

PRINCIPLES AND PROCEDURES OF TRADEMARK LAW IN INDIA

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‘An average person sees or hears more than 1500 trademarks each day’

WIPO

INTRODUCTION

‘A trade mark is a sign that individualises the goods or services of a given enterprise and distinguishes them from its competitors¹.

To the common man the concept of trademark is a recent phenomenon. But contrary to this perception, they are of ancient origin. They existed even as long as 3000 years ago when Indian craftsmen used to engrave their signatures on their artistic creations before sending them to Iran. Later on, over 100 different Roman pottery marks were in use, including the Fortis brand that became so famous that it was copied and counterfeited. With the flourishing trade in the middle ages the use of trade marks increased. And now with the effect of globalisation the awareness and importance of trade marks knows no bounds. It is due to the increased competitiveness of the companies operating in different countries of the world that the trade marks has gained value more than any other form of intellectual property.

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¹ World Intellectual Property Organization.

WHAT IS A TRADE MARK?

The Trade Marks Act, 1999, s. 2 (zb) defines trade mark as a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others and may include shape of goods, their packaging and colours.

Also, s. 2(m) defines mark as including a device, brand, heading, label, ticket, name, signature, word, letter, numeral, shape of goods, packaging or combination of colours or any combination thereof;

For instance Ford - named after Henry Ford, is a name, then IBM - an abbreviation, Apple for computers - is a word, etc. They may also be figurative elements like that of the Shell oil company.

WHAT ARE THE ESSENTIAL FEATURES OF A TRADEMARK?

World over the concept of trade marks is more or less uniform. It has two basic characteristics that is

- (1) it must be distinctive; and
- (2) it must not be deceptive.

Distinctive

A trade mark like 'Apple' for computers may be regarded as distinctive because it has nothing to do with apples, and similarly it would not be distinctive for actual apples and someone who is growing or selling apples may not use it as a trademark. So in general a trademark is not distinctive if it is descriptive.

Deceptive

Typically a trade mark would be one that says that the goods for which it is used have certain qualities when they don't have them in reality. For instance, a trade mark 'Real Leather' for goods that are not made of genuine leather.

Hence it may be said that a trade mark is a visual symbol in the form of a word or a label applied to articles of commerce with a view to indicate to the purchasing public that they are goods manufactured or otherwise dealt in by a particular person as distinguished from similar goods manufactured or dealt in by other person.

Besides trade mark there are service marks - which are for services, collective marks- which are used by group or associations, well known marks - which are successfully establishes and are world wide known like Sony, Versace, Louis Vuitton and certification marks which are used for defined standards like ISO 9000, etc.

HOW DO I PROTECT MY TRADEMARK?

The Mechanism

There is no worldwide protection of trademarks through one application because trademarks like all other intellectual property are territorial rights. Hence in each country there has to be a national registration. There is however a Trademark Law Treaty(TLT) which was adopted in 1994, administered by the World Intellectual Property Organization (WIPO), and it sets out the information nationals of one member state must supply and what procedures they must follow, but still there has to be separate filing and this only facilitates the process.

In India for over four decades the trademark law was governed by The Trade and Merchandise Act, 1958. But due to the developments in trading and commercial practices, increasing globalisation of trade and industry, the need to encourage investment flows and transfer of technology, need for simplification and harmonisation of trade mark management systems and to give effect to important judicial decisions, The Trade Marks Act, 1999 was enacted².

WHAT ARE THE BASIC PRINCIPLES INVOLVED IN TRADEMARK PROTECTION?

The Principles

Now under the enactment there are some basic principles that govern the registration of the trademark³:

- (1) since the registration confers on the proprietor a kind of monopoly right over the use of the mark, which may consist of a word or symbol legitimately required by other traders for bonafide trading or business purposes, certain restrictions are necessary on the class of the words or symbols over which such monopoly right may be granted. Thus descriptive words, surnames and geographical names are not considered prima facie registrable⁴;
- (2) registration of a trade mark must not interfere with the bonafide use by any person of his own name or that of his place of business, or the use of any bonafide description of the character or quality of the goods⁵;
- (3) property rights in a trade mark acquired by use are superior to similar rights obtained by registration under the enactment. It,

² Trade Marks Act, 1999, statement of objects and reasons,.

³ P. NARAYAN, INTELLECTUAL PROPERTY LAW (3rd edn.) (162).

⁴ Trade Marks Act, 1999, s. 9.

⁵ Trade Marks Act, 1999, s. 35.

- therefore, follows that prior users of trade marks must be protected against any monopoly rights granted under the statute⁶;
- (4) there are obviously two main interests to be protected when a mark is presented for registration. There is first the interest of the public. A trade mark ought not to be registered if its use will be apt to mislead the public as to the origin of the goods as they are purchasing. There is also the interests of other traders who are entitled to object if the use of the trade mark proposed for registration will be calculated to enable the applicant's goods to be passed off on the public as such other trader's goods. Thus a mark which is similar to a mark already registered or used for similar goods will not be allowed registration⁷;
- (5) it may so happen that a trader honestly used a trade mark for a number of years although an identical or similar mark has been registered or used by another. It will obviously cause hardship to such a trader if he is deprived of the benefits of registration. There is therefore provision for registration of such marks subject to suitable conditions and limitations⁸;
- (6) broadly, the life of a trade mark depends upon its use; and continued non-use may lead to its eventual death. There is, therefore, no equitable or logical basis for the continuance of the protection afforded by registration where the mark is no longer in use for a sufficiently long period. This principle is recognised in the Act by providing for removal of a mark from the register on the ground of non-use⁹;
- (7) A trade mark is recognised as a form of property. The term 'proprietor of a trade mark' is used in the definition of a trade mark and also in various other provisions of the enactment. It

⁶ Trade Marks Act, 1999, s. 34.

⁷ Trade Marks Act, 1999, s. 11.

⁸ Trade Marks Act, 1999, s. 12.

⁹ Trade Marks Act, 1999, s. 47.

must, therefore, be assignable and transmissible as in case of other forms of property. Having regard to the peculiar nature of this property, the enactment has taken care to impose various restrictions and conditions for the assignment or transmission of property rights in a trade mark, whether registered or unregistered¹⁰;

- (8) granting the benefits of registration under the statute is not only a matter of interest to the applicant seeking registration, but is a matter in which the public is also interested. It is, therefore, necessary that any member of the public who wants to object to the registration must be permitted to do so. The act accordingly provides for advertisement of the application and opposition thereto by any person¹¹.

WHAT IS THE PROCEDURE FOR REGISTRATION OF TRADEMARK?

The Procedure

Application for registration of trademark - s. 18

A person claiming to be the proprietor of a trade mark which is either used or is proposed to be used may apply for the registration by filing an application in writing in the prescribed manner to the Registrar appointed under s. 3. This application is to be filed in the office of the trade marks registry (established under s. 5 of the enactment) within whose territorial limits lies the principal place of business (in India) of the applicant. In this application the class of the goods has to be specified according to the international system of classification of

¹⁰ Trade Marks Act, 1999, ss. 40 to 45.

¹¹ Trade Marks Act, 1999, s. 20 to 21.

goods or according to the alphabetical index of classification published by the registrar in accordance with s. 8. There is provision for filing of a single application for registration of a trade mark for various classes of goods.

Acceptance or refusal

After the application is made the registrar may refuse the application or may accept it absolutely or subject to such amendments, modifications, conditions or limitations, if any, as he may think fit. The grounds for refusal or conditional acceptance of the application have to be recorded in writing by the registrar.

Grounds of Refusal

Trade Marks Act, 1999, ss. 9 and 11 give the grounds for refusal of the application. Where s. 9 mentions the absolute grounds, s. 11 provides with the relative grounds of refusal of the application.

Trade Marks Act, 1999, s. 9 stipulates that:

- (1) that the following trade marks will not be registered:
 - (i) which are devoid of any distinct character; or
 - (ii) which consists exclusively of marks or indications which may serve in trade to designate the kind, quality, purpose, values, geographical origin or the time of production of goods or rendering of services or other characteristics of the goods or service; or
 - (iii) which consist exclusively of marks or indications which have become customary in the current language or in the bonafide and established practices of the trade;
- (2) a mark will not be registered as a trade mark if:
 - (i) it deceives the public or causes confusion; or

- (ii) it contains or comprises of such matter likely to hurt the religious susceptibilities; or
 - (iii) it contains scandalous or obscene matter; or
 - (iv) its use is prohibited under the Emblems and Names (Prevention of Improper Use) Act, 1950.
- (2) The provision further provides that a mark will not be registered as a trade mark if it consists exclusively of:
- (i) the shape of goods which results from the nature of the goods themselves; or
 - (ii) the shape of goods which is necessary to obtain a technical result; or
 - (iii) the shape which gives substantial value to the goods.

It is pertinent to note that the section gives protection to a well known trade mark (as defined by s. 2(zg)) or a mark which has acquired a distinctive character as a result of use before the date of application and they may not be refused registration.

Trade Marks Act, 1999, s. 11 states that a trade mark may not be registered if because of:

- (1) its identity with an earlier trade mark and similarity of goods and services; or
- (2) its similarity to an earlier trade mark; or
- (3) the identity or similarity of the goods and services, there is likelihood of confusion.

It also provides that a trade mark may not be registered which is identical with or similar to an earlier trade mark and which is to be registered for goods and services which are not similar to those for which earlier trade mark is registered in the name of a different proprietor if, or to the extent, the earlier trade mark is a well known trade mark in India. It further provides that a trade

mark may not be registered if, or to the extent that, its use in India is liable to be prevented by virtue of any law.

It was held in the case of *Geep Flashlight Industries Ltd. vs. Registrar of Trade Mark*¹² that even if the appellant's proposed trade mark satisfies the conditions under the act, the appellant is not entitled as a matter of right to the registration of the trade mark. It is open to the registrar to decline to register the appellant's trade mark.

Apart from these, the International non-proprietary names declared by the World Health Organization from time to time or deceptively similar names will not be registered as trade marks. Also, if a trade mark falsely suggests a connection with any living person, or a person whose death took place within twenty years prior to the date of application for registration of the trade mark then with written consent of the living person or the legal representative of the deceased person is required to be furnished for the registration.

Advertisement

After the application and the acceptance whether absolutely or conditionally, and even in certain circumstances before the acceptance, the Registrar causes the advertisement of the application so as to afford to the public the opportunity to oppose the registration of the mark.

Opposition

After the advertisement, any person may within three months from the date of advertisement give notice of its opposition to the registration application. The registrar serves the copy of this notice to the applicant, who has to within two

¹² AIR 1972 Del 179.

months of receiving it, file a counter statement and grounds on which he relies for its application of registration, failing which his application is deemed to be abandoned. The copy of the counter statement is to be served on the party opposing it. The registrar is the authority to decide the claims on the basis of the statements and the evidence produced.

Registration

The final stage is when the procedure is completed and the registrar by virtue of s. 23 registers the trade mark and the certificate of registration is issued to the applicant. The date of registration is the date on which the application for registration was made.

Duration

The period of registration of the trade mark is ten years after which it may be renewed from time to time. Hence as compared to other forms of intellectual property, in one sense, trade mark may be protected for perpetuity subject only to the conditions that it is used and renewed periodically. It is interesting to note that the first trade mark registered in United Kingdom under No. 1 of 1876 consisting of a red equilateral triangle in respect of alcoholic beverages is still in force.

CONCLUSION

Thus, it is the faith of the mark being genuine and representing quality equal to that which he has previously found a similar mark to indicate that the purchaser makes his choice¹³. Trademarks usually ensure a consistent level of quality either good or bad. Hence a mark helps the consumer to use his experience either to

¹³ SEBASTIAN'S LAW OF TRADE MARK (5th edn.) (2).

return to a desirable product or service or to avoid an undesirable one. They have become a part of everyday life.