategies towards searching. Often we'd suggest having a full clearance search conducted in New Zealand and Australia as these are usually the key first markets of interest. For countries beyond that higher level checks can be made by local lawyers in key markets.

Expect to spend about NZ\$1,000 on a clearance search for New Zealand, the same again for Australia, and closer to NZ\$2,000 - NZ\$2,500 for the United States. If the strategy is to have a high level search made across a number of

markets at once only, then costs will depend on how many markets are involved and the mark. Allow about NZ\$5,000.

Bear in mind that a clearance search is a snap shot of the situation at a particular time. For that reason you should avoid delays between steps three and four below.

At this point you should assess what you've found and be in a position to assess the three brand fundamentals mentioned at the outset of this paper:

- Is your preferred brand one that will stand out in the marketplace?
- Does it appear to be a brand you can use without infringing someone else's rights?
- Is it a brand you can register?

### Step 4 – brand protection

You should look at registering your brand as a trade mark to secure your rights over the brand, ideally before you go to market.

Usually the best strategy is to apply to register your brand in New Zealand first.

There are two main reasons for this:

1. Once you file a trade mark application for your brand in New Zealand you secure a filing date you can use for your overseas filings.

For example if someone starts using or files a trade mark application for the same mark or a similar one in Australia after you've filed in New Zealand you can secure earlier rights than them in Australia



by claiming your New Zealand filing date as a 'priority date' in your Australian application.

To get that priority you need to file your trade mark application in the other market within six months of filing your New Zealand application.

2. You can use a 'home registration' as the basis for an international trade mark application designating multiple countries in one go. This international registration system is less expensive (often by half) than filing separate applications in each country of interest and is less expensive to manage over time. This system covers most key markets but not all.

It's difficult to give a useful steer on costs to protect a brand by registration in this paper, as the cost depends on multiple factors. But, assuming the process is fairly smooth, and across non-challenging markets, we'd recommend budgeting on the full cost through to registration being about NZ\$1,500 - NZ\$2,000 per country. This allows a bit of room for dealing with small obstacles but not large ones.

## Other considerations:

Buy the domain name and secure the relevant social media names. Domains are inexpensive, you can drop them later, but once they're gone they're gone.

If you have designed a logo or had one designed for you then you need to have a clear document confirming that you are the copyright owner. If in doubt discuss this with a lawyer who will draft a copyright assignment for you. If you can't show that you are the copyright owner it will be hard to sue anyone for copyright infringement later on.

## Next steps

The above gives you some general guidance, but no two businesses are the same. Contact us for an estimate or if you wish to discuss further.

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## Contact us

**Dan Winfield**

Partner, Wellington

T: +64 4 471 9411

M: +64 27 704 5179

**dan.winfield****@duncancotterill.com****Scott Moran**

Partner, Wellington

T: +64 4 471 9438

M: +64 21 905 511

**scott.moran****@duncancotterill.com**