

Submission to IP Australia's Indigenous Knowledge Consultation Paper (February 2021)

We are Australian intellectual property experts with experience in the intersection between trade mark and Indigenous Knowledge (IK).

We welcome the efforts of IP Australia in reviewing existing law, policy and practice acknowledging that Aboriginal and Torres Strait Islander expectations and interests have been poorly considered in Australian intellectual property law. We would also support legislative reform in this area. Our submission focuses on the following matters arising out of the Indigenous Knowledge Consultation Paper:

- Creating trust;
- Supporting the Indigenous Advisory Panel; and
- Fit within existing trade mark law

Creating trust

Intellectual property is little different from other areas of legal practice where Aboriginal and Torres Strait Islander law and cultural expectations are disregarded. While there has been considerable discussion of reform proposals over the decades in intellectual property, there remain serious doubts that anything meaningful will be done. On hearing about your consultation and being briefed on its contents, one large, distinguished Indigenous Elders Group advised, 'The government and its experts don't listen'. They are aware of previous consultations and the longstanding efforts of consultants in this area, however, their lifetime experience has been one of making significant contributions of unpaid labour, followed by appropriation of good faith engagement to support government agendas that were already well developed, where the outcomes do not support expectations raised. Advisory boards and imposed governance structures that suggest that select, paid individuals have authority to speak for others are regarded with suspicion. With these issues in mind, the Elders Group decided not to participate in this consultation. They could see no reason they should trust or engage with IP Australia or with any personnel recruited to an Advisory Panel at this stage.

The implications of this position need to be fully acknowledged by IP Australia, especially in considering a new requirement that applicants for registration of a trade mark or design that contains IK have obtained consent, to the extent that this creates an expectation that members of an Aboriginal community assist Aboriginal and non-Aboriginal applicants with provision of consent. Unpaid assistance is an unreasonable burden and departs from observed protocols in other areas. Paid assistance in this area poses particular problems. Is the burden borne by the applicant? If the community does not consent, will they be paid for their time? If a party were paid, how would the integrity of the process be determined? Where there is no unanimous consent but this issue does not emerge until after lodgment of an application for registration,

who would provide resources for organisation, travel, catering and time necessary to try to resolve a contested declaration of consent intra-community or between communities?

Language revival activities have also generated tensions around ownership of language. The Consultation Paper and survey did not explain the relationship between language and trade mark rights, or the relevant use of language resources by IP Australia, when considering an applicant's right to registration. This omission has caused some Aboriginal communities we are in contact with to raise the concern that IP Australia's agenda will inevitably increase expectations of exclusive claims to language, financial expectations for sharing language resources, and foster trade mark activity supported by an uninformed view that IP Australia can deliver exclusive control over the use of Aboriginal words. We welcome the news that IP Australia is developing legal education resources. There are concerns that considerable efforts to encourage the take up of Aboriginal languages and support their broad dissemination and use by non-Indigenous Australia could be greatly hindered if it was felt that permission was actually needed to use Aboriginal words.

Alongside reputable law firms, there are also predatory ones. We were very disturbed to hear that some legal practices are already approaching Aboriginal communities offering to help them manage copyright and register trade marks in Aboriginal words and dictionaries. Language services were identified as a potential business where the community needed trade marks to prevent third party registrations taking away language. In some cases, individuals were encouraged to take out personal loans to pay for legal fees for trade mark advice. Unethical and rent-seeking practices may well multiply if a new market emerges for advising communities about trade marks, facilitating consent agreements and oppositions.

We strongly support the need for consultation with Aboriginal and Torres Strait Islander people and communities to assist in the exercise of IP Australia's public role. We also support the general principle of free and informed consent. However, we would caution against implementing Option 1 where consent was treated in isolation from other legal factors (including the new legal factors proposed in Options 2 and 3) that impact on the registrability of trade marks and designs, because of the likely stress this will place on vulnerable peoples lacking a sophisticated knowledge of trade mark law and without access to appropriate legal advice. One avenue that was suggested in consultation with IP Australia and the Yugambeh Museum was the development of a simple phone app that would allow communities to test whether or not the proposed use of an Aboriginal word was relevant to trade mark law and regulation or not. Access to this kind of entry point information could assist communities understand whether or not they need to seek further expertise and advice and engage with IP Australia through the Indigenous Advisory Panel.

Supporting the Indigenous Advisory Panel

An Indigenous Advisory Panel has the potential to play a useful role, but there would need to be a very clear definition of its functions and the boundary of its responsibilities. One role the Panel might play is as a clearinghouse, where contracts, memorandums of understanding,

funding agreements, and any issues about trade mark use can be brought to the attention of IP Australia. Beyond this, it is possible to conceive of the Panel providing advice, if needed, on the operation of particular provisions of the *Trade Marks Act 1995* (Cth) ('TMA') where applications for registration involve IK. However, it needs to be remembered that in addition to those with an unsophisticated understanding of trade mark law and business, there are also many examples of agreements with Aboriginal communities and businesses that *are* ethical and reflective of best practice, and participants may not want or need the oversight of an Indigenous Advisory Panel. There is a concern about increasing the transaction costs of these ventures, where time can derail opportunities to benefit from agreements and trade mark registrations.

Fit within existing trade mark law

While the Options proposed in section 2 of the Consultation Paper are a useful first step, further thought needs to be given to how these might operate, and how they might fit with various existing provisions of the TMA (especially sections 42(a), 42(b), 43 and 62A).

Looking first at Option 2, we recognise IP Australia's recent efforts in amending the Trade Marks Manual of Practice and Procedure ('Manual'), with the inclusion of the new Part 30.2.13, to indicate how marks containing IK might be assessed under s 42(a) (ie, whether they contain or consist of 'scandalous' matter). We welcome the sensitivity demonstrated by IP Australia here, especially in the way it has set out subject matter that may enliven s 42(a) objections (religious, spiritual or cultural significance; sacred or secret subject matter; matter that is derogatory or otherwise promotes intolerance, racism, or violence). We also note that this new guidance in Part 30.2.13 overlaps to a large extent with what is proposed in Option 2. Nonetheless, we have ongoing concerns about whether s 42(a) provides the best vehicle for dealing with marks whose use would offend Aboriginal or Torres Strait Island people or communities.

Section 42(a), in its current form, is not fit for purpose. Many problems stem from the legislative failure to clearly set out the objects of this provision (or the TMA generally). First, 'scandalous' is an elusive term that does not set up a clear threshold, and has been interpreted inconsistently over time. This inconsistency can be seen in Part 30.2.1 of the Manual, which seeks to define 'scandalous' using a range of terms that are not entirely synonymous ('disgraceful', 'shameful', 'shocking' are arguably more difficult to establish than 'offensive'), with the new Part 30.2.13 referring only to the lower 'offensiveness' standard. Second, there is a lack of clarity as to the relevant audience that must be scandalised by the applied-for mark: while Part 30.2.1 states that whether a mark is scandalous is to be judged by reference to the 'ordinary' person, under Part 30.2.13, for IK trade marks, the putative audience appears to be relevant Indigenous communities. Further, there are many practical difficulties that are not easily addressed, such as how best to deal with such objections procedurally, especially with respect to sacred or secret subject matter.

Our view is that root and branch reform of s 42(a), and expanding IP Australia's powers of rejection and cancellation, are required, rather than seeking to address the issue of cultural

offensiveness through changes to the Manual or creating a new ground of rejection but leaving s 42(a) in place. A useful approach may be to seek to replace s 42(a) with something along the lines of s 17 of the *Trade Marks Act 2002* (NZ). This sets up a ground of rejection where the use of the mark is likely to offend a significant section of the community, including Māori. A similar provision could be adopted in Australia, modified to refer to Aboriginal and Torres Strait Islander people and communities. It may also be necessary to consider amending the cancellation of registration grounds to cover situations where the use of a mark has become offensive, post-registration. Clearer legislation will also help give more definition to the role of an Indigenous Advisory Panel (as is the case in New Zealand, where under s 178 of their Act the Māori Advisory Committee's only role is '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 and imagery, is, or is likely to be, offensive to Māori').

On Option 3, thought needs to be given to the relationship between the current grounds of rejection and any new ground that would apply where the use of the mark 'falsely suggests to consumers that there is connection between the applicant's business and an Aboriginal or Torres Strait Islander person, community, or nation'. We note that applications can already be rejected where the use of the mark would be misleading or deceptive in trade or commerce (via s 42(b)), but that reliance on this ground might require the ACCC to play a greater role in bringing actions against those making misleading use of signs containing IK. We also note that applications can also be rejected if, because of some connotation that the mark has, its use would be likely to deceive or cause confusion (via s 43), but note that the precise scope of this provision (in particular, as to the breadth of the notion of 'connotation') remains unsettled.

In considering Option 1, we note that there may be general reluctance in completing statutory declarations sourcing consent and that other operational difficulties that may arise. These include identifying traditional custodians with authority to speak on behalf of communities, and difficulties in assuming unanimous consent to proposed applied-for marks within relevant communities. Moreover, as indicated above, the consent-oriented model cannot be operationalised without a concomitant significant investment in resources into Indigenous communities regarding trade mark and design law.

More generally, we would be concerned if any reforms end up generating conflict within Aboriginal and Torres Strait Islander communities, such as encouraging a race to register IK themed marks, or indeed, giving rise to conflicting (and perhaps indeterminable) views as to whether IK themed marks should be registrable in the first place, and thus subject to some form of economic and legal control. These problems may well present themselves for common or shared IK words or concepts. If the Aboriginal flag controversy in the realm of copyright law is anything to go by, these disagreements are real and require sensitive attention.

Given that trade marks, as species of personal property, are often quite valuable in their own right, there are risks that IP Australia's well-intentioned reforms may generate further unintended consequences. As discussed above, there are instances of suboptimal rent-seeking behaviour by market participants operating within Indigenous communities, generating doubts

as to whether any consent secured is meaningful and freely given. As trade mark (and design) usage and ownership may change over time, additional questions arise as to revocability of any consent given for IK trade marks that have met the threshold of registrability and indeed secure registration but are later assigned to another party that engages in inappropriate usage. What, then, are the implications, if any, of revocation of consent post-registration here? Moreover, ownership details are not always readily available, and tracing beneficial ownership through company structures may prove incredibly difficult or near impossible.

More needs to be done to control the use of *unregistered* marks that contain IK to assist in maintaining the integrity and value of any registered IK marks. The ACCC has existing powers to regulate deceptive and misleading conduct with respect to IK. This avenue could be of some assistance in limiting the value of transfers of ownership or licences to entities that have no Indigenous connection. From a community point of view, whether IP Australia or the ACCC is formally responsible for the administration of relevant laws is irrelevant. It will be assumed that a whole of government approach is behind any reform, leading to significant disappointment and anger if the efforts of IP Australia are not supported by the ACCC.

We are encouraged to see IP Australia put forward a range of initial options for reform: this is an important initiative and a valuable step in taking IK seriously in the trade mark (and designs) space. We would urge IP Australia to continue consultations, to seek to engage with and build trust with affected communities, and to develop and refine further reform options in collaboration with those communities, before proceeding with legislative reforms. And in these further consultations, it must always be remembered that the voices of Aboriginal and Torres Strait Islanders should be given primacy.

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