

## Article Information

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

**Trademarking your business is important to retain your unique brand identity. This was highlighted in a recent decision where Seven Network were unsuccessful in retaining the 7NOW Trade Mark.**

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Seven Network (**Seven**) was recently unsuccessful in appealing the decision of a delegate of the Registrar of Trade Marks (**Delegate**) which removed its trade mark TM1540574: 7NOW (**7NOW Trade Mark**).

This decision clarifies the Court's position on use of a trade mark in a domain name, and highlights the importance of consistent use of a trade mark in a manner which makes the relationship between the trade mark and the relevant goods or services clear to the consumer.

### Procedural Background

#### Seven Network

Seven is the ultimate holding company of the Seven Group, a group of companies that operate a multimedia business in broadcast television, publishing and online. Seven is the major operating company and operates the Seven Network, a large Australian commercial free-to-air- network which has broadcasted across Australia for many years. It generates most revenue from advertising on its television channels.

The 7NOW Trade Mark was registered by Seven in August 2013 for goods and services in classes 9, 35, 38 and 41.

#### 7-Eleven

7-Eleven operates an international chain of convenience stores, including in Australia since 1977. Overseas, 7-Eleven uses the trade mark 7NOW in relation to food and alcohol delivery and pick-up services, which is promoted by way of a similarly named app and website. It wanted to register its trade mark 7NOW in Australia. 7-Eleven also promotes these services using the trade mark:



#### Non-Use Application

7-Eleven applied to remove Seven's 7NOW Trade Mark for non-use. The Non-Use Application was made pursuant to section 92(4)(b) of the *Trade Marks Act 1995* (Cth) (**Act**), specifically that Seven had not used the 7NOW Trade Mark, or had not used it in good faith, in Australia during the period of 10 June 2016 to 10 June 2019 (**Non-Use Period**).[\[1\]](#)

#### Decision of the Delegate of the Registrar of Trade Marks

7-Eleven filed its non-use application on 10 July 2019, and later filed an application to register 7NOW and a 7NOW figurative mark in respect of class 35 services on 23 March 2020.<sup>[2]</sup> During the examination of 7-Eleven's 7NOW marks, the Delegate cited the Seven's 7NOW Trade Mark as a basis to refuse registration.<sup>[3]</sup>

The Delegate held that the 7NOW Trade Mark had not been used by Seven, or it had not been used in good faith during the non-use period and held that Seven's 7NOW Trade Mark should be removed from the register.<sup>[4]</sup>

Seven appealed the decision of the Delegate to the Federal Court by way of a hearing *de novo*, which means that the Court considers the hearing afresh.<sup>[5]</sup>

## **Federal Court Appeal**

### *The Defended Goods and Services and use by Seven*

7-Eleven maintained that the below 'Defended Goods and Services' should be removed from those claimed in Seven's 7NOW Trade Mark because the trade mark had not been used for those 'Defended Goods and Services':

- *Class 9: computer software;*
- *Class 35: the promotion and sale of goods and services for others including through the distribution of online promotional material and promotional contests;*
- *Class 35: retail and wholesale services including retail trading via television programmes and by telephone and electronic means including the Internet; and*
- *Class 35: 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.*<sup>[6]</sup>

Whilst Seven took preparatory steps to use the 7NOW Trade Mark, such as registering the domain name 7now.com.au in 2011, Seven conceded that it had not actually used '7NOW' as a trade mark prior to 24 July 2018.<sup>[7]</sup>

From 24 July 2018 the URL [www.7now.com.au](http://www.7now.com.au) (**Domain Name**) redirected users to 7plus.com.au and users were directed to the 7PLUS website.<sup>[8]</sup> This redirect was in place until 1 April 2019 (**Redirect Period**).

From 1 April 2019 to 10 June 2019, the redirect was cancelled and the below 7NOW banner was present on the Domain Name:<sup>[9]</sup>



Seven argued that the banner constituted use of the 7NOW Trade Mark for the Defended Goods and Services, as it advertised publications or e-commerce platforms which offered various goods and services.<sup>[10]</sup>

Seven submitted that it had used the 7NOW Trade Mark for the Defended Goods in class 35 through its offering of television programs for streaming through the 7PLUS website and App, which were advertised on the 7PLUS website during the Redirect Period.<sup>[11]</sup>

Seven's submissions also claimed that the 7NOW Trade Mark had been used for goods and services similar or closely related to the Defended Goods and Services.<sup>[12]</sup>

The Court held that Seven's use of the 7NOW Trade Mark in the Domain Name during the Redirect Period was not trade mark use, and Seven did not offer any goods or services in connection with the 7NOW Trade Mark during that period.<sup>[13]</sup>

The Court held that this use of the 7NOW Trade Mark in the Domain Name was not 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.<sup>[14]</sup> The Court also found that a typical consumer accessing the 7NOW Website would not understand that the 7NOW Trade Mark was being used to promote or advertise the various businesses and publications, nor would a consumer think that the e-commerce services linked on the 7NOW Website were being offered by Seven or 7NOW.<sup>[15]</sup>

Seven submitted that the 7NOW Trade Mark should remain on the Register, with all the claimed goods and services in classes 9, 35, 38 and 41 to remain, including the Defended Goods and Services.<sup>[16]</sup> Seven claimed that there would be confusion amongst consumers if the Defended Goods and Services were removed from the 7NOW Trade Mark, but used by another trader for a similar trade mark (particularly 7-Eleven).<sup>[17]</sup>

However, despite Seven's submissions that the Court should avoid drawing 'fine distinctions'<sup>[18]</sup> between goods and services as above, resulting in 'fragmented ownership' of the same trade mark by different owners, the Court was not convinced to exercise its discretion and allow the 7NOW Trade Mark to remain registered, excluding the Defended Goods

and Services.<sup>[19]</sup> There must be “real commercial use” or “ordinary and genuine use” of a trade mark during the relevant period in connection with the relevant goods and/or services for it to defeat an application for removal for non-use.

### Key Takeaways

This decision highlights the importance of continuous, relevant use of a trade mark to protect its registration. Sole isolated use of a trade mark in a domain name, or small website banner is unlikely to be sufficient evidence of use of a trade mark during a relevant period, if not combined with other more prevalent usage.

Trade mark owners must also take care to use their trade marks in connection with the claimed goods and services to avoid possible removal. This use must be “real commercial use” or “ordinary and genuine use” of a trade mark, otherwise the trade mark may still be vulnerable to removal.

Piper Alderman has a nationally recognised intellectual property practice which has experience in both registering trade marks and in enforcing intellectual property rights in all Australian jurisdictions.

<sup>[1]</sup> *Trade Marks Act 1995* (Cth), s 92(4)(b); *Seven Network (Operations) Limited v 7-Eleven Inc* [2023] FCA 608 [2].

<sup>[2]</sup> *Ibid* [16-17].

<sup>[3]</sup> *Ibid* [17].

<sup>[4]</sup> *Seven Network (Operations) Limited v 7-Eleven Inc* [2023] FCA 608 [2].

<sup>[5]</sup> *Seven Network (Operations) Limited v 7-Eleven Inc* [2023] FCA 608 [3]; *Seven Network (Operations) Limited v 7-Eleven Inc* [2023] FCA 608 citing *Telstra Corporation Limited v Phone Directories Company Pty Ltd* [2015] FCAFC 156; 237 FCR 388 at [192].

<sup>[6]</sup> *Seven Network (Operations) Limited v 7-Eleven Inc* [2023] FCA 608 [21].

<sup>[7]</sup> *Ibid* [11], [13].

<sup>[8]</sup> *Ibid* [14].

<sup>[9]</sup> *Ibid* [81].

<sup>[10]</sup> *Ibid* [92], [102].

<sup>[11]</sup> *Ibid* [48].

<sup>[12]</sup> *Ibid* [122].

<sup>[13]</sup> *Ibid* [61] – [61]

<sup>[14]</sup> *Ibid* [41], [77].

<sup>[15]</sup> *Ibid* [107] – [108]; [118].

<sup>[16]</sup> *Ibid* [122].

<sup>[17]</sup> *Ibid* [122].

<sup>[18]</sup> *Ibid* [123].

<sup>[19]</sup> *Seven Network (Operations) Limited v 7-Eleven Inc* [2023] FCA 608 [123] citing *McHattan v Australian Specialised Vehicle Systems Pty Ltd* [1996] FCA 481; 34 IPR 537 at 544 per Drummond J.