



## ANALYSIS

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1996, No. 150

**An Act to amend the Trade Marks Act 1953**

[2 September 1996]

BE IT ENACTED by the Parliament of New Zealand as follows:

**1. Short Title**—This Act may be cited as the Trade Marks Amendment Act 1996, and shall be read together with and deemed part of the Trade Marks Act 1953 (hereinafter referred to as the principal Act).

**2. Interpretation**—Section 2 (1) of the principal Act is hereby amended by repealing the definition of the term “Commonwealth country”.

**3. Prohibition of registration of deceptive, etc., matter**—(1) Section 16 (2) of the principal Act (as added by section 8 of the Trade Marks Amendment Act 1994) is hereby amended by omitting the words “or the Geographical Indications Act 1994”.

(2) Where an application for registration of a trade mark is pending on the date on which subsection (1) of this section comes into force, the application shall be dealt with, or shall continue to be dealt with, as the case requires, as if subsection (1) of this section had not been enacted.

(3) Nothing in subsection (1) of this section affects the registration of a trade mark that is taken to be valid in all respects because the period of 7 years referred to in section 22 (1) of the principal Act expires, in relation to that registration, in the period beginning with the date of commencement of the Geographical Indications Act 1994 and ending with the date on which subsection (1) of this section comes into force.

**4. Powers of, and restrictions on, assignment and transmission—**(1) The principal Act is hereby amended by repealing section 31 (as amended by section 15 of the Trade Marks Amendment Act 1987 and section 15 of the Trade Marks Amendment Act 1994), and substituting the following section:

“31. (1) Notwithstanding any rule of law or equity to the contrary, a registered trade mark shall be, and shall be deemed always to have been, assignable and transmissible either in connection with the goodwill of a business or not.

“(2) A registered trade mark shall be, and shall be deemed always to have been, assignable and transmissible in respect either of all the goods or services in respect of which it is registered, or was registered, as the case may be, or of some (but not all) of those goods or services.

“(3) The provisions of subsections (1) and (2) of this section shall have effect in the case of an unregistered trade mark used in relation to any goods or services as they have effect in the case of a registered trade mark registered in respect of any goods or services, if at the time of the assignment or transmission of the unregistered trade mark it is or was used in the same business as a registered trade mark, and if it is or was assigned or transmitted at the same time and to the same person as that registered trade mark and in respect of goods or services all of which are goods or services in relation to which the unregistered trade mark is or was used in that business and in respect of which that registered trade mark is or was assigned or transmitted.

“(4) Notwithstanding anything in the foregoing provisions of this section, a trade mark shall not be, or be deemed to have been, assignable or transmissible in a case in which as a result of an assignment or transmission there would in the circumstances subsist or have subsisted, whether under the common law or by registration,—

“(a) In the case of a trade mark relating to goods, exclusive rights in more than one of the persons concerned to the use in relation to the same or similar goods, or services that are similar to such goods, of similar or identical trade marks, if having regard to the similarity of the goods and services and of the trade mark, the use of the trade marks in exercise of those rights would be, or have been, likely to deceive or cause confusion:

“(b) In the case of a trade mark relating to services, exclusive rights in more than one of the persons concerned to the use in relation to the same or similar services, or goods that are similar to such services, of similar or identical trade marks, if having regard to the similarity of the goods and services and of the trade mark, the use of the trade marks in the exercise of those rights would be, or have been, likely to deceive or cause confusion.

“(5) Where a trade mark is, or has been, assigned or transmitted in such a case as aforesaid, the assignment or transmission shall not be deemed to be, or to have been, invalid under subsection (4) of this section if the exclusive rights subsisting as a result thereof in the persons concerned respectively are, or were, having regard to limitations imposed thereon, such as not to be exercisable by 2 or more of those persons in relation to goods to be sold, or otherwise traded in, within New Zealand (otherwise than for export therefrom) or in relation to goods to be exported to the same market outside New Zealand or in relation to services to be provided in New Zealand.

“(6) The proprietor of a registered trade mark who proposes to assign it in respect of any goods or services in respect of which it is registered may submit to the Commissioner in the prescribed manner a statement of case setting out the circumstances, and the Commissioner may issue to him or her a certificate stating whether, having regard to the similarity of the goods or services and of the trade marks referred to in the case, the proposed assignment of the first-mentioned trade mark would or would not be invalid under subsection (4) of this section, and a certificate so issued shall, subject to the provisions of this section as to appeal and unless it is shown that the certificate was obtained by fraud or misrepresentation, be conclusive as to the validity or invalidity under subsection (4)

of this section, of the assignment in so far as that validity or invalidity depends upon the facts set out in the case, but, as regards a certificate in favour of validity, only if application for the registration under section 34 of this Act of the title of the person becoming entitled is made within 6 months from the date on which the certificate is issued.

“(7) Notwithstanding anything in subsections (1) to (3) of this section, a trade mark shall not, after the 1st day of January 1940, be or have been assignable or transmissible in a case in which as a result of an assignment or transmission thereof, there would in the circumstances subsist or have subsisted, whether under the common law or by registration,—

“(a) In the case of a trade mark relating to goods, an exclusive right in one of the persons concerned to the use of the trade mark limited to use in relation to goods to be sold or otherwise traded in, in a place or places in New Zealand, and an exclusive right in another of those persons to the use of a trade mark similar to the first-mentioned trade mark or of an identical trade mark in relation to the same or similar goods, or services that are similar to such goods limited to use in relation to goods to be sold, or otherwise traded in, or services to be provided in another place or other places in New Zealand:

“(b) In the case of a trade mark relating to services, an exclusive right in one of the persons concerned to the use of the trade mark limited to use in relation to services to be provided in a place or places in New Zealand, and an exclusive right in another of those persons to the use of a trade mark similar to the first-mentioned trade mark or of an identical trade mark in relation to the same or similar services or goods that are similar to such services limited to use in relation to services to be provided or goods to be sold or otherwise traded in, in another place or other places in New Zealand.

“(8) Notwithstanding subsection (7) of this section, on application in the prescribed manner by the proprietor of a trade mark who proposes to assign it, or of a person who claims that a trade mark has been transmitted to that person or to a predecessor in title of that person after the 1st day of January 1940, in any such case, the Commissioner, if the Commissioner is satisfied that in all the circumstances the use

of the trade marks in exercise of the said rights would not be contrary to the public interest, may approve the assignment or transmission, and an assignment or transmission so approved shall not be deemed to be, or to have been, invalid under that subsection or under subsection (4) of this section, so, however, that in the case of a registered trade mark this provision shall not have effect unless application for the registration under section 34 of this Act of the title of the person becoming entitled is made within 6 months from the date on which the approval is given or, in the case of a transmission, was made before that date.

“(9) Where an assignment in respect of any goods or services of a trade mark that is at the time of the assignment used in a business in those goods or services is or has been made, after the 1st day of January 1940, otherwise than in connection with the goodwill of that business, the assignment shall not take effect until the following requirements have been satisfied—that is to say, the assignee shall, not later than the expiration of 6 months from the date on which the assignment is or has been made or within such extended period, if any, as the Commissioner may allow, apply to the Commissioner for directions with respect to the advertisement of the assignment, and shall advertise it in such form and manner and within such period as the Commissioner may direct.

“(10) Any decision of the Commissioner under this section shall be subject to appeal to the Court.”

(2) Subsection (1) of this section shall be deemed to have come into force on the 1st day of January 1995.

(3) The following provisions are hereby consequentially repealed:

(a) Section 15 of the Trade Marks Amendment Act 1987:

(b) Section 15 of the Trade Marks Amendment Act 1994.

**5. Proposed use of trade mark by corporation to be constituted, etc.**—(1) Section 38 (1) of the principal Act (as amended by section 21 (1) (a) of the Trade Marks Amendment Act 1987) is hereby amended by repealing paragraph (b).

(2) Section 38 (2) of the principal Act is hereby amended by omitting the words “or registered user”.

**6. Certain provisions of Act not to apply to certification trade marks**—Section 54 of the principal Act is hereby amended by omitting the expression “section 8, section 10, section 14, sections 26 and 27 (except as expressly

applied by sections 49 to 54), subsections (4) to (8) of section 31, sections 35 to 38, section 78”, and substituting the expression “section 2 (3), section 8, section 10, section 14, sections 26 and 27 (except as expressly applied by sections 49 to 54), subsections (4) to (10) of section 31, sections 35 to 38, section 78”.

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This Act is administered in the Ministry of Commerce.

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