Third-Party Trade Marks as a Violation of Indigenous Cultural Property: A New Statutory Safeguard

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I. INTRODUCTION

In 2002, a new Trade Marks Act came into force in New Zealand. For the first time in the history of New Zealand’s statutory trade mark law, it did not replicate the legislation of the United Kingdom, but created a new law for New Zealand.1 A number of provisions of the legislation are much the same as those in force in the United Kingdom and Europe, but there are some unique New Zealand-based additions. The focus of this article is one of those additions, which introduced a form of cultural property2 recognition. The statute provides a mechanism by which interests of sections of the community, particularly Māori (the indigenous population of New Zealand), can be taken into account within the framework of the trade mark registration process. The statute states that trade mark registration may be refused on the grounds that the registration or use of the trade mark may “offend a significant section of the community, including Māori”.3 The provision forms a right to prevent culturally offensive registration and is in effect a “negative” right. It is not a right of registration of trade marks of cultural significance or a method or a “positive” protection of traditional knowledge.4

This new law is a significant development both for New Zealand and on the international intellectual property (IP) playing field. The express inclusion of provisions to safeguard a cultural property interest is rarely, if ever, found in the core of IP statutory

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1 The New Zealand law remains extremely similar to that of the United Kingdom. The New Zealand statute drew heavily on Singapore’s Trade Marks Act 1998, which was based on the Trade Marks Act 1994 (U.K.).

2 The terms “cultural property” and “traditional knowledge” are terms frequently used to refer to rights of indigenous populations to protection for matters that are part of their cultures. Both of those terms are used in this article. Cultural property is, in a sense, a stronger term in that it uses the language of “property”. In some circumstances, that property right will be based on traditional knowledge. For a full discussion of “defining traditional knowledge”, see Daniel Gervais, The TRIPS Agreement Drafting History and Analysis, 2nd edition, Sweet & Maxwell, London, 2003, paras. 1.84-1.86.

3 “Likely to offend” could also be a ground for invalidation of a trade mark by a person “culturally aggrieved”, Trade Marks Act 2002 (N.Z.), s73.

4 In New Zealand, as in the United Kingdom, trade mark law allows for the registration of certification marks that may be used to certify the authenticity of products. In New Zealand, there are registrations for Māori certification marks. For a general discussion of certification marks, see Norma Dawson, Certification Trade Marks—Law and Practice, Intellectual Property Publishing Ltd, London, 1988.
law. This is not to say that the New Zealand scheme is without some potential difficulties. These are discussed in this article. The uniqueness of this step forward for those seeking to have traditional knowledge and cultural property protected, or at the very least acknowledged by mainstream IP law, should not be underestimated.

The nature of trade marks, as compared with patents, perhaps makes this kind of legislative recognition easier. It is a much more complicated issue to provide protection for cultural property interests within the framework of patent law. Traditional knowledge conflicts with steadfast concepts of patent law. In particular, the conflict can be found in the long history of some traditional knowledge and patent novelty and the limited term of patents compared with the longevity of traditional knowledge. That complexity comes not only from the position that a patent is a much stronger and more exclusive IP right than a trade mark, but also from the comparative economic value of the IP asset. Of course, some trade marks are more valuable than some patents. However, the economic significance of patents in the field of biotechnology is no doubt a significant contribution to that area being where the greatest clash between cultural property interests and IP law is being played out.

The introduction of the cultural provision into New Zealand's trade mark law was not without political opposition. The provisions were described as "politically correct nonsense" and having potential to "freeze and lock up culture". One politician stated:

"I imagine that there are very few people here who even remember the fairy tale of the Selfish Giant in which the giant built a wall to stop the kids from treading on his grass, eating his apples and picking his flowers. Then winter descended. No flowers bloomed. No blossom, appeared. The grass stopped growing. The winter lasted for years and years for the giant, because he was on his own—until, finally, a child found its way through a hole in the wall, and then other children come in, and lo and behold, the garden then began to bloom again."
There are many flaws in this line of argument. First, the identity of the selfish giant is, perhaps, a matter of perspective and might be the persons who make use of someone else’s culture with total disregard for the views of that culture.

Second, this charming rendition of the fairy tale attempts to equate the recognition of cultural property with the shutting out of cultural interest from the public domain. That the public domain will be locked up is a fear that pervades discussion in many areas of IP law. It is true that whenever property rights are given, someone is excluded. The right to exclude others is the core of the nature of property rights. It is also true that to introduce cultural protection to trade mark law will potentially remove some Māori culture from the public domain of choices of trade marks. However, not all cultural property will be removed from the pool from which trade marks may be created. Third, every time a trade mark is registered, the pool from which trade marks can be created grows incrementally smaller. What is taken from the pool may remain outside it forever, as trade marks are potentially indefinite IP rights.

Fourth, and most importantly, the public domain policy argument is erroneous in the context of trade mark law. The apparent concerns about restricting the public domain from which creativity and innovation can spring are concerns that lie at the heart of the debate concerning the proper ambit of copyright and patent law. The balancing act between owner’s and user’s rights which lies behind the public domain argument in copyright and patent law is not the business of trade mark law. The rationales of the proper scope of trade mark law have nothing to do with encouraging innovation and creativity and preserving legitimate use of the public domain. Two of the justifications of modern trade mark law arise from the desire to avoid consumer confusion and the maintenance of quality goods and services. These are discussed later in this article.

A theme of this article is the importance of progressing the cultural property rights and traditional knowledge debate and the usefulness of existing trade mark law as a starting point for that progress. It is not intended to undervalue the work of many public and private bodies, including the investigation into the issues of traditional knowledge by the World Intellectual Property Organization (WIPO). If, however, no progress is made on concrete proposals to address cultural property within the framework of IP laws, then the international debate in the area risks separation from mainstream intellectual property in a detrimental way, or at its worst stagnation in the minds of policymakers. Further, the

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10 TRIPS Article 18 provides that the registration of a trade mark shall be renewable indefinitely. See supra, footnote 3, ss57–60.
11 The need to preserve the public domain is in part reflected in the finite term of both copyright and patents and the originality requirement and concepts of fair use and fair dealing in copyright law. The scope of those requirements may of course be challenged as out of step with the need to preserve and not shrink the public domain.
failure to address cultural property and traditional knowledge issues overflow into other areas of international IP negotiation. The claimants of cultural property rights have every reason to not agree to further IP protection under Trade-Related Aspects of Intellectual Property Rights (TRIPS) if the existing Agreement is regarded as eviscerating their cultural values, identity and potential commercial interests.

II. BACKGROUND TO MĀORI “CULTURAL PROPERTY” IN NEW ZEALAND LAW

Māori lawyer Maui Solomon has stated:14

“Over the past two decades or so, the Western intellectual property rights legal system has been placed on a direct collision course with the customary intellectual property rights of indigenous peoples.”15

New Zealand is a Member of the World Trade Organization (WTO) and is strongly committed to many of its policies,16 including the TRIPS Agreement. In fact, in many areas of IP protection New Zealand applies a “TRIPS-plus” standard.17 Successive governments of New Zealand have committed themselves to honouring the Crown’s obligation to New Zealand Māori people. New Zealand legislators face a challenge in balancing these parallel commitments. In the field of trade mark law, the ability for interested parties to object to culturally offensive marks being registered tests that balance in a practical way.

The Treaty of Waitangi is the founding document of the relationship between the Māori and the Crown. In essence, the Treaty has established itself as a document of constitutional significance for New Zealand.18 The Treaty is a short document of some three articles. However, the interpretation of those articles is much greater than their length suggests. The Treaty does not expressly refer to intellectual property. The article known as “Article the Second” (ko te Tuana) is the article most relevant to intellectual property because in the Māori version it refers to taonga, which may be translated as meaning treasures, which includes products of Māori culture.19

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15 Maui Solomon’s views are far from unique to New Zealand and reflect a global concern. However, the trade mark law of New Zealand has progressed past this point to a practical solution.

16 New Zealand has been at the forefront of free-market politics and has significantly reduced or eliminated tariffs in a variety of areas covered by WTO agreements, most notably in relation to agriculture and textiles.

17 The term “TRIPS-plus” means standards of protection higher than those required by the TRIPS Agreement. The TRIPS Agreement allows a higher level of protection; see TRIPS Article 1.1.


19 Ko te Tuara provides (the Maori and English versions are both set out here as they are of equal authority): “Ko te Kuini o Ingarani ka wakarite ka wakae ki ngā Rangatira ki ngā hapa – ki ngā tangata katoa o Nu Tirani te tino rangatiratanga o o rātou venua o rātou kainga me o rātou taonga katoa ...” (Her Majesty the Queen of England confirms and guarantees to the chiefs and tribes of New Zealand and the respective families and individuals thereof the full, exclusive and undisturbed possession of their lands and estates, forests, fisheries and other pre-emption over such lands). The government department responsible for Māori development (Te Puni Kōkiri) has provided a more literal translation of both the Māori and English versions: “The Queen of England acknowledges and guarantees to the chiefs, the tribes, and all the people of New Zealand, the entire supremacy of their lands, of their settlements and of their personal property.”
Case law considering the Treaty of Waitangi has developed the concept that the Treaty represents a partnership between the Crown and Māori and that there is a set of Treaty principles. Of particular relevance to IP, some Māori have expressed the view that the Treaty principles include:

"The Māori have the right to self-management, to maintain Māori culture and to control their resources; The Treaty relationship implies the implementation of the Treaty in a broad and generous spirit that takes account of cultural difference; The responsibility of government towards Māori is in the nature of a fiduciary duty which requires active protection of Māori property and identity, in accordance with Māori values to the fullest extent possible."

These principles have not been recognized by any court but an awareness of them frames the claim to property rights over traditional knowledge and cultural interest that is relevant to the debate over how IP law might take account of those interests.

The Mataatua Declaration on Cultural and Intellectual Property Rights of Indigenous Peoples was signed in New Zealand in 1993. The Mataatua Declaration is appended to the United Nations Draft Declaration of the Rights of Indigenous Peoples. The Mataatua Declaration has among its aims self-determination rights of indigenous peoples, in particular in relation to IP.

III. CULTURAL OFFENSIVENESS AND MĀORI TRADE MARKS

The new statutory provisions, details of which are discussed below, allow trade mark registration to be denied on the grounds of cultural offence. That provision is alongside other grounds for protection, which may also incidentally exclude the use of Māori words. A number of Māori words have been incorporated into New Zealand English. New Zealand trade mark law, like other jurisdictions, will not protect words which are common usage or may be legitimately be used by a number of traders. An example might be the word kai meaning food.

Also, a large number of New Zealand place names are Māori names. The general barriers to registration of names, which have a geographical significance, except where that geographical name has obtained a secondary significance, is part of New Zealand law. The new law throws open the possibility that those marks which have obtained a secondary meaning could be regarded as offensive and therefore would not be registrable.

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21 See the Website of Te Puni Kokiri (Ministry of Māori Development) available at: www.tpk.govt.nz/publications/docs/pob/treaty.htm.
25 Such marks would not be distinctive. See supra, footnote 3, 518.
27 See Frankel and McLay, supra, footnote 14, 426–428.
But what use of Māori words and symbols might cause offence and thus invoke the new provisions? A recent example that attracted international attention was Lego’s use of Māori words. Lego produced a range of products known as bionicle toys. The bionicle toys are a range of action figures who inhabit the imaginary island of Mata Nui. The inhabitants are under the power of an evil beast called Makuta. The heroes are called Toa and are sworn to liberate the island’s inhabitants. The bionicle toy range used ten Māori names to identify the toys. Māori objected to these uses and Lego agreed to change the names. The incident apparently inspired Lego to set a code of conduct for the use of traditional knowledge in the manufacture of toys. Interestingly, the lawyer representing the Māori interests stated that the issue was not so much that Māori names could never be used but that:

“There has been no consultation, no prior informed consent. And it’s a trivialization, especially when you are using names like Tohunga (Māori for priest). So there are cultural and moral issues.”

Another example of offence to Māori culture was McDonalds’ use of Māori symbols:

“McDonalds has produced a paper ‘mat’ which is used in their restaurants nationwide to cover their food trays ... on it are various New Zealand ‘icons’: a kiwi, a native tree, and a hetiki (greenstone pendant personifying a human ancestor). As a Māori I find the depiction of the hetiki in that context inappropriate. The offence felt is not easy to express, however, it could be likened to having a picture of the person on a doormat and having all manner of people scuffing and wiping their dirty shoes all over the mat. It is not obvious from the image that it is based on a reproduction of an actual hetiki, but had this been the case the offence would be even greater. It would be the equivalent of having the picture of someone dear to me or someone whom I recognise as a person of great mana (prestige) on the doormat.”

In this scenario McDonalds was not using the Māori hetiki as a trade mark but such a trade mark use could easily be contemplated. A number of device marks that include Māori imagery are registered in New Zealand. And given the importance of Māori culture to a number of aspects of New Zealand business, particularly tourism, the desire to register marks using symbols of Māori culture is likely to continue.

According to Maui Solomon, symbols of Māori culture have often been used as trade marks in New Zealand without consultation as to their proper use. The Minister introducing the Trade Marks Bill to Parliament stated:

“I remind people that Māori have been incredibly generous with the use of their culture as an identifying feature of New Zealand at home and abroad. It is about time that we

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30 Griggs, supra, footnote 28.
32 New-generation trade marks such as shape, sound and smell and, in New Zealand, taste may raise additional concerns for Māori protection.
33 See Solomon, supra, footnote 14,
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recognized their rights to see some protection of their cultural heritage respected through our legislative processes.34

IV. BACKGROUND TO MĀORI PROVISIONS OF THE TRADE MARKS ACT 2002

The New Zealand government department35 responsible for intellectual property established a Focus Group, in the 1990s, to consider Māori concerns in relation to trade marks.36 One of the conclusions of the Focus Group was that the registration of trade marks that made use of Māori words, symbols, and sounds and smells was in fact useful to promoting Māori culture and should not be prohibited outright.37 The Focus Group effectively recognized that any complete prohibition would not benefit Māori. The Focus Group recommended that if a Māori word, symbol, sound or smell was part of an application for a registered trade mark the applicant should be compelled to:

a) provide clear evidence of the origin of the trade mark;

b) show that the relevant iwi, hapu or whanau have given permission to the applicant to use the mark;

c) show that the appropriate source had been identified; and

d) show that the use of any proposed mark is culturally appropriate.38

Another recommendation was that the Commissioner ought to assess all trade mark applications and decide whether each application involves an aspect of Māori culture.39 If the Commissioner concludes that a trade mark application involved such a cultural aspect it should be referred to a consultative committee to check whether a)–d) above have been complied with.

Some of the recommendations of the Focus Group were included in the resulting legislation.

V. TRADE MARKS ACT 2002 AND THE CULTURAL PROVISIONS

New Zealand's trade mark law has historically been identical to that of the United Kingdom.40 It has diverged in some details since the United Kingdom law has taken a European orientation. However in core principles it remains much the same. The law is TRIPS-compliant and reflects the basic principles that the trade marks must be distinctive41 in order to be registered and must not cause or be likely to cause consumer

34 Laila Harre, Associate Minister of Commerce, 1 August 2001, NZPD 10599.
35 Now known as the Ministry of Economic Development, formerly the Ministry of Commerce.
37 Ibid., 19.
38 Ibid., 19–24.
39 Id.
40 The Trade Marks Act 1953 was a substantial reproduction of the Trade Marks Act 1938 (U.K., repealed). Former legislation was also a substantial reproduction of previous U.K. trade mark legislation.
41 Supra, footnote 3, s18.
confusion. The absence of these qualities form the basis of the statutory grounds on which trade mark registration may be opposed or revoked.

The statutory scheme provides a number of grounds on which the Commissioner of Trade Marks can refuse to accept an application to register a trade mark. These grounds are grouped as “absolute” and “relative grounds”. One of the absolute grounds for not registering a trade mark application, under the 2002 Act includes that:

“The Commissioner must not register a trade mark or part of a trade mark if the Commissioner considers its use or registration would be likely to offend a significant section of the community, including Māori.”

The Commissioner may refuse to accept an application for registration on the basis of a likelihood that it will offend. In addition, the provision opens the door for opposition to a trade mark to be made on the basis that the proposed trade mark causes offence or a likelihood that it will offend. Prior to the enactment of the 2002 Act a refusal to register or an opposition to a trade mark was theoretically possible on cultural offensiveness grounds, but would have needed to be done on the basis of “scandalous matter” or “offence to morality”. The Focus Group considered these concepts “required the Commissioner to make a subjective decision on what these words mean without any guidance”. There was some guidance in the rather limited relevant case law.

The Act also gives standing for a person who is “culturally aggrieved” to apply to declare a registration invalid. The invalidity provision uses the term “aggrieved” as a general basis for filing an application for invalidity and refers back to the registrability provisions. Therefore, the basis on which a person is “culturally aggrieved” is if the registration or its use is likely to offend a significant section of the community.

Under the 2002 Act, the Commissioner of Trade Marks must appoint an Advisory Committee. The Commissioner retains the power to alter the Advisory Committee. The function of the Advisory Committee is to:

“...advise the Commissioner whether the proposed use or registration of a trade mark that is, or appears to be, derivative of a Māori sign, including text or imagery, is, or is likely to be, offensive to Māori.”

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42 Ibid., s17.
43 For opposition procedure, see ibid., ss47-49.
44 For invalidation and revocation procedures, see ibid., ss47-49.
46 Ibid., s17(b)(ii).
47 Supra, footnote 36, 22.
48 See Ghazilian’s Trade Mark Application, [2001] RPC 33 (TMR); Hallelujah Trade Mark, [1976] RPC 605 (TMR); and Law Marquise Footwear Inc’s Application, [1946] 64 RPC 27 (UKHC).
49 Supra, footnote 3, s73(1).
50 Ibid., s73.
51 The grounds for invalidation are therefore essentially the same as those on which an opposition could have been made.
52 Supra, footnote 3, s177(1).
53 Ibid., s177(2).
54 Ibid., s178.
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The Advisory Committee may regulate its own procedure, but remains subject to any direction given by the Commissioner of Trade Marks. The Commissioner has the power to appoint members to the Advisory Committee. The one statutory guidance to the characteristics of those members is that a person must not be appointed to the Committee unless, in the opinion of the Commissioner, the person is qualified for appointment, having regard to that person's knowledge of *te ao Māori* (Māori world view) and *tikanga Māori* (Māori protocol and culture).

VI. ISSUES UNDER THE NEW LAW

The presence of the new law and its particular structure raise a number of issues that are discussed here.

A. INTELLECTUAL PROPERTY OFFICE PRACTICE PRIOR TO THE NEW LAW

The Intellectual Property Office of New Zealand (IPONZ) had considered and acted on concerns regarding potential improper use of Māori language or culture prior to the enactment of the law. In a sense the new law formalizes and provides a concrete framework to an existing practice. IPONZ has since 1996 identified whether a trade mark application involved any aspect of Māori language or culture. If so identified, advice was sought from an expert as to whether there were any potential considerations of offensiveness or cultural inappropriateness. In some cases this led to the applicant for registration being directed to seek consent from Māori for the registration. Because of this existing procedure, some have considered it questionable whether the legislation needed to formalize this process. There are many reasons why formalization was appropriate. First, it provides a greater certainty that the same procedure will be adopted in all cases. Second, it allows for a Committee to be established whose advice becomes part of a formalized process, which is more easily reviewable both in relation to individual trade mark applications and the Committee's achievements as a whole. In addition, if the process was happening anyway, the legislation merely serves to confirm the status quo.

B. MATTERS OUTSIDE THE TRADE MARKS ACT

According to one Member of Parliament:

"Māori wanted the right to protect their native designs and trade marks. But this matter has not been dealt with in the legislation. It is a sort of dog-in-a-manger stuff. Māori are not

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55 Ibid., s180.
56 Ibid., s179(1).
57 Ibid., s179(2).
58 Supra, footnote 36, 21.
given the right to protect Māori designs, and so on. But they are given the right to stop anyone else protecting them and they can stop others from using them."\(^{60}\)

Māori acknowledge that the Trade Marks Act does not address all Māori cultural concerns in relation to intellectual property. The Focus Group considered its work was just one issue within the broader IP concept.\(^{61}\)

During the course of the Act’s process through Parliament and Select Committee stages, one of the criticisms of the proposed legislation was that the offensiveness ground would only deal with trade mark matters subject to the Trade Marks Act. New Zealand, much like the United Kingdom, has a common-law doctrine of passing-off which deals with trade mark like infringements for unregistered trade marks.\(^{62}\) Unregistered trade marks sometimes come about simply because the owner has failed to register its trade mark. In other instances, the mark in question would not qualify for registration.\(^{63}\) Critics of the Māori provisions argued that, because the law of passing-off does not expressly prevent offensive use of trade marks, the law of registered trade marks should also not do so. This line of reasoning is flawed for at least three reasons.

First, the law of passing-off may in some circumstances be used to prevent the offensive use of marks where that offence may also give rise to a misrepresentation. The purpose of passing-off is to protect the goodwill or reputation in a trade mark from other traders’ misrepresentation.\(^{64}\) If a matter of Māori cultural property is used as a trade mark, it could amount to an actionable misrepresentation. Take for example if a Māori symbol is used on a herbal medication. The implication of the use of that symbol may be that the medicine is some traditional Māori cure for an ailment. In fact the medicine may be nothing of the sort and such a misrepresentation would be actionable under passing-off.

Second, the Trade Marks Act is a statutory set of rights of trade mark owners. From a practical perspective, there is no better starting place to address the conflict of cultural property concerns with IP than in the core of a statutory IP scheme.

Third, the failure of the law to address inappropriate use of cultural property in other IP law is not a reason to repeat that failure within the field of registered trade marks. It merely highlights that, from the point of view of the proponents of cultural property rights, protection ought to be provided by the law.

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\(^{60}\) Warren Kyd, 1 August 2001, NZPD 10601.

\(^{61}\) Supra, footnote 36, 16.

\(^{62}\) For a general discussion of passing-off in New Zealand, see Frankel and McLay, supra, footnote 14, 474-481.

\(^{63}\) A mark may not be registrable because it lacks distinctiveness or is descriptive of goods or services or a geographical term; see, for example, Choosuisse Union des Fabricants Suisses de Chocolat v. Cadbury Ltd, [1999] RPC 826 (EwCA), where passing-off was used to protect “Swiss”.

\(^{64}\) Supra, footnote 14.
C. IDENTIFYING A MĀORI SIGN

One of the difficulties of the new provisions is how a sign in a trade mark application is to be identified as one that involves aspects of Māori culture. The IPONZ Practice Guidelines set out guidance about Māori signs. Those guidelines provide details of certain features that identify Māori words and imagery. The Guidelines also provide a basic summary of Māori customary concepts and a number of references to resources. IPONZ has supplemented the WIPO Vienna descriptors with Māori descriptors.

D. THE ADVISORY COMMITTEE

The function of the Advisory Committee is exactly as its title states: that it gives advice to the Commissioner. It is not stated in the statute that the Commissioner must follow the advice and indeed the Commissioner need not do so. It would seem likely that a good practice of the Commissioner would be to provide reasons as to why the advice should not be followed in a particular case. In any event the Commissioner is required to provide reasons for decisions where requested and where there has been opposition.

The IPONZ Guidelines state:

"The advice of the Committee is not binding on the Commissioner. The Commissioner will consider the advice taking into account all relevant factors affecting registrability and may come to a determination on the eligibility of an application that is different to the advice received from the Committee."

Notably the Advisory Committee and the Commissioner are charged with different tasks. The Committee is charged with advising whether the proposed trade mark is likely to cause offence. The Commissioner is charged with a much greater range of considerations as to whether a mark is registrable or not, one of which may be the causing of offence. It is theoretically possible for the Commissioner to disagree with the Advisory Committee and find the proposed trade mark is not offensive or likely to offend.

E. THE MEANING OF "WOULD BE LIKELY TO OFFEND A SIGNIFICANT SECTION OF THE COMMUNITY"

The phrase "would be likely to offend" was selected in preference to the old law’s use of the concepts of “scandalous” and “contrary to morality”. It was the Māori Focus

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65 Supra, footnote 26, 3-4.
66 Ibid., 9-10.
67 Vienna Agreement Establishing an International Classification of the Figurative Elements of Marks, 12 June 1973.
68 Supra, footnote 26, 6-8.
69 See regulations made under the Trade Marks Act 2002 (N.Z.) supra, footnote 3.
70 Supra, footnote 26.
71 Trade Marks Act 1953, s16 (repealed).
Group’s view that those concepts would be improved if the law provided more guidance. The Group considered those phrases provided the Commissioner with a wide ranging and potentially unpredictable discretion.\(^72\) A wide range of people shared a dislike of the former morality provision, albeit for different motives from those of Māori.\(^73\) In assessing the meaning of the new law, we know, as a starting point, that it was intended to be different from the old.

One possible meaning of “offensive” is that the trade mark uses a word or image of cultural significance in a manner that ignores or even defiles the purpose for which the image or word is traditionally used. An example, similar to that given above, would be the use of a *hetiki* as a trade mark on fast food wrappers. The issue that is ill-defined in the legislation and will no doubt cause some debate among the Advisory Committee, and in relation to its advice, is whether a sign is offensive simply because it is being used by non-Māori. The Focus Group recommended that there be a positive obligation on an applicant to demonstrate that permission to use the sign had been obtained from the Māori concerned.\(^74\) This obligation was not included in the legislation. On a rather literal approach to statutory interpretation, this might give rise to the argument that the legislators intended that use by non-Māori was not on its own a basis of offensiveness. What seems more likely, however, is that the legislation is silent on the point so that the Advisory Committee and IPONZ can develop the guidelines in relation to Māori trade mark applications.

Any argument that IP using or evoking Māori culture should be exclusively available to Māori lies at the core of debate over cultural property rights. In the trade mark context, it is conceivable that a trade mark application might be refused registration on the grounds that it is offensive because it utilizes Māori culture in a non-traditional manner. This suggests that non-Māori could use the imagery as long as it in accordance with Māori tradition and is not offensive. That being so there are, however, some traditions that only Māori can exercise.\(^75\) In such a situation, the cultural property claim is very strong indeed, because it appears to exclude the possibility of ever permitting non-Māori use. Of course, such exclusivity does not apply to all aspects of Māori culture and there is an apparent willingness to license the use of cultural property. As referred to above in the Lego example (Section III), the complaint about use of cultural property is not always that the property should not be used *per se*, but more often that it should not be used without appropriate consent and compensation to the indigenous group concerned. Presumably such consent would only be given for non-offensive use. The New Zealand law does not require that consent is obtained for

\(^72\) Supra, footnote 36, 19–24.

\(^73\) In particular, patent attorneys made submissions on the legislation that the Commissioner’s discretion under the morality provision, section 16 of the Trade Marks Act 1953 (repealed), was too wide.

\(^74\) Supra, footnote 36, 19–24.

\(^75\) For example, there are certain traditions relating to weaving that only women may perform. For a discussion of Māori culture, see C. Barlow, *Tikanga Whakaaro: Key Concepts in Māori Culture*, Oxford University Press, Auckland, 1991.
non-offensive use. That was a recommendation of the Focus Group that was not included in the legislation. Perhaps this was because identifying the owner of the cultural property interest and thus from whom consent ought to be obtained is not always straightforward. This might be because the property is collectively owned, possibly by a number of Māori interests or if something is derivative of Māori culture a number of different groups of Māori may have an interest.76 There is no single pan-tribal authority of Māori in New Zealand.

F. WHO IS OFFENDED?

The statute provides that a significant section of the community must be offended. That significant section includes Māori. What is “significant” remains to be determined, but clearly sections of the community other than Māori can invoke the provision.77 “Significant” is used as a relative term. The Focus Group suggested that “significant” ought to be defined. In particular the Focus Group advocated that significant might mean an extended family (whanau), a tribe (hapu or iwi). The Focus Group “acknowledged that there are issues involved in the definition of Māori”.78

VII. INTERNATIONAL CONCERNS: IS THE LAW TRIPS-COMPLIANT?

TRIPS has acquired a reputation as unfriendly to the claims of cultural property and traditional knowledge protection. The trade mark related provisions of TRIPS79 do not obviously even contemplate claims to traditional knowledge or cultural property.80

TRIPS Article 15 defines protectable subject matter of trade marks as:

“... Any sign or combination of signs, capable of distinguishing the goods or services from one undertaking from those of other undertakings, shall be capable of constituting a trademark ...”

Thus, there is no initial prohibition on Māori signs becoming trade marks, but on the contrary a requirement that they are capable of so doing.81

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76 Collective ownership is often an issue in relation to cultural property claims because the concept of legal entity in many legal systems does not recognize traditional forms of collective ownership; see Frankel and McLay, supra, footnote 14, 109-110; Solomon, supra, footnote 14, 63; and P. Kuruk, Protecting Folklore Under Modern Intellectual Property Regimes: A Reappraisal of the Tensions Between Individual and Communal Rights in Africa and the United States, 1999, 48 her. Uni. Law Rev. 769.

77 For a further discussion, see Morgan, supra, footnote 59, 73.

78 Supra, footnote 36, 23.

79 TRIPS Articles 15-21.

80 It is arguable that some aspects of indigenous culture (for example, Māori culture) that are geographic in nature could be protected as geographical indications, which are protected by TRIPS Article 22. A full discussion of that point is beyond the scope of this article.

81 Additionally, Article 15.2 provides that; “Paragraph 1 shall not be understood to prevent a Member from denying registration of a trademark on other grounds, provided that they do not derogate from the provisions of the Paris Convention (1967).” There is no derogation from the Paris Convention by the protection of cultural property.
Article 15.4 provides that:

"... The nature of the goods or services to which the trade mark is applied shall in no case form an obstacle to registration of the trademark."

A superficial analysis of this provision appears to suggest that a trade mark cannot be refused registration on the grounds that its use on a certain type of goods causes the offensiveness. Thus, to use the Lego example, the fact that the Māori names were used on toys could not form the basis of a refusal to register the trade mark because that may offend the TRIPS provision. However, there are several counter-arguments to this interpretation.

First, a useful analogy is where a trade mark application lacks distinctiveness in relation to the goods applied for, but could theoretically be distinctive in relation to another class of goods. Such a mark may be refused registration precisely because of the nature of the goods to which the trade mark is applied. An example would be "clean" as applied to soap, which could be refused registration as it is not distinctive because of the nature of the goods to which it is applied. “Clean” may however, be distinctive in relation to oil. Article 15 was clearly not intended to prevent the class of goods being relevant to a consideration of registrability. There seems no reason why this interpretation of Article 15 could only be relevant to some registrability issues and not others.

The spirit of TRIPS, and in particular Article 8.1, arguably assists the creation of cultural property rights. Article 8.1 among other matters provides for the possibility that "Members may ... adopt measures necessary to promote the public interest in sectors of vital importance to their socio-economic and technological development ..." The protection of Māori culture can be considered of vital socio-economic importance to New Zealand.

The New Zealand offensiveness provision is directed to preventing registration. TRIPS allows for the possibility that Members may make "fair use" style exceptions to rights conferred by trade mark protection:

“Members may provide limited exceptions to the rights conferred by a trade mark, such as fair use of descriptive terms, provided that such exceptions take account of the legitimate interests of the owner of the trademark and of third parties.”

Fair use is a concept that is well known in relation to copyright. Although the TRIPS provision refers to "fair use of descriptive terms", the concept of "fair use" is difficult to conceive of in relation to many trade mark systems, except possibly in the context of parody and free speech. Descriptive words are mostly not registrable or, if

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82 TRIPS Article 17 is similar to patent and copyright exceptions under Articles 13 and 30. For discussion of Article 17, see Gervais, supra, footnote 2, paras. 2.174-2.177.

83 The Trade Marks Act 2002 (N.Z.) supra, footnote 3, provides that there is no infringement of a trade mark if it is used in comparative advertising. Comparative advertising can be regarded as a sort of commercial free speech. See also PC Direct v. Best Buys Ltd, [1997] 2 NZLR 723 (NZHC).
part of a registered trade mark, may be subject to an express disclaimer of exclusive use.\textsuperscript{83} This is the case under New Zealand law. It is conceivable that an exception to a trade mark owner’s rights could be that any rights do not extend to culturally inappropriate use. As with descriptive terms, the better place to catch this seems to be at the registration stage, but it could be argued that such an exception to exclusive rights is also appropriate. The third parties who may merit consideration would be the owners of the cultural interest affected.

VIII. THE SUITABILITY OF THE LAW GIVEN THE JUSTIFICATIONS OF AND RATIONAL BASIS FOR TRADE MARK PROTECTION

The justifications for trade mark protection have been much discussed in recent years.\textsuperscript{85} A stimulus to the debate has been an analysis of the appropriate limitations of a trade marks owner’s rights and in particular the extent of dilution style infringement.\textsuperscript{86} Offensiveness bears a peculiar similarity to the concept of tarnishment of trade marks, which has received much criticism.\textsuperscript{87}

There is no real dispute that the fundamental function of trade marks is to indicate the origin of goods. This fundamental concept includes the notion that consumers must not be confused. In addition, the theory has developed that trade marks also can have the function of denoting the quality of goods so marked. Trade mark law does not as such require this quality function, but trade marks indicate a quality of the goods or services to which they relate by their associated reputation. This has also developed the rationale that trade marks perform a valuable marketing function. The marketing concept is related to the idea that a trade mark has value as an asset in its own right. Historically, trade marks were considered valuable because of their connection with a particular business’s goodwill, rather than as independent assets. This conceptual distinction between trade marks being inseparable from a business and being an independent asset lies behind an analysis of the appropriate extent of trade mark protection, in particular, whether trade mark law should recognize dilution.\textsuperscript{88} Dilution style protection usually recognizes the value of the mark independent of its owner or user.\textsuperscript{89}

Landes and Posner believe that trade mark law promotes economic efficiency. This efficiency is measured by the social benefits of consumers easily locating goods over the associated administrative costs of trade marks. They also advocate the quality function on the basis that trade mark would have little point if the manufacturers did not maintain

83 Supra, footnote 3, ss69–72.
84 For a general discussion, see Pickering, supra, footnote 12; and Frank I. Schechter, The Historical Foundations of the Law Relating to Trade Marks (reprinted), The Lawbook Exchange Ltd, New Jersey, 1999.
85 For a general discussion of dilution law outside the United States, see Frankel and McLay, supra, footnote 14, 575-588.
87 Supra, footnote 3, s9(1) states that a trade mark is personal property.
a consistent quality. Thus, Landes and Posner argue that a valuable effect of trade mark law is for producers to invest in quality control.  

Arguably the protection of cultural property interests in New Zealand trade mark law assists the function of indicating the origin of goods. Offensive use of Māori culture could also indicate a Māori origin, where that origin was not related to Māori. This could be misleading because it implies the goods have an origin that they do not. The medicines example, discussed above (Section VI.B) in relation to passing-off, is also useful here.

There is nothing inconsistent between the quality aspect of the trade mark rationale and the prevention of the registration of offensive trade marks. The relationship between the two concepts is not direct. The nexus is also not immediately apparent when examining the Landes and Posner economic rationales of trade marks. On this basis there is nothing to contradict the prevention of offensive registration.

On the other hand, it could be argued that the absence of a link with certain trade mark functions indicates the difficulty with cultural property protection in the trade mark law. Other grounds of opposition, such as an alleged absence of distinctiveness or likelihood that registration would cause deception or confusion, directly relate to the origin of goods function. However, the link between a ground of opposition and trade mark's overall functions need not be to every aspect of trade mark law's justifications. It is enough that the ability to object to registration on the base of cultural offence supports and does not undermine the fundamental concept of the role of trade marks as indicating the origin of goods.

In conclusion the rationales of trade mark law support the prevention of the culturally offensive use or registration of trade marks.

IX. CONCLUSION

The New Zealand law is a less than perfect piece of cultural property legislation. However, it is a significant step forward for New Zealand law and as an example at the international level. There are discussions occurring internationally that are considering possibilities of traditional knowledge becoming a sui generis IP-type right. Should such systems emerge, there remains the argument that cultural concerns should not be isolated from the rest of international IP law. Unless traditional knowledge concerns and cultural property rights are also addressed within existing IP law (as New Zealand trade mark law exemplifies), there is a risk that the systems will clash rather than work in a complementary way. At worst the debate over the clash between IP law and traditional knowledge will turn into a whirlpool that drags intellectual property down. Intellectual property is a dynamic area of law and although it is tightly regulated, that regulation should not be used to prevent the development of the law in the modern world. One of those developments is for IP law to address directly cultural property concerns.

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