

New Zealand border protection measures

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The vast majority of counterfeit goods in New Zealand are manufactured and imported from outside of New Zealand. Because New Zealand is an island nation, the most cost effective anti-counterfeiting measures are those taken at its border.

Lodging notices

If you are the owner of a registered trade mark or own a copyright work then, under the Trade Marks Act 2002 and/or the Copyright Act 1994, you can lodge an official document with the Customs Office known as a "Customs Notice".

This Customs Notice will authorise Customs to detain any unauthorised goods that bear your registered mark or reproduce or incorporate your copyright work.

If you are a lawyer or agent for a trade mark or copyright owner or an authorised distributor for a product bearing the trade marks or copyright works then you may also be able to lodge Customs Notices for the trade mark or copyright works.

Customs is only able to detain counterfeit goods if you have lodged a Notice. There is no official filing fee. Once lodged a Notice is valid for five years, or until the trade mark registration or copyright work on which it is based expires, whichever comes first.

Assuming the trade mark registration or copyright remains valid and in force, a Notice can be renewed for subsequent periods.

Requirements for lodging Notices

Any Notice lodged in New Zealand must be accompanied by:

- Evidence of your trade mark or copyright right – a certified copy of each certificate of registration (for a trade mark) or a copy of the work (eg the brand manuals, logos, character manuals (for a copyright work));
- An authorisation of agent in favour of the rights holder's representative in New Zealand, if the notice is being lodged by a representative;
- A signed indemnity and security form (to indemnify Customs); and
- Payment of NZ\$5,000 security (paid into an interest bearing account).

Detention of suspected goods

Once a Notice is lodged, Customs will detain any goods it suspects of infringing the notified trade marks and/or copyright works. If necessary, it will confirm with you (usually by way of digital photographs) that the goods are in fact counterfeit. It will then issue a "determination notice" to the importer advising that the goods have been detained and allowing the importer a

short time within which to consent to forfeit the goods.

Shortly after this, another determination notice will be issued to the Notice holder identifying the importer (and, usually, the source of the infringing goods) and advising whether or not the importer has consented to forfeit the goods.

Forfeiture

If the importer agrees to forfeit the goods they will be destroyed by Customs.

If the importer does not agree to forfeit the goods, then you have only 10 working days from receiving the determination notice, to have the importer agree to forfeit the goods or to decide whether or not to take legal action. (This period is extendable to 20 working days at the discretion of Customs - although an extension is generally only allowed in circumstances where proceedings are being prepared and further time is necessary to finalise, file and serve them).

When the goods have not been forfeited, usually your legal representatives will send a 'cease and desist' letter to the importer seeking the usual remedies of full disclosure, forfeiture, undertakings against further infringement and payment of legal costs.

If the importer does not capitulate, and the Notice holder does not take any action within the 10 day window, the goods will be released to the importer. Alternatively, if legal proceedings are initiated, the goods will be held by Customs pending the outcome of the court action.

It is rarely necessary to file legal proceedings as most importers agree to forfeit the goods either following receipt of the determination notice

from NZ Customs or after receiving a cease and desist letter from the Notice holder's lawyers.

Practical considerations

Customs obviously cannot search every package and every container entering New Zealand.

Inevitably, a certain quantity of counterfeit goods will enter the country even if Notices are lodged with Customs. However, Customs do have a database of previous infringers and are particularly helpful when suspected suppliers and/or importers are identified to them.

Unless Notices are lodged, Customs are powerless to detain goods encountered during routine operations, even if those goods are obviously counterfeit.

Effectiveness of Notices

The vast majority of importers will agree to forfeit their counterfeit goods immediately on detention by Customs. Those that refuse to do so initially can usually be persuaded within the 10 day window through the use of a formal cease and desist letter.

In this respect, Customs Notices have proven to be a very cost effective and efficient means of stopping the importation of counterfeit goods into New Zealand. They also act as a strong deterrent to intending importers.

Customs finds that importers regularly review the current list of Notices lodged with Customs (available on the Customs website) when determining whether or not to import goods into New Zealand. Those brands that do not appear on the list inevitably get targeted more than those which do.

Disclaimer

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specific legal advice. For more specific advice on all aspects of intellectual property law please contact us.