

# **Article Information**

Authors: Tim O'Callaghan, Travis Shueard, Zara Cox

Service: Corporate & Commercial, Dispute Resolution & Litigation, Employment & Labour,

Intellectual Property & Technology

Sector: Agriculture & Food, Defence, Education, Energy & Resources, Health & Life Sciences,

Hospitality, Tourism & Gaming, IT & Telecommunications, Transport & Logistics

# Case Update: The trade mark '7NOW' and the importance of using your Registered Trade Mark

In the latest instalment of the "7NOW" trade mark dispute between Seven Network and 7-Eleven, the Full Court of the Federal Court reminds businesses of the importance of continuous use to preserve trade mark registration. The Full Court has largely upheld the primary judge's findings, granting only limited registration to Seven Network in its appeal against the removal of its 7NOW trade mark.

## **Procedural Background**

Seven Network (**Seven**), the major operating company behind the Seven television network, owned the registered trade mark "7NOW" in respect of goods and services in classes 9, 35, 38 and 41 (**7NOW Trade Mark**).[1]

Before a Delegate of the Registrar of Trade Marks, 7-Eleven, the convenience store chain, was successful in removing the 7NOW Trade Mark, pursuant to section 92(4)(b) of the *Trade Marks Act 1995* (Cth) (**TMA**). This was on the basis that Seven had not used the mark in good faith in Australia during the period of 10 June 2016 to 10 June 2019 (**Non-Use Period**).[2]

Seven appealed this decision to the Federal Court of Australia and argued that use of 7NOW in the domain name https://7now.com.au/ and in the below website banner was sufficient such that the 7NOW Trade Mark should not be removed from the Register:[3]

#### MON

The primary judge, Thawley J, held that this did not constitute use as a trade mark, as it was not used as a "badge of origin" to draw a connection between the goods and services and the owner.[4] Consequently, his Honour removed the 7NOW Trade Mark in respect of a number of goods and services.

For more information on the primary judge's decision, please see our previous Insight here.

Seven appealed this decision to the Full Court of the Federal Court of Australia.

### **Appeal**

On appeal, the Full Court had to decide whether Seven had demonstrated use of the 7NOW Trade Mark during the Non-Use Period, in respect of the following goods and services:

- Category 1: computer software (in class 9);
- Category 2: the promotion and sale of goods and services for others including through the distribution of on-line promotional material and promotional contests (in class 35);
- Category 3: retail and wholesale services including retail trading via television programmes and by telephone and electronic means including the Internet (in class 35); and

piperalderman.com.au Page 1 of 3



• Category 4: the bringing together, for the benefit of others, of a variety of goods enabling customers to conveniently view and purchase those goods including by mail order, telecommunications, website or television shopping channels (in class 35).[5]

The Full Court upheld the primary judge's decision that the 7NOW Trade Mark was not used in relation to Categories 1, 3 and 4.[6] However, it was held that Seven *had* demonstrated use of the trade mark in relation to the promotion of goods for others in Category 2.[7]

The Full Court held that the primary judge misunderstood the nature of the Category 2 services as being services "of" others rather than services "for" others.[8] The 7NOW website displayed various tiles containing the trade marks of Seven's other services, such as the below:[9]













It was found that the use of the 7NOW banner above these tiles posed a connection between the 7NOW Trade Mark and the service of promoting the goods and services "for and on behalf" of those other Seven businesses.[10] Once this connection was appreciated, it became obvious that consumers were likely to infer that "7NOW" was a badge of origin of a service that "aggregates, presents and promotes" the offerings of others.[11] This was sufficient to establish use as a trade mark in relation to that relevant service.

However, the Full Court accepted 7-Eleven's submission that this use was not in relation to the *sale* of goods and services for others.[12] Therefore, the Full Court allowed the 7NOW Trade Mark to remain on the Register in relation to the Category 2 services only with respect to 'the promotion of goods and services for others including through the distribution of on-line promotional material and promotional contests'.[13]

Additionally, the Full Court decided not to exercise its discretion under section 101 of the TMA to retain the 7NOW Trade Mark on the Register in relation to the remaining categories, as it was not in the public interest to allow this in respect of services where Seven had not established use, particularly given the range of services still covered by the 7NOW Trade Mark.[14]

## **Key Takeaways**

This is a small victory for Seven, who has still lost the protection that a registered trade mark provides in relation to a number of goods and services. This appeal further calls attention to the importance of continuous use of a trade mark as a badge of origin in respect of each claimed good and service. The failure to do so leaves a trade mark vulnerable to removal from the Register.

Piper Alderman has a nationally recognised practice in intellectual property enforcement and protection, with experience in all jurisdictions. Please contact Tim O'Callaghan and his team if you require intellectual property advice.

- [1] Seven Network (Operations) Ltd v 7-Eleven Inc [2024] FCAFC 65 [1] ("Seven Full Court Appeal").
- [2] Ibid [4].
- [3] Seven Network (Operations) Ltd v 7-Eleven Inc [2023] FCA 608 [79] [81].
- [4] Ibid [41], [77], [119].
- [5] Seven Full Court Appeal (n 1) [15], [76], [95], [109].
- [6] Ibid [8].
- [7] Ibid.
- [8] Ibid [101].

piperalderman.com.au Page 2 of 3



- [9] Ibid [22].
- [10] Ibid [102].
- [11] Ibid [102].
- [12] Ibid [107].
- [13] Ibid [172].
- [14] Ibid [170].

piperalderman.com.au Page 3 of 3