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SATELLITE SPIES

1. We have now reviewed the contents of your website www.satellitespies.net.nz (the **Website**) and the recent correspondence you have received regarding your use of the name "Satellite Spies". We set out our opinion below.

Summary

2. We consider that your use of the name Satellite Spies on the Website and in relation to any prior music, photos or videos of the band known as the Satellite Spies will not infringe any registered trade marks for SATELLITE SPIES pursuant to sections 85, 95 and 96 of the Trade Marks Act 2002 (the **Act**).

History of the name

3. We understand that 'Satellite Spies' was the name agreed on after an extensive selection process and was used by the band comprising yourself and Deane Sutherland starting in late 1984. The band released the album 'Destiny in Motion' under this name.
4. The name was never the exclusive property of any single member of the band. Indeed both you and Deane gave a warranty to Reaction Records in an Agreement dated 1 January 1985 that you "owned or controlled all rights in and to the professional name of Satellite Spies"
5. Once the original Satellite Spies group disbanded Deane formed another band using the name Satellite Spies despite his express warranty referred to above.

Registered Trade Marks

6. Despite the joint ownership of the band's professional name there are two registered trade marks for SATELLITE SPIES on the Trade Mark Register in the name of S.E.R.L Science Trustee Limited. These trade marks are listed as previously being held in the name of Deane Lewis Sutherland. The trade marks were filed on 29 April 1987 and 30 October 2003. There is a third application which is yet to obtain registration.
7. S.E.R.L Science Trustee Limited has recently alleged that your use of the Website and corresponding recordings and videos of the band's music infringes these registered trade marks.

No Trade Mark Infringement

8. There are several sections of the Act which are relevant and which allow for your use of the name "Satellite Spies".
9. Section 89 sets out acts which amount to trade mark infringement. Importantly section 89(2) provides that infringement will only occur where a sign is used in such a manner as to render its use as *likely to be taken as being used as a trade mark*. The use made on your Website is

to describe the music and videos of the band "Satellite Spies" as it existed in the late 1980s. This does not amount to use which is likely to be taken as being use as a trade mark.

10. Section 95 of the Act provides:

A person does not infringe a registered trade mark if, in accordance with honest practices in industrial or commercial matters, the person uses:

- (c) *a sign to indicate-*
 - (i) *the kind, quality, quantity, intended purpose, value, geographical origin, or other characteristic of goods or services.*

The Website and associated use of the name "Satellite Spies" is an honest practice which describes the characteristics of the goods, that is music and videos of the band that was called Satellite Spies and which recorded the music and videos appearing on the Website.

11. Section 96(1) of the Act provides that.

A registered trade mark (trade mark A) is not infringed by the use of an unregistered trade mark (trade mark B) if—

- (a) *trade mark B is identical with or similar to trade mark A and is used in relation to any goods or services that are identical with or similar to any goods or services in respect of which trade mark A is registered; and*
- (b) *trade mark B has been continuously used by the owner or the owner's predecessor in title and used in relation to those goods or services in the course of trade before, whichever is the earlier of,—*
 - (i) *the date of application in New Zealand for the registration of trade mark A; or*
 - (ii) *the date that the owner first used trade mark A.*

This means that the registered trade marks and the current application for SATELLITE SPIES are not infringed by your use given that the goods (your sound and video recordings) have continuously been referred to using the name Satellite Spies prior to the dates on which the trade marks were applied for by Deanne Sutherland or S.E.R.L Science Trustee Limited.

12. It is also relevant to point out that section 105 of the Act contains a provision that prohibits unjustified proceedings. In light of the above we consider any proceedings commenced relating to your current use of the name Satellite Spies would be unjustified and would entitle you to an order for the payment of damages for the loss suffered by you in defending those proceedings.

13. Accordingly your use of the name Satellite Spies on the Website and in relation to any prior music, photos or videos of the band will not infringe any registered trade marks for SATELLITE SPIES.

Yours faithfully

Hudson Gavin Martin



Wayne Hudson

Partner