Guide to the protection of innovation and goodwill
clever thinking...
Intellectual property is often the most valuable but least understood asset of any successful business. Intellectual property may include innovations, products, processes, and know-how, as well as trade marks and the goodwill in businesses associated with them. This guide provides a general introduction to the various forms of intellectual property and the protection available in New Zealand.

To ensure opportunities are not missed and mistakes are not made, we encourage clients to confer with us regularly and seek our advice. For this reason, most general advice is provided free of charge – whether given in an interview or over the telephone.

Please consult the professional staff of James & Wells for advice specific to your situation.
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Profile

Overseas applicants account for approximately three-quarters of all new patent and trade mark applications filed in New Zealand. However, since its establishment in 1979, James & Wells has concentrated its efforts on ensuring that New Zealand businesses receive high quality service and advice tailored to their needs.
James & Wells is one of the largest intellectual property practices in New Zealand with offices in Auckland, Hamilton, Christchurch and Tauranga.

Our point of difference is the degree to which we integrate our services to complement the business strategies of our clients. Our aim is to actively assist our clients to achieve what they want – by becoming part of their business.

We are not just patent attorneys. We are intellectual property (IP) specialists – with expertise in strategies, litigation and licensing as well as traditional patent attorney services.

Our skill base encompasses all aspects of intellectual property law in New Zealand and overseas, including the protection and enforcement of innovation, designs, plant varieties, trade marks, copyright, confidential information, goodwill and reputation. We have a network of established associates overseas who provide representation in their countries and advice based on local conditions and law.

We can also provide specialist advice in matters relating to information technology, technology transfer and franchising.

Our professional staff are highly qualified in all areas of science and technology and are members of a broad range of professional organisations including the New Zealand Institute of Patent Attorneys and the New Zealand Law Society.
SUMMARY OF SERVICES PROVIDED

James & Wells offers expertise in protecting, exploiting and enforcing intellectual property rights.

Our services include:

**Searching**
Conducting New Zealand and international searches of patents, trade marks and designs and assessing the results with regard to both protection and conflict with the rights of others.

**Patents**
Preparation, filing and prosecution of patent applications in New Zealand and worldwide. We advise on the protection of new and improved ideas, products and processes, as well as on how to avoid patent infringement.

**Designs**
Preparation, filing and prosecution of design applications in New Zealand and worldwide. We provide advice on the protection of new designs as well as on how to avoid infringing registered designs of others.

**Trade Marks**
Preparation, filing and prosecution of applications for registration of trade marks in New Zealand and worldwide.

**Fair Trading Act/Passing Off**
Advice on the scope and implications of unregistered trade marks, the Fair Trading Act and the tort of passing off.

**Copyright**
Advice on copyright matters, including the application of copyright to industrial designs, how to prevent competitors copying products and steps to take to avoid infringing the copyright of others.

**Plant Variety Rights**
Preparing, filing and prosecuting applications for plant variety rights and plant breeders rights in New Zealand and worldwide.

**Information Technology**
Advising on IT law, contract preparation and assessment, registration of domain names in New Zealand and worldwide.

**Licences, Assignments and Franchises**
Preparation of licences, assignments and joint venture agreements to facilitate the exploitation of your intellectual property rights or to secure use/ownership of the rights of others. We also advise on the franchising of businesses and the preparation and assessment of franchise agreements.

**Litigation/Conflict Resolution**
Enforcing intellectual property rights or defending against actions by competitors. Assistance with border protection, customs seizures and anti-counterfeiting measures.

**IP Strategies**
Analysis of the intellectual property landscape of markets or companies, devising and implementing IP strategies. We can advise you how to maximise and exploit your investment in intellectual property.
Intellectual property is a term which refers to the ownership of an intangible thing – the innovative idea behind new technology, products, processes, designs or plant varieties, a brand, trade secret, or the goodwill associated with a business, product or service. Although intangible, the law recognises that these are forms of property which can be sold, licensed, damaged or trespassed upon.
INTELLECTUAL PROPERTY DEFINED

Intellectual property is a term which refers to the ownership of an intangible thing – the innovative idea behind new technology, products, processes, designs or plant varieties, and other intangible things such as trade secrets, goodwill and trade marks. Although intangible, the law recognises intellectual property as a form of property which can be sold, licensed, damaged or trespassed upon.

It is important that both the scope and ownership of intellectual property are clearly defined to enable the legal rights of the owner to be enforced. At the same time people need to know just how far they can go before they overstep the boundaries and infringe the intellectual property rights of others.

This is made possible with patents, design registrations, trade mark registrations, plant variety rights and copyright protection – all of which have a definable scope and duration.

THE DANGERS OF DISCLOSURE

When a new product or process is developed it is essential to consider intellectual property protection before details are published.

With few exceptions, valid patent or design protection cannot be obtained if there has been publication of an innovation before an application for protection has been filed at the Intellectual Property Office.

“Publication” refers to any non-confidential disclosure as well as confidential offers for sale and commercial use.

Confidentiality agreements can be used when it is necessary to disclose details of an innovation to another party prior to filing an application. Legal remedies are then available in the event of an unauthorised disclosure of confidential information.

We prepare and review confidentiality agreements.

It is not necessary to register a trade mark before it is used. Applications to register trade marks are often filed after the marks have been used. However, it is inadvisable to use a trade mark without first determining whether that use might infringe someone else’s existing trade mark rights.

It is important for you to consult us regarding your rights and those of others before you go public with a new product, process, or trade mark.
THE VALUE OF PROTECTING INTELLECTUAL PROPERTY

Many businesses owe their success to the fact they recognised and protected a particular innovation early. More commonly, businesses that develop new or improved products initially fail to appreciate the value of applying early for a patent, trade mark or registered design. Protection of intellectual property rights can deter potential competitors from copying a product or process. This can be of immeasurable value to a business as it enables profit margins to be maintained and sales to be maximised.

A business that protects its intellectual property can profit by selling it or licensing others to use it. A business which does not have the means to engage in research and development may profit from a licence permitting it to exploit the intellectual property of another. Many successful companies today are seen to be innovative simply by buying in new technology under licence.

If there is no monopoly over a particular innovation (which can be conferred by patent, design registration, plant variety right or registered trade mark), the innovation is more likely to be copied by others, and will be of considerably less value to a prospective licensee. An unprotected innovation is more difficult to licence or assign and the securing of appropriate rewards harder to achieve.

The transfer and licensing of intellectual property is discussed later in this guide.

ASSIGNMENTS

The transfer of ownership in intellectual property is usually effected by a formal assignment. The whole, or part, of an intellectual property right can be assigned. Where the intellectual property right is registered, the new owner should record the change of ownership on the appropriate Patent, Design, or Trade Mark Register.

Assignments of part of an intellectual property right often occur when partners or investors are brought in to assist in the development or commercialisation of a new business venture.

An assignment of all rights in intellectual property usually occurs when a business is sold, or when a company is formed to commercialise an independent inventor’s intellectual property.

When buying a business, a purchaser should always enquire whether any patents, designs, trade marks or other intellectual property rights form part of the business being sold. A formal deed of assignment must be executed by the vendor to give effect to the assignment of any patents, designs, trade marks or copyright associated with the business. Copyright may exist in products and promotional materials which form part of a business. An assignment of copyright must be in writing. It can not be implied.
The ability to prove ownership of intellectual property rights is crucial if a purchaser has to subsequently prevent unfair competition against the newly acquired business.

In addition to providing advice on the need for, and requirements of, an assignment, we can also advise on the scope of the intellectual property being purchased.

**LICENCES**

Licensing enables the owner of intellectual property to commercialise it without having to risk capital setting up a manufacturing and/or marketing operation. Thus licensing is a preferred method among individuals and research organisations for deriving profit from their intellectual property. An individual or organisation who licenses intellectual property retains ownership of it and can reserve the right to exercise a certain amount of control over the manufacture and marketing of the products or processes embodying the intellectual property.

Trade marks are often licensed to enable a business to expand its operations by allowing others to deal in particular products or services by reference to the trade mark. This licence will often be in the form of a franchise agreement.
A licence agreement is generally a substantial document which sets out the full nature of the relationship between the parties and covers such topics as:

1. whether the licensee is to have exclusive or non-exclusive rights to the use of intellectual property for manufacturing, marketing or using a particular product or process;
2. the term of the licence and the grounds for its termination;
3. payment of royalties and other returns;
4. quality control;
5. marketing and general performance;
6. future directions;
7. ownership of improvements.

When properly devised, a licence agreement creates a mutually beneficial relationship for both licensor & licensee.

We employ a specialist team to draft, negotiate and critique licences and other commercial documents.

FRANCHISE AGREEMENTS

A franchise agreement is a form of licence by which a successful business owner can allow others to set up a similar business using the franchisor’s intellectual property in return for a royalty. For a business to be successfully franchised it is often necessary for the various aspects of the franchisor’s intellectual property to be protected. This satisfies the franchisee that it is paying for something which cannot be copied by others. Most prominent franchised businesses are readily identified with distinctive trade marks and trading styles.

We employ a specialist team to draft and assess franchise agreements.
IMPORTING/EXPORTING GOODS

Imported stock may be unsaleable in New Zealand if it infringes intellectual property rights here. The Customs Department has the authority to search incoming goods and seize those infringing the intellectual property rights of others. The cost to the importer of this type of seizure is high.

Exporters should also be concerned to determine whether or not a product which they wish to export may be marketed and used in a particular country without infringing intellectual property rights in that country.

James & Wells is able to undertake this type of investigation and devise intellectual property strategies for exporters using the information gathered.

INTERNATIONAL PROTECTION

Intellectual property rights may be protected overseas. With two notable exceptions, there is no such thing as a “world” patent, trade mark or design registration. Registered protection for intellectual property must be obtained in each country separately, so it is important that those seeking protection have an idea of the countries in which their innovation might be of commercial value.

An exception to this general rule is Europe, where a single trade mark application may have effect in over twenty European countries. It is also possible to file an application under the Patent Co-operation Treaty which facilitates the filing of patent applications in over 115 countries (discussed later).

Only “Novel” Innovations can be Protected

In New Zealand, inventions are patentable and designs are registrable only if they are “novel”.

With few exceptions, New Zealand law defines inventions or designs as being novel if they are not known, published or used in New Zealand before an application has been filed. This is known as a “local novelty” requirement.

Most other countries have a different definition of “novelty”. In these countries, once an invention or design is published or known anywhere in the world it is no longer regarded as being novel or entitled to protection. This is called “absolute novelty”.

James & Wells
In a country which requires a patentable invention to have “absolute novelty” a valid patent can only be obtained if
1. a patent application is filed in that country before the invention has been disclosed anywhere in the world;
or
2. any disclosure of the invention took place after a New Zealand patent application was filed and a convention or Treaty application is filed in that country within the convention period (discussed later).

Convention Applications
A convention application is an application for intellectual property protection filed in another country within a defined period (known as the convention period), which claims as its priority date the filing date of a corresponding earlier application filed in New Zealand.

A treaty known as the Paris Convention provides that a patent, trade mark or design application filed overseas within the convention period may be backdated to the date of the initial New Zealand application.

The convention period for patents is twelve months from the filing date of the New Zealand application. The convention period for designs and trade marks is six months.
The advantages of the Paris Convention are readily apparent:

1. it provides a grace period in which to file applications overseas;

2. for patents, the twelve month convention period allows an invention to be disclosed and its commercial viability assessed before incurring the expense of filing corresponding applications overseas;

3. it may deter competitors from stealing a New Zealand invention within the convention period and obtaining their own proprietary rights in the invention overseas.

For more information about Convention patent applications see the Patents section of this guide.

We are in constant communication with associates throughout the world and can effectively deal with any matter involving intellectual property rights overseas.
FINANCIAL ASSISTANCE

From time to time Government grants are available to assist with the creation of new technologies and businesses. The Government currently provides financial support through Industry New Zealand and Technology New Zealand.

Industry NZ runs the Enterprise Awards Scheme where at least 250 awards are granted per annum to assist with the creation of new technologies and businesses. TechNZ also offers direct financial support. Both schemes can provide up to half of the costs towards intellectual property protection, including searching, application and attorney fees. The funding also encompasses market research, business and e-commerce strategies, as well as salaries of suitable qualified professionals to solve the problems inherent in developing a technology.

The Government also supports private sector research and development, with grants covering up to a third of the costs of R&D activities.

Please contact us if you are interested in obtaining further details of schemes available for financial assistance.

PATENT ATTORNEYS

Patent attorneys specialise in the protection of intellectual property and usually have a background in science or engineering. They are the only professionals legally entitled to draft patent specifications on behalf of others. To be registered an attorney must have had at least three years experience working for a registered patent attorney and have passed a series of examinations prescribed by statute, on the law and practice relating to intellectual property.

Most patent attorneys (including all those at James & Wells) are members of the New Zealand Institute of Patent Attorneys, which is a self-regulating body.
A patent provides protection for the ideas embodied in novel technologies, products and processes. Patents cover a principle or idea and not just a single physical form of an invention. Therefore the monopoly granted can be wide in scope and cover many variations of a basic product or process.
WHY APPLY FOR A PATENT

The owner of a patent is granted a 20 year monopoly to manufacture, sell, licence, import and use the patented product or process.
The penalties for patent infringement are substantial. In addition to the usual remedy of an injunction against future infringement they can include damages, payment to the patentee of any profits earned by the infringer, litigation costs, destruction or surrender of infringing articles and the surrender of machinery used for making any infringing articles.
If time and money have been expended researching and developing an invention, then it is wise to secure protection to prevent competitors from unfairly taking advantage of those efforts. In the majority of cases, litigation is not necessary to prevent infringement of a patent. The mere existence of a patent (or even a patent application) is often sufficient to deter many competitors from copying.
If a patentee does not wish to manufacture its invention, it can sell or license its patent rights to others. However manufacturers tend to be reluctant to enter into a licensing agreement unless a patent application has been filed. This is because the existence of a patent ensures their investment in the invention will not subsequently be diminished by competition.
For some inventors, the cost of securing a patent can be a significant concern. Unfortunately, most patent costs are incurred before the invention has started to show a return. However, these costs are relatively minor when compared to the value of the monopoly given by a patent.
It is also expensive to challenge the validity of a patent. Therefore the value of a patent application as a deterrent, even if not completed, often justifies the costs incurred. If the existence of the patent application deters just one competitor from copying, the application has been worthwhile. Usually, the application costs will be insignificant when compared to the profits that could have been lost to competing products.
Misappropriation of an invention is less likely if an application is filed before approaching potential manufacturers or investors.
PATENTABILITY

A wide variety of subject matter is patentable including new products, processes, software and business plans, as well as improvements to existing technology.

For an invention to be patentable it must be novel and have an inventive feature.

A feature is often considered inventive if it provides advantages over similar technology.

An invention is only considered novel if it contains something not previously known to the public. Therefore it is important to avoid non-confidential disclosures of an invention before a patent application is filed. Typical non-confidential disclosures include offers for sale, advertising, public use and display of the invention. There are some exceptions and we can advise whether these apply to your circumstances.

INFORMATION REQUIRED FOR FILING A PATENT

Application

To file a patent application, we require:

1. the full name, address and nationality of the inventor(s);
2. the full name, address and nationality of the applicant(s), if the applicant for the patent is not the inventor (e.g. if the applicant is a company);
3. a description of the invention which should include (if possible) drawings/diagrams of the invention, photos of prototypes, or the product itself – these are always of great assistance when explaining the workings of an invention;
4. a description of the existing technology already in the public domain, the advantages of the invention, the problems it overcomes, its aims, and any improvements or further developments to the invention which are envisaged.

Most of this information can be gained by us through a single interview with you.
THE PROCEDURE FOR OBTAINING A PATENT

The usual procedure for securing patent protection is summarised below with reference to the flowchart later in this section. Typical time periods are shown but it should be appreciated that the procedure for obtaining a patent can be accelerated if it appears pending rights could be infringed.

An application may be abandoned at any stage. As the subject matter of abandoned provisional applications is never made public, a patent application may be post-dated or refiled at a later date if there has been no other disclosure of the invention.

Interview

A patent application must be accompanied by a full description of the invention. The best way to do this is through face to face communication with the inventor. An interview enables us to familiarise ourselves with the invention and your needs, as well as to assess the best methods of protection. We are pleased to answer questions you may have on any other relevant matter at the same time.

Patent Searches

A patent search is recommended for four main reasons:

1. to determine whether the use or manufacture of an invention will infringe the rights of other parties;
2. to determine the likely patentable features of an invention by comparing it with located material. This helps us to assess the possible scope of any monopoly and consequently whether it is commercially worthwhile to proceed with a patent application;
3. to gain access to technical information contained in published patents. Information in granted patents which have ceased may be freely used by the public; and
4. searching can also provide you with an industry profile of potential competitors.

We can conduct reasonably reliable international computer database searches. The cost of each search will depend on the number of patent specifications in a subject classification, the time it takes to consider relevant material, and the number of full patent specifications which have to be studied. It can take up to two weeks to conduct a patent search, consider the results and report them to you. However, in cases of urgency, a search can be conducted and reported within 2-3 days.
Our report will advise you on the patentability of an invention and indicate whether there is any possibility of infringing other parties’ rights.

**Filing a Patent Application**

Patent application documents are filed with either a provisional specification or a complete specification, both of which define the invention.

A provisional specification describes the invention in broad terms which cover foreseeable modifications.

A complete specification describes the invention with more detail and includes a set of claims which defines the scope of the monopoly sought.

In most cases it is advisable to file a provisional specification in the first instance, as it can be prepared and filed in less time than a complete specification and it reduces the initial financial outlay. A complete specification need not be filed until twelve months after filing the provisional specification. This period allows the invention to be developed within the bounds of the broad description of the provisional specification, and its commercial viability assessed – all without endangering the rights to the invention. On the other hand a complete specification filed in the first instance commits the applicant to a more specific description which may have inherent limitations.

When drafting a patent specification we first prepare a draft for your approval before the specification is filed at the Patent Office with the application papers.

**ONLY ONCE THE APPLICATION HAS BEEN FILED IS IT SAFE TO DISCLOSE THE INVENTION, CONDUCT MARKET RESEARCH, PUBLISH DETAILS OR OFFER THE INVENTION FOR SALE. SOMETIMES IT IS STILL ADVISABLE TO KEEP DETAILS CONFIDENTIAL TO PROVIDE MORE OPTIONS TO EXTEND FOLLOW ON FILING DEADLINES.**

We can advise you of your options.

The filed patent application will receive a filing date and an application number. Marking the invention and related literature with the application number acts as a deterrent to would-be copiers.

If the invention is modified before a complete specification is filed, we should be contacted before there is any disclosure of the modification. A further application may sometimes be necessary to protect the modification.
Completing the Patent Application
A patent application is usually completed within twelve months of the filing date by filing a complete-after-provisional specification (aka CAP) which includes a full description of the invention, claims defining the invention and, in most cases, drawings.
Claims are statements which define the scope of the monopoly being sought and are referred to when determining infringement of a patent.
The complete specification should disclose all features of the invention which are known to the inventor. After the complete specification has been filed it is difficult to add new material.

Examination
The Intellectual Property Office of New Zealand (IPONZ) will examine the complete specification approximately one month after it is filed. This will include a novelty search for similar material published during the previous fifty years (known as prior art) and an assessment of the inventiveness of the invention. When an examination report issues we will forward it to you for consideration together with copies of any prior art cited by the examiner. We will also advise how best to respond to the report.
Upon receipt of instructions from you we will lodge a response to the examiner’s report. The wording of the claims may require adjustment to distinguish the invention over the prior art. We will also attend to any other objections raised by the examiner at this time.

Acceptance
Once the examiner’s objections have been overcome, the application is accepted. An abstract of the specification is published in the Patent Office Journal. Only now are the contents of the provisional and complete specifications available to the public.
Any person having reasonable grounds may oppose the grant of a patent. They must do so within three months from the date of publication of the specification. If no opposition is filed, or the application is not successfully opposed, a patent will be granted and the Deed of Letters Patent will then issue.
Legal action against a patent infringer cannot be taken until the Deed of Letters Patent has issued. Damages will normally accrue from the date that acceptance of the patent application was published in the Patent Office Journal.

Term
The term of a patent in New Zealand is 20 years from the date of filing the complete specification. This is subject to the payment of renewal fees in the 4th, 7th, 10th and 13th years. We maintain renewal records and remind our clients when renewal fees are due.
PROGRESS OF A NEW ZEALAND PATENT APPLICATION

1-14 days

Report Patent Search

1-14 days

Application Completed by Filing Complete Specification

1-6 months

Application Examined

1-18 months

Acceptance Advertised

3-5 months

Grant

within 12 months

File Application and Provisional Specification

12 months

Outgoing Overseas Applications

1-14 days

Interview

Application Completed by Filing Complete Specification

1-6 months

Application Examined

1-18 months

Acceptance Advertised

3-5 months

Grant

within 12 months

File Application and Provisional Specification

12 months

Outgoing Overseas Applications

1-14 days

Report Patent Search

1-14 days

Application Completed by Filing Complete Specification

1-6 months

Application Examined

1-18 months

Acceptance Advertised

3-5 months

Grant

within 12 months

File Application and Provisional Specification

12 months

Outgoing Overseas Applications
PCT – THE PATENT CO-OPERATION TREATY

Patent protection can be obtained for inventions in over 115 countries via the Patent Co-operation Treaty (PCT). New Zealand businesses have eagerly adopted this procedure since New Zealand became a member of the PCT in December 1992.

A PCT application does not result in the grant of a 'world patent'. Instead, such PCT applications extend the deadline for lodging all required international patent applications by a minimum of at least 18 months.

ADVANTAGES OF A PCT APPLICATION

1. Prior Searching and Examination
   A comprehensive international patent search is conducted and a written opinion on patentability given. This means that the application is examined before the bulk of the costs associated with filing patent applications overseas are incurred.

2. Costs are Delayed
   The cost of filing patent applications overseas can be deferred between 30-31 months from the date of filing the New Zealand patent application, while maintaining options to obtain patents in more than 115 different countries.

3. Decisions on Where to Patent are Delayed
   All countries to which the Patent Co-operation Treaty applies are nominated in the initial application. However, the final decision on where to patent an invention can be deferred by up to 31 months from the date of filing the New Zealand patent application. Before making this decision, you are able to assess the strength of the patent, the commercial potential of the invention and the countries in which it has become apparent there is a market for the invention.
PCT Procedure

The usual procedure for securing patent protection under the PCT is summarised below with reference to the flowchart later in this section.

Filing the Application
A PCT application accompanied by a complete patent specification must be filed at the Intellectual Property Office of New Zealand (IPONZ) before the invention has been disclosed publicly anywhere in the world, or within 12 months of filing an application to patent the invention in New Zealand. IPONZ acts as an agent for the World Intellectual Property Organisation (WIPO) in Geneva which administers the PCT.

Time Frame
The time frame indicated below for the occurrence of the various steps relates to the usual case where a PCT application is filed claiming priority from an initial New Zealand application.

International Search
A comprehensive international search is conducted within 16 months of filing the New Zealand application.

The international search will identify relevant written disclosures ("prior art") concerning the general subject matter of the invention.

The international search provides a useful indication of the extent to which the invention is novel (and therefore patentable). If the search indicates the invention is not particularly novel, then you may decide to abandon the application before committing to the expense of filing patent applications overseas.

With the international search you also receive a written opinion on patentability which provides you with a preliminary indication of the strength of any patent that may be obtained under national phase.

Within two months of receiving the search report you may amend the patent claims if necessary, to distinguish the invention from any prior art disclosed by the patent search.

International Preliminary Examination
Within 22 months of filing the New Zealand application (or within 3 months of the date of the search report and written opinion), you have the option of requesting preliminary examination of the PCT application.

Under the preliminary examination, a further opinion is given as to whether or not the invention described in the application is patentable. You then have the opportunity to respond to the examiner’s report, either by way of amendments or corrections, or by argument if you think the examiner’s comments are not justified. At the end of this process you will have a strong indication as to the strength of any patent that might be obtained when patent applications are filed in the countries of interest at the end of the PCT processes.
This stage is called International Preliminary Examination, because no decision is made by an examiner as to whether or not a patent should be granted. That is left to the examining authority of each country in which you seek protection during the National Phase.

**National Phase**

In most cases the National Phase occurs within 30 months of filing the New Zealand patent application. At this stage, patent applications must be filed in each of the countries nominated in the PCT application where you still want to obtain patent protection. It is at this time that the costs of filing a patent application in each country of interest are incurred.

As at March 2006, a patent application filed under the Patent Co-operation Treaty could have effect in the countries covered by the regional and national patents listed in the next section.
PROGRESS OF A PCT APPLICATION

- Interview
- Report Patent Search
- File PCT Application
- File Patent Application with Provisional Specification
- International Search and Written Opinion
- Any Amendments
- Request International Examination
- Examination Reports and Responses
- National Phase Applications

Timeframes:
- 1-14 days
- 2 months
- 3 months
- 4 months
- 8 months
- 12 months
- No examination 14 months
Regional Patents

AP ARIPO Patent:
Botswana, Ghana, Gambia, Kenya, Lesotho, Malawi, Mozambique, Namibia, Sierra Leone, Sudan, Swaziland, Uganda, United Republic of Tanzania, Zambia, Zimbabwe and any other State which is a Contracting State of the Harare Protocol and of the PCT.

EA Eurasian Patent:
Armenia, Azerbaijan, Belarus, Kazakhstan, Kyrgyzstan, Moldova, Russian Federation, Tajikistan, Turkmenistan and any other State which is a Contracting State of the Eurasian Patent Convention and of the PCT.

EP European Patent:
Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Luxembourg, Monaco, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland and Liechtenstein, Turkey, United Kingdom and any other State which is a Contracting State of the European Patent Convention and of the PCT.

EP Extension States:
Albania, Bosnia & Herzegovina, Croatia, Slovenia, Serbia & Montenegro, Yugoslav Republic of Macedonia.

OA OAPI Patent:
Burkina Faso, Benin, Central African Republic, Congo, Côte d’Ivoire, Cameroon, Equatorial Guinea, Gabon, Guinea, Guinea Bissau, Mali, Mauritania, Niger, Senegal, Chad, Togo and any other State which is a member of OAPI and a Contracting State of the PCT.
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A design registration provides protection for aspects of the appearance of an article, such as its shape, configuration, pattern or ornamentation. Unlike patents, a design registration does not protect functional aspects of an article unless these aspects also contribute to its appearance. As most manufactured articles involve an element of designer choice, design protection is generally available. Sometimes, for simple objects, both patent and design registration is recommended.
WHY APPLY FOR A DESIGN REGISTRATION

If time and money have been expended producing a new design or product, design registration is justified to prevent competitors from unfairly taking advantage of those efforts. The proprietor of a design registration is granted a monopoly to manufacture, sell, licence, import, and use articles embodying the protected design in New Zealand.

Registration of a design is less expensive than securing a granted patent. The procedures are simpler and enforceable protection is available much sooner. Registration can provide protection against copying the style of a preferred version of an invention until a patent is granted for the principle of operation and other embodiments.

The penalties for infringement of a registered design are substantial and can include damages, an account of profits, litigation costs, delivery up of infringing articles and surrender of machinery used to make them.

Generally, litigation is not necessary to prevent infringement of a registered design. The existence of a design registration can be sufficient to deter competitors from copying and adequate marking will warn them of the existence of proprietary rights in the design.

The rights conferred by a design registration can be sold or licensed. Manufacturers are often reluctant to enter into a licensing agreement unless an application to register the design has been filed, as the existence of a design registration will ensure their investment will not subsequently be diminished by unfair competition.

Design registrations may also be a useful tool in combatting parallel importing.

Misappropriation of a new design is less likely if an application is filed before approaching potential manufacturers and investors.
WHAT CAN BE REGISTERED

Registrable designs include designs which are not purely functional and which have not been previously applied to an article. There are a few articles specifically exempt from design registration and we can advise you regarding these.

For a design to be registrable it must be novel in respect of the article to which it is applied. It is therefore important to avoid disclosure of the design before a design application is filed. Non-confidential disclosure includes such things as offers for sale, advertising, use or display of the article. There are some exceptions and we can advise whether these apply to you.

A design registration should protect a design in the form in which it is marketed. It is therefore advisable that before the design application is filed, you develop the design of the article to a stage where it is ready for production and marketing.

We encourage our clients to consult us early to ensure the timing of a design application is most advantageous to their situation.

INFORMATION REQUIRED FOR FILING A DESIGN APPLICATION

To file a design application, we require:
1. the full name, address and nationality of the applicant(s);
2. the full name, address and nationality of the author of the design (if different from the applicant);
3. information about the unique features of the design;
4. a sample or accurate drawings of the product in the form in which it will be marketed.
THE PROCEDURE FOR REGISTERING A DESIGN

The usual procedure for securing registration of a design is summarised below with reference to the flowchart at the end of this section. Typical time periods are indicated, but it should be appreciated that the process of achieving registration can be accelerated if it appears pending rights are being infringed.

Interview
An interview enables us to familiarise ourselves with the design, assess your needs and the best means of protection. We are pleased to answer questions you may have on any other relevant matter at the same time.

A design application includes full views of an article from various angles so the design of the article can be seen in its entirety. Black and white photographs or line drawings are required. We can arrange for their preparation or advise you of the formal requirements if you want to provide them. We prefer to use drawings, as they are by their nature less detailed than photographs and by being less specific they afford broader design protection.

Design Search
A design search is recommended for two main reasons:
1. to assess the novel features of a design and whether the design can be registered; and
2. to ascertain whether you are likely to infringe any current design registrations (or other intellectual property rights such as copyright) if you make the product.

A design search usually takes one week to conduct, consider the results, and report to you. In cases of urgency, a search may be conducted and reported within a day. Our report will advise you on the registrability of the article and any infringement considerations.

Filing a Design Application
Application papers and representations defining the design are lodged at the Intellectual Property Office of New Zealand (IPONZ).

Only once the application is filed is it safe for you to disclose the design, conduct market research, publish details relating to the design or offer it for sale. The design application, when filed, will receive a filing date and an application number. Marking an article and related literature with the application number acts as a deterrent to would-be copiers.
Examination
A design application will usually be examined within one month of being filed to ensure it meets formality requirements. A search of previous design registrations is also conducted by IPONZ to determine if the design is novel and registrable. Often an examination report does not issue, and the application proceeds straight to registration. If an examination report does issue we will forward it to you together with our recommendations for responding.

Registration and Publication
Details of an application are not publicly available until the design is registered. The content of abandoned applications is never disclosed. Proceedings for infringement cannot be taken until the design is registered.

Term
The term of a design registration in New Zealand is 15 years from the date of filing. This is subject to the payment of renewal fees in the 5th and 10th years. We maintain renewal records and remind clients when renewal fees are due.

INTERNATIONAL DESIGN APPLICATIONS
Design applications in most countries should be filed within six months of filing an application in New Zealand. However, in most cases, valid overseas applications may be filed after this date if the design has not been publicly disclosed. Refer to the section on International Protection on page 14.

Licences/Assignments
A registered design or pending application may be licensed or assigned – refer pages 11 and 12.

Advantages of Design Registration over Copyright Protection
For a discussion of the advantages of design registration over the rights conferred by the Copyright Act, refer to page 37.
PROGRESS OF A NEW ZEALAND DESIGN APPLICATION

File Design Application

Overseas Applications ↔ within 6 months

1-10 days ↓

Report Design Search

1-10 days ↓

Interview

1-10 days ↓

Application Examined

1-3 months ↑

Registration

1 month ↑
Copyright is a property right which automatically exists in certain categories of original works. There is no requirement to register copyright and hence no cost. Copyright does not extend to ideas. It protects the particular way in which an idea is expressed. Copyright can be used to prevent one party from copying the product of another and is a useful supplement to registered intellectual property rights such as patents, designs or trade marks.
WHAT IS COPYRIGHT

Copyright is a property right which exists automatically on creation of certain works irrespective of artistic merit. There is no requirement to register copyright in New Zealand and therefore there is no cost. It can be used to prevent one party from copying the work of another. It applies to musical, dramatic, artistic and literary works (including models, sculptures, drawings, plans, songs, computer software and written material such as books, manuals and advertising brochures). It is not so well known that copyright also applies to the design of a product.

The primary focus of this guide is on the protection of innovation: consequently the subject of copyright in works of artistic merit falls outside its scope. It is however a topic in which the professional staff at James & Wells have specialist knowledge.

COPYRIGHT IN PRODUCTS

Many businesses do not realise that the shape and configuration of a product can be the subject of rights under the Copyright Act.

Copyright can only be relied upon to protect against copying – it does not confer a monopoly. Thus copyright cannot be used to prevent the production of similar works created by someone else having no connection with the original copyright work. The onus is on the plaintiff to prove actual copying.

Furthermore, copyright only relates to the form, expression and appearance of a product. It does not relate to the underlying idea of the product or its principle of operation. Patents alone can protect ideas and principles of operation.

A registered design is essentially a registered form of copyright. The advantages of a design registration are that it confers a monopoly, ownership of the design is readily proved, and it is no defence to claim that the design was not actually copied.

Copyright should therefore be used only as a secondary line of defence for innovators who have been unable to obtain patent or design protection for their product.
Additional Protection
All copyright works and products derived from them should be marked with the international copyright symbol ©, the owner's name and the date of creation – eg: © James & Wells 2003. This marking acts as the deterrent to would-be copiers. It may also make claiming damages in a copyright infringement action more straightforward, as the defendant would have difficulty arguing that the infringement was innocent and the existence of copyright was unknown to them.

Term
In general, copyright in the design of a product lasts for 16 years from the date the design is industrially applied to products.
Copyright subsisting in drawings contained in patents and registered designs ceases when the patent or design registration ceases.

Licences
The rights of a copyright owner may be readily licensed for others to use.

ASSIGNMENTS
The Copyright Act requires that copyright must be assigned in writing. It is therefore important that anything in which copyright resides is formally assigned to the appropriate owner. This is of particular relevance where businesses are bought and sold as the usual agreements used for the sale and purchase of a business do not include specific assignments of copyright.
We can prepare and review assignment documents on your behalf.
OWNERSHIP

As copyright exists automatically upon the creation of a work, complications can arise concerning its ownership. A business must be able to prove ownership of copyright in order to enforce those rights. The burden of establishing ownership may be complicated in the following situations:

1. where the copyright work was produced by an employee (who may no longer be with the business);
2. where an independent designer creates the copyright work;
3. where a business designs the copyright work for another party;
4. where there is more than one author of the work.

In all such cases it is important to establish who owns copyright. If there is doubt, there should be a formal assignment to the appropriate party.

James & Wells specialise in setting up procedures for businesses so that ownership of copyright is always clearly defined.
Trade Marks

A trade mark may comprise any marking such as a word, phrase, symbol, picture or any combination of these. A trade mark can also be a colour, label, shape or even a sound or smell if capable of being represented graphically. The purpose of a trade mark is to indicate a connection between certain goods or services and the trade mark owner.
WHY REGISTER A TRADE MARK

The goodwill of a particular product or service is usually integrally associated with a trade mark. Marketing strategies rely on consumers purchasing items by reference to a well known mark, despite the availability of equivalent or better products. It is the ability of a reputable trade mark to give a product immediate market acceptance that tempts unscrupulous competitors to use the same mark or confusingly similar marks.

Registration of a trade mark confers on the registered proprietor the exclusive right to use that mark throughout New Zealand in relation to specified goods or services. The registration can also be used to restrict the use of the same mark or confusingly similar marks by others.

The penalties for infringement of a registered trade mark are substantial and may include damages, an account of profits earned by the infringer, litigation costs and surrender of all material carrying the infringing trade mark, as well as corrective advertising.

Trade mark registration protects the time and money spent promoting goods or services and any associated reputation and goodwill. As the goodwill of a business is often realised in its trade marks, registration of these marks provides a means by which the goodwill may be defined, and thereby more readily sold or licensed.

In the majority of cases, legal action is not necessary to stop infringement of a registered trade mark. Registration provides clear evidence of ownership and the right to exclusive use of the mark, irrespective of where in New Zealand the trade mark is used. Usually the mere existence of a trade mark registration is sufficient to deter competitors from adopting the same mark or a similar mark.

Some trade marks are difficult to register (typically because they are too descriptive), but it can still be worthwhile applying for their registration for the following reasons:

1. proprietary rights to a mark are substantiated. Both the application date and application number can be referred to in letters to unauthorised users of the trade mark;
2. the existence of the application on the Trade Mark Register may act as a deterrent to others wanting to use the same mark or a similar mark. It is common for people to search the Trade Mark Register before using or deciding upon a suitable trade mark. Furthermore, the Trade Mark Register is often searched prior to selecting a name for a new company;
3. a trade mark application is a readily identifiable form of property which can be used as the basis of licences or assignments with other parties.
COMPANY NAMES

Incorporation of a company under a particular name does not prevent others from selling goods or providing services under the same (or a similar) name. A company name serves only to identify a legal entity. It does not confer a proprietary right in that name. A trade mark registration creates a legal right which may be relied on to prevent another party using a name the same as or similar to that registered as a trade mark. A registered trade mark is something separate from a company name. If a company is incorporated under a name which includes a registered trade mark and that company provides similar goods or services, the owner of the registered trade mark may compel that company to change its name. Moreover, if a company uses any part of its name as a trade mark on or in relation to certain products or services, and another party has registered the same mark or a similar mark in relation to those products or services, then such use by the first company of its name may constitute trade mark infringement.

ENFORCING RIGHTS IN UNREGISTERED TRADE MARKS

The owner of an unregistered trade mark may bring legal action against a competitor using that mark under the common law action of passing off or under the Fair Trading Act. In both cases, to enforce rights in an unregistered trade mark the owner must prove to the satisfaction of the Court that:

1. it has reputation in the disputed mark in the particular geographic locality in which the breach of rights occurred;
2. this reputation applies to the particular type of goods or services in which the alleged breach of rights occurred;
3. the unauthorised use of the unregistered trade mark will (or is likely to) cause confusion amongst its customers;
4. that confusion will cause actual loss to its business or a strong likelihood of same; and
5. the other party has no legitimate right of its own to use the disputed mark.

Compared to an action for breach of a registered trade mark these Court proceedings can be costly and uncertain, as they are often reliant on the Court’s interpretation of the evidence. Enforcing the rights conferred by a registered trade mark is simpler, more certain and often less expensive to achieve.
WHAT CAN BE REGISTERED AS A TRADE MARK

A trade mark must be capable of indicating, in the course of trade, a connection between the trade mark owner and its goods or services. A trade mark can be any distinctive marking such as a word, phrase, symbol, or any combination of these. It can even include the shape and colour of goods. It should not be descriptive, deceptive or praising of the goods or services. Trade marks which are descriptive of the character or quality of the goods or services for which they are used are difficult to register. The same applies to marks which are surnames or refer to geographical areas.

The best trade marks are a non-descriptive; examples include KODAK®, AJAX® and XEROX®. Not only are such marks more easily registered, but their distinctive nature also makes it easier to prevent others from using similar marks. In the case of a distinctive trade mark, it is easier to show that the use of a similar trade mark by a competitor was calculated to take advantage of that trade mark’s reputation. On the other hand, if the mark is descriptive, a competitor can argue that it was not using a trade mark, but was merely describing its goods or services.

Distinctive trade marks stand out in the market and are more readily remembered by consumers. Having regard to this, and to their ease of registration. We recommend that when devising a trade mark, care is taken to ensure it is highly distinctive in relation the goods/services to which it will be applied.

INFORMATION REQUIRED FOR FILING AN APPLICATION

To prepare an application to register a trade mark, we require

1. the applicant’s full name, business address, nationality and occupation;
2. an indication of the types of goods and/or services in relation to which registration is sought; and
3. if the trade mark includes lettering in non-standard form or a logo, device or symbol, a high quality representation of the mark.

A trade mark owner’s exclusive rights to a mark will only extend to goods and/or services of the type in which the owner trades or intends to trade. Hence trade marks are registered in relation to specific classes of goods and/or services. For example, registration of HERON in relation to clothing in class 25 should not prevent an orchardist using and registering HERON in relation to apples in class 31.

Under the Trade Marks Act 2002, where a trade mark is to be applied to a range of goods and/or services which fall into more than one class, a single trade mark application nominating each relevant class of goods and/or services can be filed.

An outline of the International Classification of Goods and Services is provided below. This is for general guidance only as it is merely a thumbnail outline of the classes.

Selecting the appropriate class can be quite complex and requires reference to the full index of Goods and Services. Our expertise should always be sought in this matter.
LIST OF CLASSES OF GOODS AND SERVICES

Goods
Class 1: includes chemicals used in industry, science and photography, as well as in agriculture, horticulture and forestry; manures; adhesives used in industry.
Class 2: includes paints, varnishes, lacquers; preservatives against rust and against deterioration of wood; colourants.
Class 3: includes cleaning, polishing, scouring and abrasive preparations; soaps; perfumery, essential oils, cosmetics.
Class 4: includes industrial oils, and greases; lubricants.
Class 5: includes pharmaceutical, veterinary and sanitary preparations; disinfectants; preparations for destroying vermin, fungicides, herbicides.
Class 6: includes metal building materials, metallic transportable buildings; non-electric cables and wires of common metal; ironmongery, small items of metal hardware; metallic pipes and tubes; metallic goods not included in other classes.
Class 7: includes agricultural implements; machines and machine tools; motors; machine coupling and belting.
Class 8: includes hand tools and hand operated implements; cutlery.

Class 9: includes scientific, electric, photographic, optical, measuring, signalling, checking (supervision) and teaching apparatus and instruments; apparatus for recording, transmission or reproduction of sound and images; automatic vending machines; data processing equipment and computers; and their parts and accessories.
Class 10: includes surgical, medical, dental and veterinary apparatus and instruments; orthopaedic articles.
Class 11: includes apparatus for lighting, heating, cooking, refrigerating, drying, ventilating, water supply and sanitary purposes.
Class 12: includes vehicles; apparatus for locomotion by land, air or water.
Class 13: includes firearms, ammunition and explosives.
Class 14: includes jewellery, horological and chronometric instruments.
Class 15: musical instruments.
Class 16: paper, cardboard and goods made from these materials; printed matter; photographs; stationery; artists materials; office requisites (except furniture); instructional and teaching material (except apparatus); plastic materials for packaging (not included in other classes).

Class 17: includes rubber, mica and goods made from these materials; plastics in extruded form for use in manufacture; packing, stopping and insulating materials; flexible pipes.
Class 18: includes leather and imitations of leather, and goods made of these materials and not included in other classes; animal skins, trunks and travelling bags; umbrellas, and walking sticks; harness and saddlery.
Class 19: includes non-metallic building materials and transportable buildings; asphalt.
Class 20: includes furniture, picture frames; goods (not included in other classes) made of wood, cane, bone, shell, and substitutes such as plastics.
Class 21: includes household or kitchen utensils and containers; combs and sponges; brushes (except paint brushes); articles for cleaning purposes; steel wool; glassware, porcelain and earthenware not included in other classes.
Class 22: includes ropes, string, nets, tents, tarpaulins, sails, sacks and bags (not included in other classes); padding and stuffing materials (except of rubber or plastics); raw fibrous textile materials.
Class 23: Yarns and threads, for textile use.
Class 24: Textile and textile goods, not included in other classes; bed and table covers.
Class 25: Clothing, footwear, headgear.
Class 26: Lace and embroidery, ribbons and braid; buttons, hooks and eyes, pins and needles; artificial flowers.
Class 27: Includes floor coverings and non-textile wall hangings.
Class 28: Includes games and playthings; gymnastic and sporting articles.
Class 29: Includes meat, fish, poultry and game; meat extracts; preserved, dried and cooked fruits and vegetables; jams; eggs, milk and milk products; edible oils and fats; salad dressings; preserves.
Class 30: Includes flour and preparations made from cereals, bread, pastry and confectionery, ices, honey, sauces, salad dressings, spices.
Class 31: Agricultural, horticultural and forestry products and grains not included in other classes; living animals; fresh fruits and vegetables; seeds, natural plants and flowers; foodstuffs for animals, malt.
Class 32: Includes beers; non-alcoholic drinks; fruit drinks; syrups and other preparations for making beverages.
Class 33: Alcoholic beverages (except beers).
Class 34: Tobacco; smokers’ articles; matches.

Services
Class 35: Advertising, retail and business.
Class 36: Insurance and financial.
Class 37: Construction and repair.
Class 38: Communication, telecommunications.
Class 39: Transportation and storage; travel arrangements.
Class 40: Material treatment.
Class 41: Education and entertainment; sporting and cultural activities.
Class 42: Scientific and technological services and research and design relating thereto; industrial analysis and research services; legal services.
Class 43: Services for providing food and drink; temporary accommodation.
Class 44: Medical services; veterinary services; hygienic and beauty care services; agriculture, horticulture and forestry services.
Class 45: Personal and social services rendered by others to meet the needs of individuals; security services for the protection of property and individuals.
THE PROCEDURE FOR REGISTERING A TRADE MARK

The usual procedure for securing registration of a trade mark is summarised below with reference to the flowchart at the end of this section. Typical time periods are indicated. A trade mark application usually proceeds to registration six months after filing.

If at any stage you decide not to continue the application may be abandoned. Your interest in the mark will remain recorded on the Trade Mark Register for many years and may act as a deterrent to others.

Interview
An interview enables us to familiarise ourselves with your trade marks and how they are intended to be used, as well as to assess the best means of protection. We are pleased to answer questions you may have on any other related matter at the same time.

Trade Mark Search
A trade mark search is recommended for two main reasons:
1. To determine if the mark is registrable having regard to other marks on the Trade Mark Register, and
2. To determine whether your use of the trade mark is likely to infringe any current trade mark registrations or other intellectual property rights of third parties.

Our search report will also advise you on whether your proposed mark is registrable having regard to the requirements of the Trade Marks Act.

A trade mark search takes up to ten days to conduct, consider and report. If urgent, a search can be conducted and reported within a day.

Filing a Trade Mark Application
Application papers and a representation of the trade mark are filed at the Intellectual Property Office of New Zealand (IPONZ). The trade mark application receives a filing date and an application number which we will report to you once the official filing receipt issues.

Examination
IPONZ examines each application around 5-10 days after it is filed. The examiner conducts a search of the Trade Mark Register and may issue an examination report which sets out any objections facing the application. We forward this report to you, and make our recommendations on how to respond. Upon receipt of your instructions, we lodge a response to the examiner’s report, addressing the matters raised by the examiner, in order to secure acceptance of the application.

Acceptance
In the absence of an adverse examination report (which happens in about half of all new applications), or once an examiner’s have been overcome, the application is accepted and advertised in the Patent Office Journal.

Any person having reasonable grounds may oppose the registration of a trade mark within three months of the advertisement.
Registration
If no opposition is filed, or any opposition filed is unsuccessful, the trade mark will be registered.
A certificate of registration will not issue until an application is more than six months old to avoid conflicts with priority claims under the International Convention.
Proceedings for infringement cannot be undertaken until the Certificate of Registration has issued.

Term
Under the Trade Marks Act 2002 the initial term of a trade mark registration is ten years. Subsequent renewal fees are required every ten years after the first renewal. We will endeavour to remind you when renewal fees are due.
Provided you continue to use it, you can renew your trade mark registration indefinitely.

Trade Mark Applications Overseas
Protection can be obtained for a trade mark in another country at any time, provided no other party has prior rights (by use or registration) to the same mark or a confusingly similar trade mark.
If, within six months of filing a New Zealand trade mark application, a corresponding application is filed overseas, the overseas application can be given the New Zealand filing date under an International Convention. This procedure enables New Zealand applicants to deter competitors who might adopt their recently launched New Zealand brand in other countries.

ASSIGNMENTS
A trade mark registration or application may be assigned by the trade mark owner, either with or without the goodwill of the business associated with the trade mark. To give full effect to the assignment, a formal deed is required. The transfer of ownership to the new proprietor must be recorded on the Trade Mark Register before the new proprietor can rely on the trade mark registration to enforce its newly acquired rights.
**LICENCES**

The right to use a particular trade mark may be licensed so that others may use the trade mark. It is strongly advisable for any trade mark licence agreement to be recorded in writing. The licensor should have sufficient control over use of its trade mark to ensure appropriate standards of quality in the goods or services carrying the trade mark are maintained. In the absence of such controls, it may be found that the trade mark registration is invalid because it is no longer distinctive of the trade mark proprietor, or the mark has become deceptive in that it is used on goods from different sources and of different quality.

**RECORDING TRADE MARK LICENCES**

A licensee of a trade mark may be recorded on the Trade Mark Register as a permitted user of a particular trade mark. The recordal of a licence gives the licensee specific rights to the trade mark, including the right to sue an infringer of the trade mark registration.

Use of the trade mark by a licensee is deemed to be use by the owner. Consequently, the licensee can never acquire goodwill or reputation in the trade mark and, even if the owner is not using the trade mark itself, the registration cannot be challenged on the basis that it is not being used.
PROGRESS OF A NEW ZEALAND TRADE MARK APPLICATION

- **File Trade Mark Application**: within 6 months
- **Overseas Applications**
- **Interview**: 1-10 days
- **Report Search**: 1-3 days
- **Application Examined**: 5-10 days
- **Acceptance Advertised**: 1-5 months
- **Registration**: 1-5 months
Plant Variety Rights

It is possible to register and protect new plant varieties in New Zealand. This protection extends to virtually any kind of plant (except algae and bacteria) which is new, distinct, homogeneous and stable. The owner of a plant variety right has the exclusive right to produce propagating material of the protected variety (and in some cases the fruit, flowers or other products of the variety) for sale.
WHY APPLY FOR PLANT VARIETY RIGHTS

It takes considerable time and expense for plant breeders to develop new plant varieties. Applying for Plant Variety Rights is one way to commercially protect the efforts of a plant breeder. Once these rights are granted, the breeder has the exclusive right to:

1. produce for sale any reproductive material of that variety;
2. sell any reproductive material;
3. propagate the variety for commercial production of produce, or
4. authorise anyone to do any of the above.

WHAT PLANT VARIETIES CAN BE PROTECTED

Any plant variety, clone, hybrid or line of a variety may be eligible for registration provided the variety is new, distinct, homogeneous and stable. Definitions of these terms are given below.

New
A plant variety is considered to be new

1. if it has not been offered for sale in New Zealand for more than 12 months before the date of an application for Plant Variety Rights; and
2. if, being a woody plant, it has not been sold overseas more than six years before the application is filed; or
3. if, being a non-woody plant, it has not been sold overseas more than four years before the application is filed.

Distinct
A plant variety is considered distinct if it is distinguishable from any other variety by one or more characteristics.

Homogeneous
In certain cases a grafted plant variety may not be considered homogeneous. In judging this quality the Commissioner of Plant Varieties has regard to the sexual or vegetative propagation of the variety.

Stable
A plant variety is considered stable if it remains true to its description after repeated propagation and reproduction in accordance with reproductive cycles described by the applicant.
THE PROCEDURE FOR OBTAINING PLANT VARIETY RIGHTS

Application
We prepare and lodge the appropriate application documents and pay the Government fees. When the application is filed it is allotted an official number and a filing date which becomes the priority date. Upon receiving this advice we will forward you a filing report which includes information on the rights conferred by your pending Plant Variety Rights application. To enable us to prepare an application for Plant Variety Rights it is necessary to complete a detailed questionnaire concerning the various characteristics of the plant variety. For agricultural crops, herbage and vegetable varieties you will often be asked to supply viable seed. For ornamentals, forest tree and fruit varieties, it is necessary for authorised persons to have access to the plants so that they can inspect them growing.

Examination
The plants are inspected over their growing season to verify the details as stated in the initial application. For fruit and ornamentals this period could be from 12 to 18 months, and less for vegetable crops. If the examiner of the variety finds it is new, distinct, homogeneous and stable, it is then recommended to the Registrar that a grant of Plant Variety Rights be made.

International Applications
Within 12 months of the initial application, it is possible to file for Plant Variety Rights in other countries, the Rights being back-dated to the date of the New Zealand application.

Community Plant Variety Rights (CPVR)
A CPVR provides protection for a plant variety in all countries of the European Community. The obvious advantage is that a single application is required to cover all EC countries. Exporters of new flower and fruit varieties are enthusiastically adopting this new procedure.

Other Countries
We can provide you with information on, and file applications for you in, other countries.

Term
To ensure continuation in New Zealand of the registered Rights, an annual renewal fee is payable. Plant Variety Rights last for a maximum of 23 years for woody plants, and 20 years for other plants, from the date of grant.
Other Services

James & Wells is a full service patent attorney practice which assists clients to obtain the registrable intellectual property rights discussed earlier in this guide, and to exploit those rights through effective marketing and/or technology transfer agreements.

In addition, through our affiliated law firm, James & Wells Lawyers, we are able to enforce both registered and unregistered intellectual property rights and defend against actions initiated by others.
COMMERCIALISATION TEAM

The Commercialisation team assists clients to maximise their return on investment in innovation through effective commercialisation. The team can assist businesses at various stages of growth and development by advising on alternative strategies for commercialisation, including spin out companies, joint ventures, licences and such like. Specific services include:

**Technology Transfer/Ownership**
Preparing and advising on the sale and purchase of intellectual property.

**Licensing and Franchising**
Negotiating, preparing and advising on agency, distribution and licensing agreements for technology, trade marks, copyright and other intellectual property rights. Structuring and drafting joint venture and collaboration agreements.

**Information Technology Law**
Advising on information technology contracts and legal issues arising from electronic commerce.

**Intellectual Property Valuation**
Valuing intellectual property for the purpose of assessing appropriate license fees, sale prices and asset management strategies.

LITIGATION TEAM

James & Wells employs a dedicated team of litigation specialists who focus solely on intellectual property related issues. This level of specialisation is unique to New Zealand law firms. The team occupies the 6th floor of our Auckland office.

Members of the team are recognised nationally as experts in intellectual property litigation, and were recently invited by Brokers to write an on-line text regarding intellectual property in New Zealand. Members of the team are contributors to such New Zealand and international publications as the New Zealand Law Journal, World e-Business Law Report and Law Talk.

The size of our litigation team allows sufficient flexibility to take on substantial pieces of litigation at short notice.

In appropriate cases James & Wells favours alternative dispute resolution. In that regard we have considerable experience in both mediation and arbitration.

A full list of significant legal actions we have been involved in is available on request.
DISCLAIMER

The information provided in this Guide is of a general nature and should not be viewed as specific legal advice. We recommend you contact the professional staff at James & Wells for advice relevant to your specific situation. James & Wells © 2006. All rights reserved.
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