

# Protecting magazine and newspaper mastheads

Ian McGill examines the various methods available to publishers to protect their mastheads

**T**he masthead or title of a particular magazine or newspaper is a valuable asset of a publisher.

Invariably, considerable sums are spent on promoting a particular masthead so that it may establish a significant reputation in its particular publishing market. This paper considers the avenues open to a publisher to protect this valuable asset, particularly from a competitive publication that has copied the publisher's masthead.

A copyright infringement action may only be of limited utility. A title or short collocation of words will generally be held to be too insubstantial to qualify for protection as a 'literary work'. Nevertheless, a logo associated with a masthead may qualify for protection as an artistic work.

## Business names registration

**A** threshold question for the publisher is whether the act of publication of a masthead requires registration of that masthead as a business name.

The business names legislation in each State and Territory requires that every company or individual 'carrying on business' under a name other than their own name must register that other name as a business name. This name must be registered in each State and Territory in which the business is conducted.

Where a publisher only publishes a single publication it is possible that registration of the masthead as a business name will be required. On the other hand, it is just as likely that a publisher carries on business under its corporate or other name and the masthead is merely a brand of good produced by the publisher. The question is always one of degree.

The registration of a business name does not, however, give any proprietary right in the name. Likewise, the legislation gives no private right of action against those who make unauthorised use of a business name. Such unauthorised use constitutes an offence which may be prosecuted by the State Corporate Affairs Commissions only. For these reasons, business name registration is only of limited benefit in protecting a name.

The object of the business names legislation is the protection of the public not to grant a monopoly in someone to the exclusive use of a name. The object of the

legislation is realised by disclosure on a public record (the business names register) of the identity of persons carrying on business under names other than their own.

Business name registration does not, of itself, provide positive protection against unauthorised use of that name. Rather, business name registration offers what might be termed 'negative protection' in that:

- once registered, the authorities responsible for business name registration in each State or Territory will not permit registration of an identical word or name and are unlikely to permit the registration of a similar word or name which might mislead or deceive the public, and
- if a registered proprietor is in a position to allege that an unauthorised user is, in effect, prohibited from carrying on business in the State or Territory because of the unauthorised user's non-registration of that word or name.

## Trade mark registration

**A**s trade marks are registered under a Federal statute such registrations apply throughout Australia. The registration of a trade mark gives a proprietary right in the name, but the right is limited to the particular goods or services in relation to which the mark is registered.

A registered mark is protectable by means of a private action for infringement. A registered proprietor may commence infringement proceedings against any unauthorised users of the trade mark. Section 62(1) of the *Trade Marks Act* provides that a mark is infringed by a person who uses the mark 'in relation to goods or services in respect of which the trade mark is registered'.

However, in many cases the Trade Marks Office requires that a masthead name or logo may only be registered in respect of a particular form of publishing. For example, a newspaper publisher with a particular masthead or logo may fail in a trade marks action against another publisher using the same masthead or logo on a direct mail publication.

Section 24(1)(d) of the *Trade Marks Act* provides that a trade mark is not registrable if it is descriptive of the character or quality of the goods or services or if it is a geographical name or surname. This may be a significant

disadvantage to trade mark protection of a masthead name.

In many cases a masthead will merely be a compilation of several descriptive words some of which (eg the name of a city) will attract no exclusive right to their use. To avoid this difficulty a publisher may have to seek the alternative protection considered below.

## Sections 52 and 53 of the Trade Practices Act 1974

**S**ection 52 of the *Trade Practices Act* prohibits corporations from engaging in misleading and deceptive conduct. Section 53 prohibits a corporation from representing in connection with the supply or promotion of goods or services that the goods have a sponsorship, approval or affiliation they do not have.

In the protection of mastheads, a publisher will often look to section 52 to attack another publisher trying to 'cash in' on the reputation established in the masthead by the first publisher.

In actions under the common law tort of passing off, the courts' approach to situations of this kind in respect of newspapers or magazine titles, however, has been to regard likely consumers of newspapers and magazines as being knowledgeable and discriminating and therefore not usually liable to be confused or deceived by a defendant's use of a similar name - particularly if the newspapers or magazines are in other ways different. This approach may well be followed by the courts in actions brought under section 52.

In addition, a major difficulty facing publishers is the likely descriptive nature of the masthead. In the case of *Hornsby Building Information Centre v Sydney Building Information Centre* (1978) Justice Stephen observed:

*"There is a price to be paid for the advantages flowing from the position of an eloquently descriptive trade name. Because it is descriptive it is equally applicable to any business of a like kind, its very descriptiveness ensures that it is not distinctive to any particular business and hence its application to other like businesses will not ordinarily mislead the public."*

In *Equity Access v Westpac* (1989) Justice Hill considered that there is a continuum of words used in a commercial context. At one extreme are purely descriptive names and at the other completely invented names.

Between these extremes are names that contain ordinary English words which are in some way or other at least partly descriptive. Justice Hill considered that as one moved towards invented or 'fancy' names it became easier for a plaintiff to establish that the words used are distinctive of the plaintiff's business. Such a reputation would not likely exist at the purely descriptive end of the spectrum.

If the masthead is at the descriptive end of the continuum and where the defendant has not used a phrase exactly as that used by the plaintiff but something similar to it then a small difference may suffice to negative the likelihood of deception.

Nevertheless, all is not lost for publishers. The authorities also suggest that a court will incline in favour of finding that the defendant's use of a phrase, if sufficiently close to that of the plaintiff's, is an encroachment upon the rights of the plaintiff if the defendant has tried to take advantage of the plaintiff's reputation.

### Passing off

**T**he tort of passing off is committed by a person who, in the course of trade, makes a misrepresentation to consumers of goods or services supplied by him, which is calculated or likely to injure the business or goodwill of another and which causes actual damage to the business and goodwill of another or is likely to do so.

Proof of passing off involves a number of technical rules (including proving damage to the goodwill of the plaintiff). As these do not apply to actions brought under section 52, a section 52 action may be a procedurally more efficient means to protect the masthead from unauthorised use.

### Conclusion

A publisher has a range of legal options open to it to protect a valuable masthead from appropriation by a competitor.

Copyright infringement proceedings will generally only be of limited application.

Registration of a masthead as a business name gives limited protection particularly while a trade mark application is pending. Trade mark registration is advisable if only because of the procedural advantages it confers in restraining infringement of a registered mark. There may be, however, particular difficulties in registering certain non-distinctive mastheads.

Proceedings under section 52 of the Trade Practices Act may well be the most effective means of preventing unauthorised use: however there will still be difficulties where a masthead is a descriptive word or words.

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# ABT considers advertising content deregulation

## Martin O'Shannessy examines the protectionist advertising regulations and considers prospects for deregulation

**G**overnment policy on industry protection is by now well instilled on the minds of industry and the public service.

Some aspects of industry protection that have remained in the backwaters until now fall under the control of the Australian Broadcasting Tribunal which administers the *Broadcasting Act*.

These include minimum Australian music requirements for radio, a quota system ensuring that eventually 60 per cent of television drama is of Australian origin or has major Australian participation and a restriction on the use of imported television advertisements which is currently under review.

One of the reasons that the ABT has maintained levels of protection in these industries has been its role of underpinning the Australian look and feel of television and radio. With this as a primary justification the ABT refers to protection for the Australian film production sector as a by-product of measures taken to ensure Australia's cultural identity. Notwithstanding its views, the ABT has agreed to review at least one area of industry protection.

Restrictions on the import of advertising material are currently under active review. Present television program standards (IPS 18,19 and 20) restrict the use of imported footage to 20 per cent of an individual commercial with limited exemptions for specific types of footage.

### Safety net

**T**he current inquiry is in its final stages following a decision by the Tribunal to consider a trial of deregulation. In deciding on this course the Tribunal has sought to apply the principal of a 'safety net' which would encourage freedom of business practices within well defined limits.

The purpose of the proposed trial is to determine the natural level of demand for imported footage in the economy. Once this level has been determined the appropriate place for the Tribunal to place the 'safety net' will be revealed.

The trial has been made possible by the agreement of the Federation of Australian Commercial Television Stations to monitor the amounts of material from Australia and overseas.

Should the Tribunal observe long term trends toward a radical shift of advertiser behaviour which are detrimental to the Australian look and feel of television, the Tribunal would step in and impose whatever controls it sees as appropriate. If, on the other hand, behaviour after the trial remains relatively constant, there would be no demonstrated need for active regulation.

### A new approach

**T**his decision by the Tribunal represents a significant move away from its previous protectionist stance. The approach adopted is also more in line with the recent decision on television drama which also bases its approach on looking at real impacts on the viewer.

The issue of what is to be counted as foreign in the trial is yet to be finally decided. However there is the real possibility that active regulation or rationing of imported footage will not be required if the trial shows acceptably low levels of demand for such footage.

On the horizon is the possibility that even less protectionist approaches will hold sway at the Tribunal.

Evidence of this comes in the form of Minister Beazley's announcement of 18 March 1991 of an inquiry into the possible benefits of lifting restrictions on co-production treaties for drama programs. Co-produced drama programs do not qualify as Australian under present drama rules despite the fact that they are made under official international co-production treaties.

While it is early days yet for this inquiry, the ability of the Tribunal to impose 'by-product' protection and Government's willingness to accept it seem likely to come under scrutiny.

The impacts of a new draft *Broadcasting Act* expected to appear in time for the Budget session of Parliament have yet to be considered in the equation. Media reports seem to indicate that Mr Beazley and his advisors see some of the present television standards as blatant protectionism. With this in mind the possibility of a whole new ball game should not be ruled out at this time.

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