

"Koha" doesn't mean help yourself

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What might be classified in the IT sector as a shameless snatch and grab by an American corporation of a great New Zealand software success has ultimately failed.

In December last year the Horowhenua Library Trust, a pro bono client of Buddle Findlay, was successful in opposing the application by Progressive Technology Federal Systems, Inc DBA Liblime (PTFS) to register as a trade mark the word "KOHA" (*Progressive Technology Federal Systems, Inc. DBA Liblime v Te Horowhenua Trust, Catalyst IT Limited* [2013] NZIPOTM 47).

In 1999 the Trust commissioned a new library management system (LMS) for the Horowhenua Library. Named "Koha", the LMS became a global sensation with libraries all over the world downloading and adapting the Koha LMS, as permitted under the open source licence.

PTFS developed an adaption of the Koha LMS, which it proposed to sell, from the Trust's open source software. In 2010 it applied to register the trade mark "KOHA" in New Zealand in respect of library management systems. If successful, this could have prevented the Trust and users of the Koha LMS from being able to use the name "Koha" as a trade mark.

The Assistant Commissioner of Trade Marks, Jennie Walden, refused PTFS's application on the basis that a substantial number of persons in the library and IT sector would likely be deceived or confused if PTFS was to use the mark "KOHA" as the name Koha was already well known in relation to the Trust's LMS. The Assistant Commissioner also found consumers would be misled into thinking that PTFS's LMS was the Trust's LMS.

Interestingly, the Assistant Commissioner found that the Trust was not the common law owner of the mark "Koha" because the Trust had not used it "as a trade mark", nor "in the course of trade", by virtue of the fact the Koha LMS was free to consumers. This casts doubt on whether not-for-profits using unregistered marks will be afforded common law protection in the future, in the event of a snatch and grab attempt.

As this case demonstrates, some international companies have no qualms about taking advantage of small New Zealand businesses or community groups. We would urge those experiencing similar success stories with their products to seek legal protection for their intellectual property before it is too late.

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