Lowering the Threshold

Health World Ltd v Shin-Sun Australia Pty Ltd [2010] HCA 13

The High Court recently considered the requirement for an applicant seeking removal or cancellation of a trade mark from the Register to be "aggrieved" and in particular, whether that requirement should be construed restrictively or liberally.

The High Court ultimately found that Health World was aggrieved because it was in the same trade as Shin-Sun, and traded in the same class of goods in respect of which the challenged mark was registered.

The High Court overruled the Full Court's decision in *Kraft Foods Inc v Gaines Pet Food Corporation* (1996) 65 FCR 104 to the extent that the Full Court held that the exhaustive test for ascertaining whether a person is aggrieved, is to demonstrate at least a reasonable possibility of the removal applicant being "appreciably disadvantaged in a legal or practical sense" by the trade mark remaining on the Register.

As a result of amendments to the Trade Marks Act 1995 effective from 23 October 2006, a removal applicant (for the purposes of an application brought under section 92 of the Act) is no longer required to a "person aggrieved". The above High Court decision is therefore primarily relevant to cancellation actions (brought under section 88 of the Act) where the requirement for the applicant to be an "aggrieved person" still exists.

The High Court decision effectively lowers the threshold for applicants bringing cancellation proceedings against a competitor in that an applicant is arguably "aggrieved" by reason of the parties operating in the same field of business.

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the project in a way that avoids some of the restrictions. For example, when relying on OSS code, it may be possible to merely link to such code so as to avoid certain restrictions rather than incorporating it into the project and thereby resulting in a derivative work.

» Maintain an accurate and up to date log of all code incorporated into the project, including details of when and by whom the code was included and where it originated from (with references to, and copies of, all applicable licence terms), as well as all modifications made to the original code. This is ideally done for all code on a line-by-line basis.

» Consider carefully whether to use OSS in 'proprietary' software development, particularly where the commercial pathway is distribution of the finished product to other parties.

What to do when it seems too late

Once a business realises that OSS code used for an in-house project is subject to licence terms which do not allow the software to be used as required, there may still be scope to remedy the situation:

» Check whether the OSS code can be replaced with other third party code (either OSS or proprietary) which is subject to more favourable licence terms.

» Consider whether the required functionality could be achieved with code written in-house (either by employees or contractors), and the time and effort required to do so.

» If use of the OSS code is essential, consider approaching the owner who may be prepared to allow use of the code on less restrictive or 'commercial' terms, possibly in return for a fee.

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