



EXTRACT ON TRADEMARKS

If you're a business owner, at some stage you may decide to register your business name and/or products as a trademark, for instance Coca-Cola ® or Microsoft ®. This means that you have a monopoly on the use of that name. Sort of.

The best advice I can give you is not to DIY the trademark application, no matter how easy it may seem.

Often you see a TM when a trade mark has been applied for but not granted. This has no legal effect but looks pretty good.

"Ready, fire, aim" DIY trademarks

As in horror movies when the hero decides to enter the spooky room at the end of the hall, there are plenty of people advising against DIY trademarks; a whole industry of lawyers and trademark agents, in fact.

The government website is invitingly user-friendly (always a dangerous sign) and the procedure involves just three simple steps:

Step 1. Complete a straightforward application form to the trademarks office and pay a fee.

Step 2. An examiner:

a) searches to find out if there is another similar mark being used for similar products



or services.

b) decides if your mark is capable of distinguishing your goods or services.

Step 3. The trademark is advertised and if there is no opposition, it is registered three months later. Generally, it's yours forever, provided that you pay the registration fee every 10 years and continue to use it.

So, what's the big deal?

Well, here are three points about the application process:

1. Expect your examiner to be a person who would like to give you the trademark but, for reasons which are a little bit difficult to follow, cannot do so. It is often more than their job is worth to allow you a monopoly over a word. For instance, if they gave you the trademark "Money Grabbing" for use in the banking industry, what would all the other bankers do?

2. Examiners may reject your application outright, or turn the knife by raising an arcane, impossibly difficult requisition (question). You will find yourself warming to their talk of "not distinctive enough", "capable of distinguishing" and "no direct reference to the character and quality", only to realize later that you don't know what they're on about. It might be more helpful to look on the trademark fraternity as a secret society that has trademark examiners as its worshipful masters.

3. The last 100 metres of the process is the three-month advertising period. This can cause people using similar names to come out of the woodwork, encouraged by lawyers, who scan the advertisements for potential opponents. You may end up with a fight on your hands.

Here are just three of the potential issues you may face once you have registered the trademark:

1. You have registered the trademark in the wrong class, or missed a class that covers a particular (usually profitable) activity. There are 45 classes, which are lists of words that describe goods and services. It is a little bit like reading a huge packing list.

2. Trademarks usually apply to one country, so if you have not registered it in other countries, it may be too late, as someone else may have registered the trademark elsewhere.

3. You don't use the trademark properly for, say, three years, and it is taken off you. Helpfully, a competitor will often start this procedure.

The way to avoid these problems is to get legal advice before you apply. You will be advised to have a pre-application search; do it. Once you explain your business plans, you will be told in which classes to register. You can discuss which countries to register in, and how.

If a name is central to your business, and it draws customers, DIY trademarks are not ideal.

Unless you have time to dedicate to the craft, it may be better to instruct your lawyer to make the application. But don't let me put you off.

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