

UGH and UGG

The battle of the boots

Australian traders have been fighting for the right to use UGG or UGH for sheepskin footwear, in the face of trade mark registrations now owned by the US company Deckers Outdoor Corporation.

The dispute over the use of the word UGG for sheepskin boots took a further step towards resolution last month. Deckers Outdoor Corporation was defending an action by Luda Productions Pty Ltd to remove its registration of "UGG Logo" for non-use. The matter was heard at the Australian Trade Marks Office. Deckers was successful in showing use and retaining its registration for "footwear".

Exports

The Registrar's Delegate found that there had been use of the trade mark on a number of sheepskin boots exported to the United States during the relevant period, including on packaging for those boots and on the soles of the boots themselves. Australian trade marks law expressly provides that the export of goods under a trade mark constitutes use of that mark in Australia.

International Website

The Registrar's Delegate also found that there had been use of the trade mark in connection with an order placed over the Internet by a Queensland-based purchaser of boots at Deckers Outdoor Corporation's website. Although there had been problems over credit card purchases of boots at that website, Deckers Outdoor Corporation was able to establish that Australians could order boots using a toll-free number and that there had been a sale and subsequent delivery of its boots under that trade mark to the Queensland customer. The Delegate ordered that the trade mark remain on the register for footwear but be removed for the remaining goods.

Was the mark used "as registered"?

One issue was whether the depiction of the elements of the mark separately on the packaging for the exported boots constituted use of the mark as registered. The Delegate was satisfied that there had been trade mark use, noting that the elements were in reasonable proximity to each other and that the trade mark could therefore be identified.

UGH-BOOTS

By comparison, in a decision of the Trade Marks Office earlier this year, it was held that the mere absence of a hyphen between the words UGH and BOOTS in an advertisement for sheepskin boots appearing in the Sydney Morning Herald meant that the registered mark UGH-BOOTS had not been used in that advertisement. In that decision the Delegate hearing the matter took into account the generic use of the word UGH in relation to sheepskin boots. Deckers Outdoor Corporation was unsuccessful in defending that action to remove its trade mark UGH-BOOTS from the register for non-use.

In that earlier decision Deckers also had difficulty in establishing that there had been a commercial dealing at its United States-based website since it could not show any subsequent delivery of the boots in connection with the UGH-BOOTS trade mark to Australian purchasers.

When is a Mark on Website Used in Australia?

Both decisions have had to wrestle with the emerging issue of when use of a trade mark on a website constitutes use of that trade mark in Australia. In both cases that question was important in determining whether the registered mark containing UGH or UGG had been used in the Australian marketplace, although in the second decision it was not critical since use of the mark on the export of boots had also been shown.

For further information on this issue, please contact Annette Freeman for a copy of her article on the subject of trade marks on the internet: Annette.freeman@sprusons.com.au.

Use of UGG/UGH

There has been a great deal of press interest in Australia in this latest UGG decision. Bob Baldwin, Parliamentary Secretary to the Australian Minister for Industry, Tourism, and Resources clarified in a press release late last month that the latest decision concerns a composite trade mark which combines the word UGG with the word Australia and the image of an oval sun with flames. "This means that trade mark protection applies for the way the mark looks or appears in its entirety, rather than the words within it", said the Hon Bob Baldwin. "Trade mark applicants are able to incorporate the word Ugh or Ugg in trade mark applications if they wish but should take care not to infringe other's rights", he said.

Heralding the importance of the trade mark system in resolving disputes of this nature, he commented that this "case shows that without clear and balanced trade mark rights and processes, it would be difficult to provide incentives for industry to develop quality goods and services".



Deborah Jackson

Associate

Spruson&Ferguson Trade Marks Team

deborah.jackson@sprusons.com.au