

PROTECT YOUR HOTEL'S NAME

The hotel's name is all important - the goodwill of a hotel is identified with its name. All good hoteliers take pride in their hotel's name. Unfortunately all too often the need to protect the hotel's name is overlooked. It is a common misapprehension that mere registration of the name under the Business Names Act ("BNA") (which exists in every state) adequately protects goodwill.

Registration under the BNA is mandatory where business is carried on in a state under that name. Immediate dangers arise from the assumption that registration under BNA protects goodwill. The purpose, however, of this registration is to provide details of those behind the name - thus registration does not give any right to claim ownership of the name and so gives no protection to the goodwill of that name. Such protection is only achieved by registering the name as a trade mark. Failure to register the name as a trade mark means that the hotelier could not sue a third party who uses a deceptively similar trade mark for infringement. The hotelier would have to rely on the action for passing off. It is much more costly to sue for passing off, as evidence of confusion must be established. Then again a hotelier, may unknowingly copy someone else's trade mark. The proprietor of the registered mark could sue the hotelier for trade mark infringement including an injunction to restrain use and damages. Where the name has been used for some time the effect of such an action would be disastrous as far as the goodwill of the hotel is concerned.

It is therefore important not to start using a name without first searching the trade marks register and secondly at least explore the possibility of registering the name as a trade mark.

Registration Procedure

- n Lodge trade mark application. This will include a description of the goods/services for which protection is sought and a representation of the mark.
- n Deal with any objection that may be raised when the application is examined.
- n Objections formally are that the trade mark is descriptive and not distinctive e.g. Fizzy for lemonade or is deceptively similar to a mark already registered or applied for.
- n Objections can be overcome by evidence of use and submissions on differences.
- n Once objections are overcome the mark is accepted. It will be registered if there is no objection within the statutory period of 3 months after acceptance. The cost of registration, when compared to the cost of having deficient rights through non-registration, are minor. n

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