

## Look who's smiling – Crocodile International wins New Zealand trade mark case against Lacoste

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The New Zealand Supreme Court has recently issued a decision in the long running dispute between fashion brands Crocodile International Pte Ltd and Lacoste regarding whether a trade mark registration held by Lacoste dating from 1961 should be revoked for non-use.

The decision is significant in that the court decided there is no discretion to retain trade marks not in use on the register (unless there are special circumstances) and provides clarity around what constitutes “use” of a trade mark.

The case revolved around the registered trade mark below.



Lacoste had never used this particular trade mark, but did use a number of other crocodile trade marks, including those set out below.



The first issue for the Supreme Court to decide was whether use of Lacoste's various crocodile trade marks constituted use of the registered trade mark.

The High Court and the Court of Appeal held that Lacoste had used the registered trade mark, as the central idea and message of all of the trade marks was of a crocodile. The Supreme Court disagreed with this view, finding that Lacoste's use of various crocodile trade marks did not constitute use of the registered trade mark. In particular, the registered trade mark featured two different essential elements, being the word Crocodile and the crocodile device, while the Supreme Court took the view that use of a trade mark featuring only one element of the registered trade mark could not constitute use of the registered trade mark.

The second issue for the Supreme Court to decide was whether there was a residual discretion to retain the registered trade mark on the Trade Marks Register, notwithstanding the fact that it had not been used. New Zealand courts and the Hearing Office of the New Zealand Intellectual Property Office have historically been of the view that there is a residual discretion to retain unused trade marks on the Trade Marks Register in some circumstances. The Supreme Court however took the view that there is no residual discretion to retain trade marks which are not in use (although statutory discretion does apply when non-use can be excused due to special circumstances outside the control of the trade mark owner).

The Supreme Court's decision provides a couple of important points that trade mark owners should bear in mind, namely –

1. Given the Supreme Court's view that there is no residual discretion to retain unused trade marks on the Trade Marks Register, it will now be easier to remove trade marks from the Trade Marks Register or to restrict the range of goods or services covered by a trade mark registration, and
2. Trade mark owners should ensure that registered trade marks are used in the form in which they are registered, to ensure that the registration is secure.
3. If the form of use of the trade mark has changed, you should apply to register that new form of the trade mark.

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Simon specialises in helping organisations get the most value out of their brands through trade mark and domain name prosecution and registration, portfolio management and infringement action. Simon believes companies sometimes overlook the importance of safeguarding their brands, which can lead to disputes and costs in future. "With increasing competition from cheap imports and a crowded marketplace, having registration and protection strategies in place is vital for Australian companies."

Before coming to Griffith Hack, Simon was employed as a Trade Marks Examiner at the Intellectual Property Office of New Zealand (IPONZ), which gives him an insight into what examiners are looking for when examining and registering trade marks. "Having obtained experience as an examiner, I am well paced to help Australian companies obtain protection for their brands as quickly and efficiently as possible".