

ASSET RICH, CASH POOR - Fundraising Options

**An article written by Mark Hamilton for the Australian & New Zealand
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Doing business over the internet has significant implications for wine producers who own trade marks registered in Australia, because of the possibility of inadvertent infringement of trade marks registered in other countries. Winery internet sites in Australia are proving to be popular websites - enjoying significant international site "visits".

Many trade mark owners do not realise when they begin trading over the internet that they are entering a global marketplace. Registration of a trade mark in Australia does not give protection from possible infringement of a similar mark in another country. If a wine producer offers goods for sale via the internet into a country where someone else owns a trade mark over the same words then the wine producer may be sued for infringement.

Even though local and (particularly) overseas wine customers have proved reluctant to use e-commerce to actually order and pay for wine over the internet, wine is a major hobby and passion for an increasing number of people around the world.

Wine consumers around the world are increasingly becoming "international" in their wine purchases and are increasingly using the internet as a means to "visit" the wine producer, to access information about the producer and to potentially make contact and order wine.

Rather than an "e-commerce" transaction with credit card transactions over the internet, the actual transaction might take place by email or facsimile independent of the website – once initial contact is made through the website by email. Or possibly the website is used as a means to ascertain telephone, facsimile or other contact points for the winery.

This trend is likely to expand rapidly as Australian wine exports expand – the world wine market for premium wine is expanding. An increasing amount of wine packaging exported around the world contains reference to website details.

By making the website available – and selling wine to customers in overseas markets, the wine producer is offering for sale wine in that overseas marketplace – potentially in breach of some other existing trade mark in that country.

Trade mark owners need to be aware of the potential risks they face when trading over the internet and should seek legal advice on the best ways to avoid or minimise those risks.

Wine producers should in particular seek legal advice if they receive notice from an overseas trade mark owner alleging that they are infringing their trade mark via the internet.

Wine producers who hold trade marks in Australia and who are contemplating trading over the internet should consider the potential benefits for their business of applying for registration of their trade mark overseas using the Madrid Protocol if they do not already have trade marks registered in the overseas market where internet sales are likely to occur.

If a wine producer wants protection for the trade mark overseas then there are two different ways the Australian trade mark owners can seek trade mark protection overseas.

An application can be filed directly with each country, or a single international application can be filed through IP Australia nominating the countries in which protection is required. This single international application operates under the Madrid Protocol and there are more than 50 member countries party to the Madrid Protocol.

If you wish to find out more about international applications then you should obtain a copy of IP Australia's publications – Registering an International Trade Mark – the Madrid Protocol in Brief and the International Trade Marks Application Kit – Filing under the Madrid Protocol. You can obtain copies of these publications from the IP Australia website at www.ipaustralia.gov.au or from your state office of IP Australia.