

KEY CONCEPTS

- Trade Marks ■ Well Known Trade Mark ■ Certification Trade Mark ■ Registered Trade Mark ■ Registered Users
- Assignment ■ Trademark Agent

Learning Objectives

To understand:

- Registrar and Trade Mark Registry
- Application for registration
- Withdrawal of acceptance
- Advertisement of application
- Procedure for and duration of registration of Trade Mark
- Assignment and Transmission of Trade Mark
- Rectification and Correction of the register Collective mark

Lesson Outline

- Effect of Registration
- Infringement of Trademark
- Passing Off of Trade Mark
- Registered Users
- Registration as Registered User
- Special provisions for Collective Marks
- Infringement of Certification Trade Marks
- Lesson Round-up
- Test Yourself
- List of Further Readings
- Other References

REGULATORY FRAMEWORK

- Trade Marks Act, 1999
- Trade Marks Rules, 2017

Trade Marks Act, 1999 is an Act to amend and consolidate the law relating to trade marks, to provide for registration and better protection of trade marks for goods and services and for the prevention of the use of fraudulent marks. It extends to the whole of India.

What are the Sources of Trademark Laws?

- ***The national statutes i.e., the Trade Marks Act, 1999 and rules made thereunder.***
- ***International Multilateral Convention.***
- ***National Bilateral Treaty.***
- ***Regional Treaty.***
- ***Decision/Rulings of the Courts.***
- ***Office Practice reduced in Manuals and Guidelines.***
- ***Text Books written by Academician and Professional Experts.***

INTRODUCTION

A trademark is a sign capable of distinguishing the goods or services of one enterprise from those of other enterprises. Trademarks are protected by intellectual property rights. A trade mark is a visual symbol which may be a word signature, name, device, label, numerals or combination of colours used by one undertaking on goods or services or other articles of commerce to distinguish it from other similar goods or services originating from a different undertaking. Trademark is a symbol that allows a purchaser to identify goods or services that have been proved satisfactory and not to buy goods or services that have not been satisfactory.

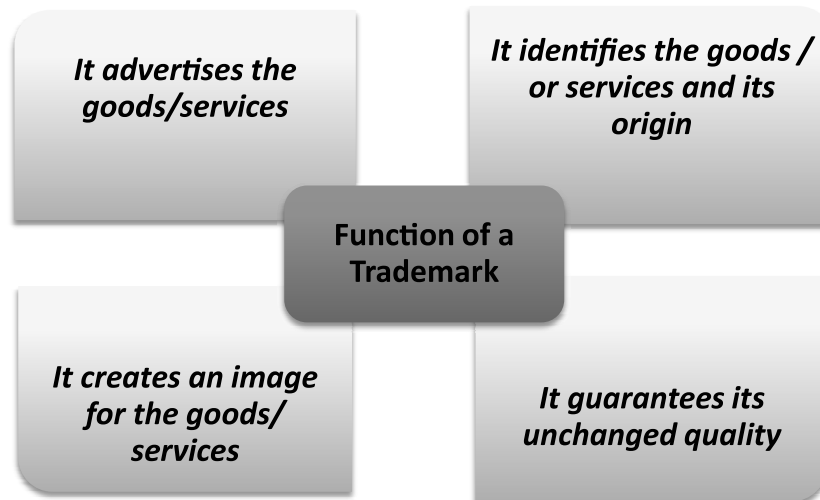
Trademarks help promote economic efficiency. If trademarks are not allowed to be registered with the manufacturers it may eventually take away the incentive of trademark owning manufacturers to make investments in quality control. There would thus be no healthy competition among the manufacturers leading to the loss of vitality of the economy. If we do not have a system of having trademark a manufacturer would get nothing by improving his product's quality. And consumers would not be in a position to identify high or low-quality products. In such a situation a manufacturer who reduce the price by reducing quality may pocket the benefit of the market. The consequence would be attempts to produce inferior quality products rather than competition to produce better-quality products.

In view of 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 harmonization of trade mark management systems and to give effect to important judicial decisions, a new Trade Marks Act, 1999 have been enacted to provide for registration of trade mark for goods as well as services including prohibition to the registration of imitation of well-known trademarks, and expansion of grounds for refusal of registration.

A Trade Mark distinguishes the goods of one manufacturer or trader from similar goods of others and therefore, it seeks to protect the interest of the consumer as well as the trader. A trade mark may consist of a device depicting the picture of animals, human beings etc., words, letters, numerals, signatures or any combination

thereof. Since a trade mark indicates relationship in the course of trade, between trader and goods, it serves as a useful medium of advertisement for the goods and their quality.

The current law of Trade Marks contained in the Trade Marks Act, 1999 is in harmony with two major international treaties on the subject, namely The Paris Convention for Protection of Industrial Property and TRIPS Agreement to both of which India is a signatory.



DEFINITIONS AND INTERPRETATIONS

Following are some of the important terms defined in the Trade Marks Act

Trade Mark

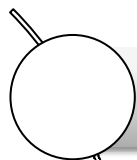
The term trade mark has been defined under Section 2(1)(zb) of the Act as to mean a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others and may include shape of goods, their packaging and combination of colours; and

- (i) in relation to Chapter XII (other than section 107), a registered trade mark or a mark used in relation to goods or services for the purpose of indicating or so as to indicate a connection in the course of trade between the goods or services, as the case may be, and some person having the right as proprietor to use the mark; and
- (ii) in relation to other provisions of this Act, a mark used or proposed to be used in relation to goods or services for the purpose of indicating or so to indicate a connection in the course of trade between the goods or services, as the case may be, and some person having the right, either as proprietor or by way of permitted user, to use the mark whether with or without any indication of the identity of that person, and includes a certification trade mark or collective mark.

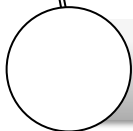
What is a Trademark?

A trademark (popularly known as brand name) in layman's language is a visual symbol which may be a word signature, name, device, label, numerals or combination of colours used by one undertaking on goods or services or other articles of commerce to distinguish it from other similar goods or services originating from a different undertaking.

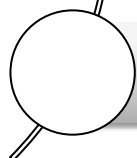
The essential requirements to register a trademark under the Act are:



The selected mark should be capable of being represented graphically (that is in the paper form).



It should be capable of distinguishing the goods or services of one undertaking from those of others.



It should be used or proposed to be used mark in relation to goods or services for the purpose of indicating or so as to indicate a connection in the course of trade between the goods or services and some person have the right to use the mark with or without identity of that person

Certification Trade Mark

Section 2(1)(e) defines the term certification trade mark as to mean a mark capable of distinguishing the goods or services in connection with which it is used in the course of trade which are certified by the proprietor of the mark in respect of origin, material, mode of manufacture of goods or performance of services, quality, accuracy or other characteristics from goods or services not so certified and registerable as such in respect of those goods or services in the name, as proprietor of the certification trade mark, of that person.

Collective Mark

As per Section 2(1)(g) of the Act, Collective mark means a trade mark distinguishing the goods or services of members of an association of persons (not being a partnership within the meaning of the Indian Partnership Act, 1932) which is the proprietor of the mark from those of others.

Well Known Trade Mark

In terms of Section 2(1)(zg), a well-known trade mark in relation to any goods or services means a mark which has become so to the substantial segment of the public which uses such goods or services such that the use of such mark in relation to other goods or services would be likely to be taken as indicating a connection in the course of trade or rendering of services between those goods or services and a person using the mark in relation to the first-mentioned goods or services.

With coming up of the Trade Mark Rules 2017, a new procedure has been created that allows the Registrar to proclaim a particular trademark as “well known”. According to the new rule, a trademark owner can file an application in form TM-M with a request made to the Registrar for declaring the mark to be “well-known”. A well-known trade mark has been vouchsafed with extraordinary protection and safeguards against passing off and infringement of such trademarks. Well-known trademarks are recognised in India on the basis of their reputation, nationally, internationally and the cross-borders. Unlike other trademarks whose goodwill and reputation is limited to a certain specified geographical area and to a certain range of products, well-known trademarks have its goodwill and reputation protected across the nation and across categories of goods and services. It is law that restricts the Trade Mark Registry to allow and register any mark as a trademark which is deceptively similar to any of the well-known trademark.

For Example: Google has been registered as a well-known trademark of Alphabet Inc., which thereby means only Alphabet Inc. can register the term 'Google' for any category of goods and services. Even if the service is not related to the Internet industry, no other company but Alphabet Inc. can register 'Google' as its trademark.

Mark

The term mark under Section 2(1)(m) has been defined to include a device, brand, heading, label, ticket, name, signature, word, letter, numeral, shape of goods, packaging or combination of colours or any combination thereof.

Assignment

According to Section 2(1)(b) of the Act, assignment means an assignment in writing by act of the parties concerned.

Deceptively Similar

According to Section 2(1) (h) of the Act a mark shall be deemed to be deceptively similar to another mark if it so nearly resembles that other mark as to be likely to deceive or cause confusion.

Package

In terms of clause (q) of Section 2(1) the term package include any case, box, container, covering, folder, receptacle, vessel, casket, bottle, wrapper, label, band, ticket, reel, frame, capsule, cap, lid, stopper and cork.

Permitted Use

Section 2(1)(r) defines the term permitted use, in relation to a registered trade mark, as to mean the use of trade mark-

- (i) by a registered user of the trade mark in relation to goods or services -
 - a) with which he is connected in the course of trade; and
 - b) in respect of which the trade mark remains registered for the time being; and
 - c) for which he is registered as registered user; and
 - d) which complies with any conditions or limitations to which the registration of registered user is subject; or
- (ii) by a person other than the registered proprietor and registered user in relation to goods or services
 - a) with which he is connected in the course of trade; and
 - b) in respect of which the trade mark remains registered for the time being; and
 - c) by consent of such registered proprietor in a written agreement; and
 - d) which complies with any conditions or limitations to which such user is subject and to which the registration of the trade mark is subject.

Service

The term service under clause (z) of sub-section (1) of Section (2) has been defined as to mean service of any description which is made available to potential users and includes the provision of services in connection with business of any industrial or commercial matters such as banking, communication, education, financing, insurance, chit funds, real estate, transport, storage, material treatment, processing, supply of electrical or other energy, boarding, lodging, entertainment, amusement, construction, repair, conveying of news or information and advertising.

Who can Apply for a Trademark and How?

Any person, claiming to be the proprietor of a trademark used or proposed to be used by him, may apply in writing in prescribed manner for registration. The application should contain the trademark, the goods/services, name and address of applicant and agent (if any) with power of attorney, the period of use of the mark.

The applications can be submitted personally at the Front Office Counter of the respective office or can be sent by post. These can also be filed on line through the e-filing gateway available at the official website.

What are different types of Trademarks that may be Registered in India?

- ***Any name (including personal or surname of the applicant or predecessor in business or the signature of the person), which is not unusual for trade to adopt as a mark.***
- ***An invented word or any arbitrary dictionary word or words, not being directly descriptive of the character or quality of the goods/service.***
- ***Letters or numerals or any combination thereof.***
- ***The right to proprietorship of a trademark may be acquired by either registration under the Act or by use in relation to particular goods or service.***
- ***Devices, including fancy devices or symbols.***
- ***Monograms.***
- ***Combination of colors or even a single color in combination with a word or device.***
- ***Shape of goods or their packaging.***
- ***Marks constituting a three dimensional sign.***
- ***Sound marks when represented in conventional notation or described in words by being graphically represented.***

Procedure for Registration

Section 18 deals with the procedure for making an application for registration. Any person claiming to be the Proprietor of a trademark used or proposed to be used by him, who is desirous of registering it, shall apply in writing to the Registrar in the prescribed manner for the registration of his trademark. Sub-section (2) of Section 18 allows registration in several classes of goods or services by means of a single application. However, the fee payable is to be calculated on the basis of the number of classes in which registration is sought.

Section 23 places obligation on the Registrar to register the trade mark where the procedure for registration of a trade mark has been completed viz., the application has been accepted and either the application has not been opposed or the opposition has been dismissed.

Processing of TM Application in Trade Mark Registry

At present processing of Trade Mark application is done completely through TM electronic processing System and filing of application is allowed in hybrid mode, i.e. online as well as offline. Currently online filing has

reached around 98%. Moreover, all applications received offline get digitized at its initial stage and movement of the file is done through complete electronic mode thereafter.

A brief description of stage wise processing in Trade Mark Registration is as follows -

A. Pre-Examination Processing:

- i. *Filing of application:* A Trade Mark Application may be filed online or offline. After digitization of offline applications, both online and offline applications are merged and proceed further for processing through the Trade Mark system.
- ii. *VIENNA Codification:* If applied mark consists of figurative elements, codification of the figurative elements is done as per VIENNA Agreement and then application moves for examination. Trade Marks applied as word per se directly proceed for examination. It is expected that all applications which may require VIENNA Codification or otherwise should be processed expeditiously and serially as per priority based on the date of filing of application.

B. Examination of Applications:

It may be noted that allotment of applications for the examination is done by the automated system serially on the basis of the date of filing. Examination in Trade Mark Registration is done in two stages, first examination report is prepared by an Examiner and then the application and examination report is forwarded to Examination Controller for approval. Examination Controller evaluates the examination report, and if found proper, approves it and thereafter the examination report is issued to applicant. However, if some deficiency is noted by the Controller, the examination report is reverted/referred back to the concerned Examiner with suggestions for resubmission/re-examination.

At this stage, application may be accepted or an objection may be raised as per provisions of the Trade Mark Act. In case it is accepted, it will be published in Trade Mark Journal, else examination report will be issued to the applicant containing office objections which needs to be replied by the applicant within 30 days from the date of receipt of examination report.

It is expected that examination should be done expeditiously and serially as per priority based on the date of filing of application or if any compliances are required, expeditiously and serially as per priority based the date of last compliance, if any.

C. Post Examination Processing:

- i. *Consideration of Reply:* After receipt of examination report, applicant needs to submit his reply to the office objections within one month time and if he fails to do so, the application is abandoned for want of reply.

If reply is submitted within the prescribed period, the same is considered by the authorized officers for the purpose. Here also, the application is allotted to the authorized officers through the Trade Mark system serially on the basis of the date of filing of the response to the examination report. At this stage, the authorized officer may accept application and the same is to be published in the Trade Mark Journal. In other cases, where the office objections cannot be waived or found not met, a hearing opportunity is offered to the applicants in all those cases where a decision can adversely affect the interest of the applicant, a hearing opportunity is given as per law.

It is expected that if reply is submitted against the office objections, the same should be considered by the authorized officers expeditiously and serially as per priority based the date of filing of response to the examination report.

- ii. *Show-cause hearing*: In case the objection/s raised by the office are not met after consideration of reply to the examination report, the application moves for show cause hearing. In show cause hearing, the hearing notices are issued serially to the applicant/ agent through the system and allotment of the cases to the Hearing officers is also done by the TM system automatically.

The scheduling of applications for hearing should also be done serially based on the date of consideration of reply by the authorized officer.

D. Post Advertisement Processing:

After the acceptance of the mark, trademark is published in Trade Mark Journal. If no opposition is filed within four months from the date of publication of the trademark, the published trademark becomes eligible for registration.

The issuance of registration certificate is done through automated Trade Mark system. The certificate gets automatically issued if no opposition is filed within the prescribed period or where the application has not already been withdrawn by the Registrar of Trade Marks at the request of the applicant.

The Trade Mark once registered is valid for 10 years. The same can be renewed after every 10 years for an indefinite period by paying the prescribed fee on the prescribed form.

E. Opposition:

If the trademark is opposed by any third party after the publication, the same needs to be disposed of as per rules after giving proper hearing opportunity to both the parties. If the opposition is dismissed, the trade mark proceeds for registration and registration certificate is issued to the applicant. In case opposition is allowed, the application gets refused as per law.

It is expected that if any application is opposed, the same should be disposed serially based on the compliance or non-compliance by the party (i.e. Applicant or Opponent) as per provisions of the Trade Marks Act and Rules.

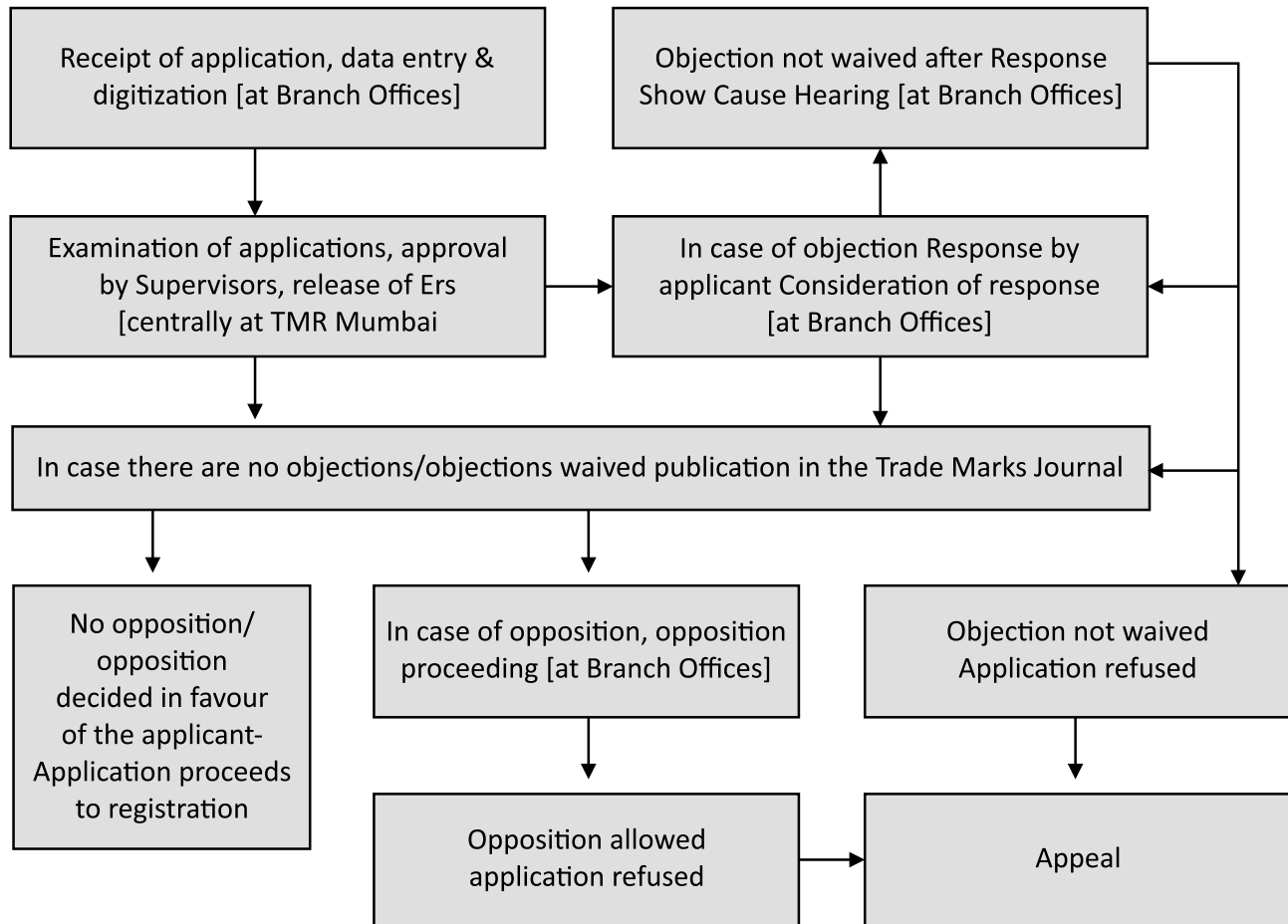
Procedure for disposal of the Rectification proceedings shall be similar to the opposition procedure subject to the provisions of the Trade Marks Act and Rules.

F. Post Registration Trade Mark Management

It is possible for the registered proprietor to record the post registration changes pertaining to proprietor name, address, address for service, assignment or registered user, etc. in the Register of Trade Marks by filing a request on the prescribed form, with the prescribed fee. In case the concerned officer examining the request raises some objections and requires some compliance on part of the applicant, the same should be processed ordinarily within 30 days from the date of compliance by the applicant. It is also a practice of Registry to send one month notice to previous registered proprietor in case any change in proprietorship by way of assignment or transmission is filed by the applicant. In this case, the request can be processed only after expiry of one month notice period as mentioned above.

It is expected that the post registration request shall be examined and processed serially based on the date of filing of the request and date of compliance of the requirements, if any.

The renewal requests received by the Registry are processed through an automated TM system serially based on the date of filing of the request.

Trade Mark Registration Workflow Chart

Source: <https://ipindia.gov.in/workflow-chart.htm>

What are the Benefits of Registering a Trademark?

The registration of a trademark confers upon the owner the exclusive right to the use the trademark in relation to the goods or services in respect of which the mark is registered and to indicate so by using the symbol (R), and seek the relief of infringement in appropriate courts in the country. The exclusive right is however subject to any conditions entered on the register such as limitation of area of use etc. Also, where two or more persons have registered identical or nearly similar marks due to special circumstances, such exclusive right does not operate against each other.

Absolute Grounds for Refusal of Registration

Section 9(1) of the Act containing provisions relating to absolute grounds for refusal for registration prohibit the registration of those trademarks

- (a) which are devoid of any distinctive character, that is to say, not capable of distinguishing the goods or services of one person from those of another person;
- (b) which consist exclusively of marks or indications which may serve in trade to designate the kind, quality, quantity, intended purpose, values, geographical origin or the time of production of the goods or rendering of the service or other characteristics of the goods or service;

- (c) which consist exclusively of marks or indications which have become customary in the current language or in the bona fide and established practices of the trade, shall not be registered: Provided that a trade mark shall not be refused registration if before the date of application for registration it has acquired a distinctive character as a result of the use made of it or is a well-known trade mark.

In the case of Himalaya Drug Company vs. S.B.L. Ltd. 2013 (53) PTC 1 (Del.) (DB): the Appellant had filed a suit against the Respondent for infringement of trade mark "Liv.52" by use of the trade mark "Liv-T". The lower court dismissed the suit of the Appellants holding that the mark 'LIV' is publici juris and there is no similarity between the two trademarks. 'Liv' will be considered as the generic on account of the fact that it is used in respect of medicine used for treatment of ailment of 'Liver' and non-distinctive part of the mark and it is to be ignored even if the two rival marks are to be taken as a whole.

The Plaintiffs filed an appeal before the High Court of Delhi, whereby the High Court reversed the finding of the lower court and upheld the principles of Trade Mark law of comparison and infringement. The court held that the onus of proving that the term 'LIV' has become generic lied heavily on the Defendant, more so in the light of the fact that the Trade Mark of the Plaintiff had voluminous sales, was being used since the year 1955 and was registered since the year 1957 and as seven years had expired from the date of the registration, the Registration of the trade mark the trade mark was taken to be valid as per Section 32 of the erstwhile Trade Marks Act, 1958.

The Defendant could not prove by way of its evidence that the word 'LIV' is generic. The Plaintiff on the other hand proved the distinctiveness of its mark by way of its evidence by providing the orders where the mark 'LIV.52' has been granted protection. The court also noted that consumer asked for Plaintiff's product as Liv.52 thus 'LIV' was the essential and prominent feature of the mark 'LIV.52' and restrained the Defendant from using the mark 'LIV-T' and the Court allowed the Defendant to amend its mark accordingly to a mark which will not be similar to the mark of the Plaintiff.

However, a trademark shall not be refused registration, if the mark has in fact acquired a distinctive character as a result of use or is a well-known trade mark before the date of application. In short, a trade mark which has been demonstrated to be distinctive in the market place shall be regarded as distinctive in law as well and be registerable.

According to Section 9(2) the following trademark shall not be registered:

1. If the trademark tends to deceive the public or cause any confusion;
2. In any instance if the trademark hurts any religious sentiment of any demographic section of Indian citizens;

In the case of Amritpal Singh vs. Lal Babu Priyadarshi , 2005 (30) PTC 94, Intellectual Property Appellate Board (IPAB) the word RAMAYAN was refused registration on the grounds that: Firstly, it was not capable of distinguishing the goods of the applicant and Secondly, that it was likely to hurt religious sentiments of a class of society.

Further, Intellectual Property Appellate Board referred the case Registrar of Trade Marks v. Ashok Chandra Rakhit Ltd., AIR 1955 SC 555 where in the Hon'ble Supreme Court in his order inter alia observed:

"(4) It appears that subsequently the Registrar found that the word "Shree" was used by Hindus as an auspicious symbol and placed even on letter heads and that consequently it was not adapted to distinguish within the meaning of the Act. In course of time, therefore, a practice became established in the Registry whereby the word "Shree" was either refused registration as a trade mark or a disclaimer

was enforced if it were made a part of a trade mark. So inflexible had been this practice that barring this particular trade mark No. 3815 there was no other trade mark containing the word “Shree” which had been registered without a disclaimer of the word “Shree”. Naturally this circumstance was bound to be regarded as an invidious discrimination and, indeed, pointed reference is said to have been made to it and it was suggested that the Registry should deal impartially and uniformly with all applications in matters relating to practice.”

3. It comprises or contains scandalous or obscene matter;
4. Its use is prohibited under the Emblems and Names (Prevention of Improper Use) Act, 1950.

Section 9(3) prohibits registration of a mark, if it consists exclusively of shape of goods which result from the nature of the goods themselves or which is necessary to obtain a technical result or which gives substantial value to the goods. It is, however, explained that the nature of goods or services in relation to which the Trade Mark is used or proposed to be used shall not be a ground for refusal of registration.

Limitation as to Colour

Section 10 provides that a trade mark may be limited wholly or in part to any combination of colours and any such limitation shall be taken into consideration by the Registrar or the High Court, as the case may be having to decide on the distinctive character of the trade mark.

So far as a trade mark is registered without limitation of colour, it shall be deemed to be registered for all colours.

Relative Grounds for Refusal of Registration

Section 11(1) stipulates that a trade mark shall not be registered if, because of—

- (a) its identity with an earlier trade mark and similarity of goods or services covered by the trade mark; or
- (b) its similarity to an earlier trade mark and the identity or similarity of the goods or services covered by the trade mark, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.

Section 11 (2) states that a trade mark which (a) is identical with or similar to an earlier trade mark; and (b) is to be registered for goods or services which are not similar to those for which the earlier trade mark is registered in the name of a different proprietor, shall not be registered if or to the extent the earlier trade mark is a well-known trade mark in India and the use of the later mark without due cause would take unfair advantage of or be detrimental to the distinctive character or repute of the earlier trade mark.

Section 11 (3) provides that a trade mark shall not be registered if, or to the extent that, its use in India is liable to be prevented—

- (a) by virtue of any law in particular the law of passing off protecting an unregistered trade mark used in the course of trade; or
- (b) by virtue of law of copyright.

Section 11(4) states that nothing in this section shall prevent the registration of a trade mark where the proprietor of the earlier trade mark or other earlier right consents to the registration, and in such case the Registrar may register the mark under special circumstances under section 12.

Earlier Trade Mark means–

- (a) a registered trade mark or an application under section 18 bearing an earlier date of filing or an international registration referred to in section 36E or convention application referred to in section 154 which has a date of application earlier than that of the trade mark in question, taking account, where appropriate, of the priorities claimed in respect of the trade marks.
- (b) a trade mark which, on the date of the application for registration of the trade mark in question, or where appropriate, of the priority claimed in respect of the application, was entitled to protection as a well-known trade mark.

As per Section 11 (6) of the Act, the Registrar shall, while determining whether a trade mark is a well-known trade mark, take into account any fact which he considers relevant for determining a trade mark as a well-known trade mark including–

- (i) the knowledge or recognition of that trade mark in the relevant section of the public including knowledge in India obtained as a result of promotion of the trade mark;
- (ii) the duration, extent and geographical area of any use of that trade mark;
- (iii) the duration, extent and geographical area of any promotion of the trade mark, including advertising or publicity and presentation, at fairs or exhibition of the goods or services to which the trade mark applies;
- (iv) the duration and geographical area of any registration of or any application for registration of that trade mark under this Act to the extent that they reflect the use or recognition of the trade mark;
- (v) the record of successful enforcement of the rights in that trade mark, in particular the extent to which the trade mark has been recognised as a well-known trade mark by any court or Registrar under that record.

Section 11(7) provides that the Registrar shall, while determining as to whether a trade mark is known or recognised in a relevant section of the public for the purposes of sub-section (6), take into account–

- (i) the number of actual or potential consumers of the goods or services;
- (ii) the number of persons involved in the channels of distribution of the goods or services;
- (iii) the business circles dealing with the goods or services;

to which that trade mark applies.

Where a trade mark has been determined to be well known in at least one relevant section of the public in India by any court or Registrar, the Registrar shall consider that trade mark as a well-known trade mark for registration under this Act.

The Registrar shall not require as a condition, for determining whether a trade mark is a well-known trade mark, any of the following, namely:–

- (i) that the trade mark has been used in India;
- (ii) that the trade mark has been registered;
- (iii) that the application for registration of the trade mark has been filed in India;
- (iv) that the trade mark–
 - (a) is well-known in; or

- (b) has been registered in; or
- (c) in respect of which an application for registration has been filed in, any jurisdiction other than India, or
- (v) that the trade mark is well-known to the public at large in India.

While considering an application for registration of a trade mark and opposition filed in respect thereof, the Registrar shall—

- (i) protect a well-known trade mark against the identical or similar trademarks;
- (ii) take into consideration the bad faith involved either of the applicant or the opponent affecting the right relating to the trade mark.

Where a trade mark has been registered in good faith disclosing the material information to the Registrar or where right to a trade mark has been acquired through use in good faith before the commencement of this Act, then, nothing in this Act shall prejudice the validity of the registration of that trade mark or right to use that trade mark on the ground that such trade mark is identical with or similar to a well-known trade mark.

In the case of Imperial Tobacco Co. of India Ltd. vs. The Registrar of Trade Marks Calcutta High Court judgement dated 28 May, 1968, the Imperial Tobacco Company manufactured and distributed cigarettes with a label "simla" all over the country. ITC Ltd. made an application to the Registrar for the registration in the year 1960 and 1966. But both the times the registration application was refused by the registrar. The Calcutta High Court rejected the appeal on the ground that the term "simla" is a famous geographical place. This term cannot be registered as a trademark. The trade mark "Simla" with the label is composite in character. Its essential feature is the word Simla. "Simla" is neither an invented word nor is it a word having a dictionary meaning. It is a well-known hill-station of India. Its geographical signification is, therefore, plain and unequivocal. The snow-clad hills in outline on the label makes the geographical significance inescapable.

Prohibition of Registration of Names of Chemical Elements or International Non-Proprietary Names

Section 13 states that no word (a) which is the commonly used and accepted name of any single chemical element or any single chemical compound (as distinguished from a mixture) in respect of a chemical substance or preparation, or (b) which is declared by the World Health Organisation and notified in the prescribed manner by the Registrar from time to time, as an international non-proprietary name or which is deceptively similar to such name, shall be registered as a trade mark and any such registration shall be deemed for the purpose of section 57 to be an entry made in the register without sufficient cause or an entry wrongly remaining on the register, as the circumstances may require.

Use of Names and Representations of Living Persons or Persons Recently Dead

Where an application is made for the registration of a trade mark which 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, the Registrar may, before he proceeds with the application, require the applicant to furnish him with the consent in writing of such living person or, as the case may be, of the legal representative of the deceased person to the connection appearing on the trade mark, and may refuse to proceed with the application unless the applicant furnishes the Registrar with such consent.

Withdrawal of Acceptance

Section 19 provides that where, after the acceptance of an application for registration of a trade mark but before its registration, the Registrar is satisfied—

- (a) that the application has been accepted in error; or
- (b) that in the circumstances of the case the trade mark should not be registered or should be registered subject to conditions or limitations or to conditions additional to or different from the conditions or limitations subject to which the application has been accepted, the Registrar may, after hearing the applicant if he so desires, withdraw the acceptance and proceed as if the application had not been accepted.

Advertisement of Application

According to Section 20, once the Registrar for registration has accepted the application, he shall get the application advertised in the prescribed manner after acceptance. However, the application shall be advertised before acceptance if the application is related to a trademark to which Section 9(1) and Section 11(1) & (2) apply or in any other case as it seems expedient to the Registrar. The purpose of advertisement is to give information to the public at large in respect of the trademark advertised and afford an opportunity to oppose the registration of the mark on given grounds. So the advertisement must be complete in all respects and otherwise the very purpose of advertisement will be frustrated. If there is incomplete or incorrect information in the advertisement, it would amount to misrepresentation, which deprives a prospective opponent of the opportunity to get full information and of filing an effective opposition.

Registration

Section 23 states that subject to the provisions of section 19, when an application for registration of a trade mark has been accepted and either:-

- (a) the application has not been opposed and the time for notice of opposition has expired; or
- (b) the application has been opposed and the opposition has been decided in favour of the applicant, the Registrar shall, unless the Central Government otherwise directs, register the said trade mark within eighteen months of the filing of the application and the trade mark when registered shall be registered as of the date of the making of the said application and that date shall, subject to the provisions of section 154, be deemed to be the date of registration.

On the registration of a trade mark, the Registrar shall issue to the applicant a certificate in the prescribed form of the registration thereof, sealed with the seal of the Trade Marks Registry.

Where registration of a trade mark is not completed within twelve months from the date of the application by reason of default on the part of the applicant, the Registrar may, after giving notice to the applicant in the prescribed manner, treat the application as abandoned unless it is completed within the time specified in that behalf in the notice.

The Registrar may amend the register or a certificate of registration for the purpose of correcting a clerical error or an obvious mistake.

Duration, Renewal, Removal and Restoration of Registration

Section 25 of the Act deals with duration, renewal of registration, for removal and restoration of registration. ***It allows registration of a trademark for a period of 10 years.*** In keeping with the generally accepted international practice and to reduce the work-load of the Trade Marks Office, Section 25 allows renewal of

registration for successive periods of 10 years, from the date of the original registration or the last renewal. With a view to facilitate renewal of registration, Section 25(4) provides for restoration of removed trade marks on payment of renewal fee.

Can a Registered Trademark be Removed from the Register?

It can be removed on application to the Registrar on prescribed form on the ground that the mark is wrongly remaining on the register. The Registrar also can suo moto issue Notice for removal of a registered trademark.

Infringement of Registered Trade Marks

A person shall be deemed to have infringed a registered trade mark, if he uses a mark which is identical with or similar to the registered trade mark, and is used in relation to goods or services which are not similar to those for which trademark is registered; and the registered trade mark has a reputation in India and the use of the mark without due cause would take unfair advantage of or is detrimental to the distinctive character or repute of the registered trade mark.

Section 29 dealing with infringement of trademarks, explicitly enumerates the grounds which constitute infringement of a trademark. Section 29(1) provides that a registered trade mark is infringed by a person who, not being a registered proprietor or a person using by way of permitted use, uses in the course of trade, a mark which is identical with, or deceptively similar to, the trade mark in relation to goods or services in respect of which the trade mark is registered and in such manner as to render the use of the mark likely to be taken as being used as a trade mark.

As per section 29(2) of the Act, a registered trade mark is infringed by a person who, not being a registered proprietor or a person using by way of permitted use, uses in the course of trade, a mark which because of—

- (a) its identity with the registered trade mark and the similarity of the goods or services covered by such registered trade mark; or
- (b) its similarity to the registered trade mark and the identity or similarity of the goods or services covered by such registered trade mark; or
- (c) its identity with the registered trade mark and the identity of the goods or services covered by such registered trade mark, is likely to cause confusion on the part of the public, or is likely to have an association with the registered trade mark.

Section 29(3) states that in any case falling under section 29(2)(c), the court shall presume that it is likely to cause confusion on the part of the public.

Section 29(4) provides that a registered trade mark is infringed by a person who, not being a registered proprietor or a person using by way of permitted use, uses in the course of trade, a mark which—

- (a) is identical with or similar to the registered trade mark; and
- (b) is used in relation to goods or services which are not similar to those for which the trade mark is registered; and
- (c) the registered trade mark has a reputation in India and the use of the mark without due cause takes unfair advantage of or is detrimental to, the distinctive character or repute of the registered trade mark.

According to Section 29(5) of the Ac, a registered trade mark is infringed by a person if he uses such registered

trade mark, as his trade name or part of his trade name, or name of his business concern or part of the name, of his business concern dealing in goods or services in respect of which the trade mark is registered.

Section 29(6) provides that a person uses a registered mark, if, in particular, he:-

- (a) affixes it to goods or the packaging thereof;
- (b) offers or exposes goods for sale, puts them on the market, or stocks them for those purposes under the registered trade mark, or offers or supplies services under the registered trade mark;
- (c) imports or exports goods under the mark; or
- (d) uses the registered trade mark on business papers or in advertising.

Section 29(7) states that a registered trade mark is infringed by a person who applies such registered trade mark to a material intended to be used for labeling or packaging goods, as a business paper, or for advertising goods or services, provided such person, when he applied the mark, knew or had reason to believe that the application of the mark was not duly authorised by the proprietor or a licensee.

As per Section 29(8) a registered trade mark is infringed by any advertising of that trade mark if such advertising:-

- (a) takes unfair advantage of and is contrary to honest practices in industrial or commercial matters; or
- (b) is detrimental to its distinctive character; or
- (c) is against the reputation of the trade mark.

Section 29(9) provides that where the distinctive elements of a registered trade mark consist of or include words, the trade mark may be infringed by the spoken use of those words as well as by their visual representation and reference in this section to the use of a mark shall be construed accordingly.

In the case of *Renaissance Hotel Holdings Inc. vs. B. Vijaya Sai and Ors. (Civil Appeal No. 404 OF 2022) (Arising out of SLP(C) No. 21428 of 2019)* judgement dated 19.01.2022 appeal was filed against the observation of High Court that they did not see any infringement of the Appellant's trade mark "RENAISSANCE" with that of "SAI RENAISSANCE" of Respondents-Defendants. Also, that no evidence of a trans-border reputation for its mark or of any damage to reputation was presented. Therefore, this appeal was presented. Supreme Court held that that High Court has erred in their opinion and that respondents/defendants had infringed on the appellant/trademark plaintiff's "RENAISSANCE".

Hon'ble Supreme Court of India *inter alia* observed that:

"A perusal of subsection (2) of Section 29 of the said Act would reveal that a registered trade mark would be infringed by a person, who not being a registered proprietor or a person using by way of permitted use, uses in the course of trade, a mark which because of the three eventualities mentioned in clauses (a), (b) and (c), is likely to cause confusion on the part of the public, or which is likely to have an association with the registered trade mark. The first eventuality covered by clause (a) being its identity with the registered trade mark and the similarity of the goods or services covered by such registered trade mark. The second one covered by clause (b) being its similarity to the registered trade mark and the identity or similarity of the goods or services covered by such registered trade mark. The third eventuality stipulated in clause (c) would be its identity with the registered trade mark and the identity of the goods or services covered by such registered trade mark.

It is, however, pertinent to note that by virtue of subsection (3) of Section 29 of the said Act, the legislative intent insofar as the eventuality contained in clause (c) is concerned, is clear. Subsection (3) of Section 29 of the said Act provides that in any case falling under clause (c) of subsection (2) of Section 29 of the said Act, the Court shall presume that it is likely to cause confusion on the part of the public. Subsection (4) of Section 29 of the

said Act provides that a registered trade mark is infringed by a person who, not being a registered proprietor or a person using by way of permitted use, uses in the course of trade, a mark which is identical with or similar to the registered trade mark; and is used in relation to goods or services which are not similar to those for which the trade mark is registered; and the registered trade mark has a reputation in India and the use of the mark without due cause takes unfair advantage of or is detrimental to, the distinctive character or repute of the registered trade mark.

Subsection (5) of Section 29 of the said Act provides that a registered trade mark is infringed by a person if he uses such registered trade mark, as his trade name or part of his trade name, or name of his business concern or part of the name, of his business concern dealing in goods or services in respect of which the trade mark is registered.

Subsection (6) of Section 29 of the said Act provides that for the purposes of this section, a person uses a registered mark, if, in particular, he affixes it to goods or the packaging thereof; offers or exposes goods for sale, puts them on the market, or stocks them for those purposes under the registered trade mark, or offers or supplies services under the registered trade mark; imports or exports goods under the mark; or uses the registered trade mark on business papers or in advertising.

Subsection (7) of Section 29 of the said Act provides that a registered trade mark is infringed by a person who applies such registered trade mark to a material intended to be used for labelling or packaging goods, as a business paper, or for advertising goods or services, provided such person, when he applied the mark, knew or had reason to believe that the application of the mark was not duly authorized by the proprietor or a licensee.

Subsection (8) of Section 29 of the said Act provides that a registered trade mark is infringed by any advertising of that trade mark if such advertising takes unfair advantage of and is contrary to honest practices in industrial or commercial matters; or is detrimental to its distinctive character; or is against the reputation of the trade mark.

Subsection (9) of Section 29 of the said Act provides that where the distinctive elements of a registered trade mark consist of or include words, the trade mark may be infringed by the spoken use of those words as well as by their visual representation and reference in this section to the use of a mark shall be construed accordingly.”

The legislative scheme is clear that when the mark of the defendant is identical with the registered trade mark of the plaintiff and the goods or services covered are similar to the ones covered by such registered trade mark, it may be necessary to prove that it is likely to cause confusion on the part of the public, or which is likely to have an association with the registered trade mark. Similarly, when the trade mark of the plaintiff is similar to the registered trade mark of the defendant and the goods or services covered by such registered trade mark are identical or similar to the goods or services covered by such registered trade mark, it may again be necessary to establish that it is likely to cause confusion on the part of the public. However, when the trade mark of the defendant is identical with the registered trade mark of the plaintiff and that the goods or services of the defendant are identical with the goods or services covered by registered trade mark, the Court shall presume that it is likely to cause confusion on the part of the public.

It is thus trite law that while interpreting the provisions of a statute, it is necessary that the textual interpretation should be matched with the contextual one. The Act must be looked at as a whole and it must be discovered what each section, each clause, each phrase and each word is meant and designed to say as to fit into the scheme of the entire Act. No part of a statute and no word of a statute can be construed in isolation. Statutes have to be construed so that every word has a place and everything is in its place. As already discussed hereinabove, the said Act has been enacted by the legislature taking into consideration the increased

globalization of trade and industry, the need to encourage investment flows and transfer of technology, and the need for simplification and harmonization of trade mark management systems. One of the purposes for which the said Act has been enacted is prohibiting the use of someone else's trade mark as a part of the corporate name or the name of business concern. If the entire scheme of the Act is construed as a whole, it provides for the rights conferred by registration and the right to sue for infringement of the registered trade mark by its proprietor. The legislative scheme as enacted under the said statute elaborately provides for the eventualities in which a proprietor of the registered trade mark can bring an action for infringement of the trade mark and the limits on effect of the registered trade mark. By picking up a part of the provisions in subsection (4) of Section 29 of the said Act and a part of the provision in subsection (1) of Section 30 of the said Act and giving it a textual meaning without considering the context in which the said provisions have to be construed, in our view, would not be permissible. We are at pains to say that the High Court fell in error in doing so.

We are, therefore, of the considered view that the High Court fell in error on various counts. The present case stood squarely covered by the provisions of Section 29(2)(c) read with subsection (3) of Section 29 of the said Act. The present case also stood covered under subsections (5) and (9) of Section 29 of the said Act. The High Court has erred in taking into consideration clause (c) of subsection (4) of Section 29 of the said Act in isolation without noticing other parts of the said subsection (4) of Section 29 of the said Act and the import thereof. The High Court has failed to take into consideration that in order to avail the benefit of Section 30 of the said Act, apart from establishing that the use of the impugned trade mark was not such as to take unfair advantage of or is detrimental to the distinctive character or repute of the trade mark, it is also necessary to establish that such a use is in accordance with the honest practices in industrial or commercial matters. As such, we have no hesitation to hold that the High Court was not justified in interfering with the well-reasoned order of the trial court.

In the case of Imperial Tobacco Co. of India Ltd. vs. The Registrar of Trade Marks Calcutta High Court judgement dated 28 May, 1968, the Imperial Tobacco Company manufactured and distributed cigarettes with a label "simla" all over the country. ITC Ltd. made an application to the Registrar for the registration in the year 1960 and 1966. But both the times the registration application was refused by the registrar. The Calcutta High Court rejected the appeal on the ground that the term "simla" is a famous geographical place. This term cannot be registered as a trademark. The trade mark "Simla" with the label is composite in character. Its essential feature is the word Simla. "Simla" is neither an invented word nor is it a word having a dictionary meaning. It is a well-known hill-station of India. Its geographical signification is, therefore, plain and unequivocal. The snow-clad hills in outline on the label makes the geographical significance inescapable.

A suit was brought against Amul Canada by the Kaira District Cooperative Milk Producers Union Limited (Amul Dairy) and the Gujarat Cooperative Milk Marketing Federation (GCMMF), AMUL's official brand's distributors. The dairy behemoth discovered that the organisation had imitated the trademark "Amul" and the slogan "Amul - The Taste of India" in January 2020. The four people were listed as Amul Canada workers. Amul testified before the court that he never granted Amul Canada or any of the four people permission to utilise their trademarks and copyrights.

Canadian Court opined that the defendants had violated and infringed the copyright and trademark. The court awarded CAD 32,733 (around Rs 19.5 lakh) in damages and issued an order prohibiting the defendants from using "Amul" and "Amul-The Taste of India" copyright and trademark.

The Hon'ble High Court in the above case *Mankind Pharma Limited (Plaintiff) vs. Novakind Bio Sciences Private Limited (Defendant) CS(COMM) 188/2021, I.A. 5700/2021 & I.A. 3248/2023 Judgement dated August 07, 2023*, High Court of Delhi inter alia observed that the little apothecary, oftentimes not even able to flaunt a medical degree, occupying the little cubbyhole at the street corner, dispensing medicines, is an unfortunate reality in this country. The poor, and those who are unable to afford the services of the more upmarket physician, often people these "clinics". Many of these "doctors" prescribe medicines based on their manufacturer. Again, it is a well known fact that the same drug, when manufactured by different companies, may work differently, and that, at the very least, with different degrees of efficacy. Thus, without meaning either to extol the plaintiff or denigrate the defendant, a physician, or dispensing chemist, who finds drugs manufactured by the plaintiff especially effective, may prefer them, but may get confused into believing the drugs manufactured by the defendant to be those of the plaintiff, owing to the common "KIND" suffix. At the end of the day, the guiding principle is that, where medicines are concerned, even the slightest possibility of confusion cannot be permitted, and that, therefore, drugs – especially prescription drugs – have to be clearly distinguishable from one another.

Limits on Effect of Registered Trade Mark

Section 30 enumerates certain acts which do not constitute infringement. This section explicitly states that nothing in section 29 shall be construed as preventing the use of a registered trade mark by any person for the purposes of identifying goods or services as those of the proprietor provided the use—

- (a) is in accordance with honest practices in industrial or commercial matters, and
- (b) is not such as to take unfair advantage of or be detrimental to the distinctive character or repute of the trade mark.

Section 30(2) states that a registered trade mark is not infringed where—

- (a) the use in relation to goods or services indicates the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services or other characteristics of goods or services;
- (b) a trade mark is registered subject to any conditions or limitations, the use of the trade mark in any manner in relation to goods to be sold or otherwise traded in, in any place, or in relation to goods to be exported to any market or in relation to services for use or available for acceptance in any place or country outside India or in any other circumstances, to which, having regard to those conditions or limitations, the registration does not extend;
- (c) the use by a person of a trade mark—
 - (i) in relation to goods connected in the course of trade with the proprietor or a registered user of the trade mark if, as to those goods or a bulk of which they form part, the registered proprietor or the registered user conforming to the permitted use has applied the trade mark and has not subsequently removed or obliterated it, or has at any time expressly or impliedly consented to the use of the trade mark; or
 - (ii) in relation to services to which the proprietor of such mark or of a registered user conforming to the permitted use has applied the mark, where the purpose and effect of the use of the mark is to indicate, in accordance with the fact, that those services have been performed by the proprietor or a registered user of the mark;
- (d) the use of a trade mark by a person in relation to goods adapted to form part of, or to be accessory to, other goods or services in relation to which the trade mark has been used without infringement of

the right given by registration under this Act or might for the time being be so used, if the use of the trade mark is reasonably necessary in order to indicate that the goods or services are so adapted, and neither the purpose nor the effect of the use of the trade mark is to indicate, otherwise than in accordance with the fact, a connection in the course of trade between any person and the goods or services, as the case may be;

- (e) the use of a registered trade mark, being one of two or more trademarks registered under this Act which are identical or nearly resemble each other, in exercise of the right to the use of that trade mark given by registration under this Act.

The Madras High Court in Consim Info Pvt. Ltd vs. Google India Pvt. Ltd. 2013 (54) PTC 578 (Mad), relied upon two U.S. Ninth Circuit judgments, to interpret the meaning of the words 'reasonably necessary' used in section 30(2)(d) and held that for any unauthorized use of the trademark to be considered a 'nominative fair use', it must meet three tests viz., (i) the product or service in question must be one not readily identifiable without use of the trademark; (ii) only so much of the mark or marks may be used as is reasonably necessary to identify the product or service; and (iii) the user must do nothing that would, in conjunction with the mark, suggest sponsorship or endorsement by the proprietor of the trademark.

As per Section 30(3) of the Act, where the goods bearing a registered trade mark are lawfully acquired by a person, the sale of the goods in the market or otherwise dealing in those goods by that person or by a person claiming under or through him is not infringement of a trade mark by reason only of—

- (a) the registered trade mark having been assigned by the registered proprietor to some other person, after the acquisition of those goods; or
- (b) the goods having been put on the market under the registered trade mark by the proprietor or with his consent.

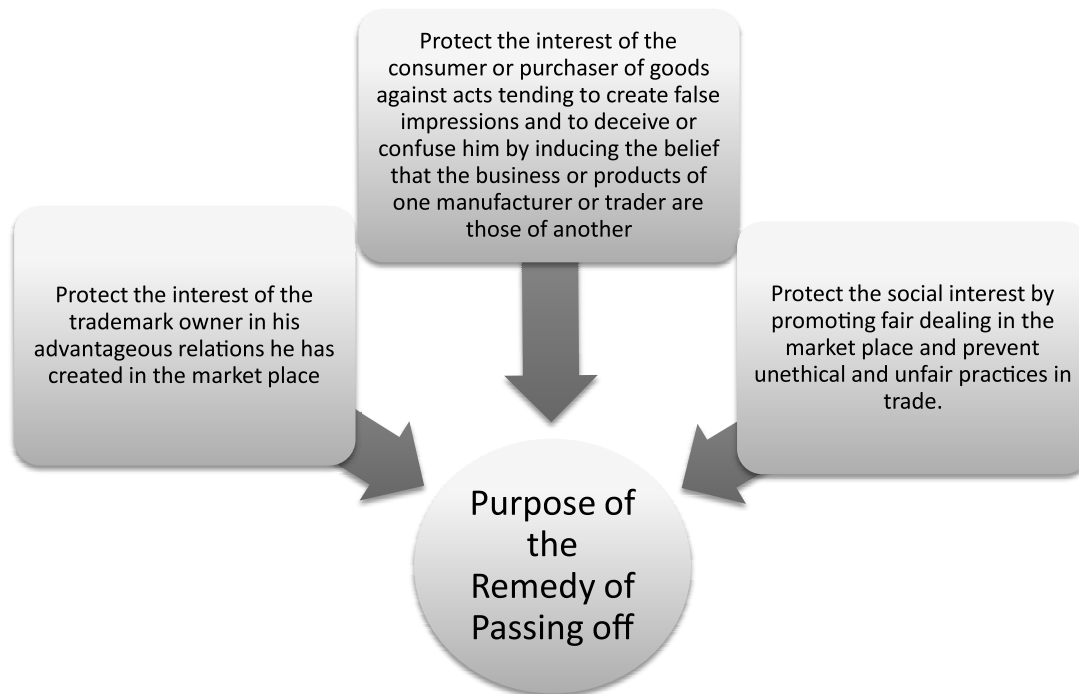
Section 30 (3) shall not apply where there exists legitimate reasons for the proprietor to oppose further dealings in the goods in particular, where the condition of the goods, has been changed or impaired after they have been put on the market.

In the case, Samsung Electronics Company Limited and Ors. vs. Kapil Wadhwa and Ors. (17.02.2012 – Delhi High Court): MIPR 2012 (2) 1: 2012 (49) PTC 571 (Del): 2012(4) R.A.J. 13, the plaintiffs have raised the complaint before this court by preferring a suit for infringement of the trade mark and passing off the mark SAMSUNG. Court held that "Section 30(3) of the Trade Marks Act, 1999 acts as an exception to the infringement of registered trade marks as the head note of Section 30 itself speaks for itself which says limits on the effects of registered trademark and the wordings of Section 30(3) in particular also states that the selling of goods in the market or otherwise dealing in those goods is not an infringement of trademark. The said exception operates in the nature of defence to an infringement wherein the person using the mark in a particular form or dealing otherwise in the goods under the mark can plead that the said goods are lawfully acquired from the market wherein the proprietor has also put the goods in the market or the proprietor has given consent to the effect of such dealings or usage. The provision relating to exhaustion or proprietor's consent is a complete defence to an infringement act. Therefore, the nature and the scope of Section 30(3) is that it operates as a defence to the infringing act and cannot be said to giving any additional right beyond the same."

PASSING OFF

Black's Law Dictionary defines passing off as "the act or an instance falsely representing one's own product as that of another in an attempt to deceive potential buyers. Passing off is actionable in tort under the law of unfair competition. It may be actionable as trademark infringement".

With the tremendous growth in trade and commerce, the competitors or other traders tend to imitate the well-known or reputed trademarks by imitating colour scheme or get up or packaging with a view to pass off such goods as goods of the genuine owner. In cases of registered trademarks, the owner can move the court under this Act for the infringement whereas in cases of the unregistered trademarks, the Act recognizes the Common Law remedy of passing off. The tort of passing off is based upon the principle that "no man is entitled to represent his goods as being the goods of another man; and no man is required to use any mark, sign or symbol, device or means, whereby without making a direct representation himself to a purchaser who purchases from him, he enables such purchaser to tell a lie or to make a false representation to somebody else who is the ultimate purchaser."



The plaintiff, in an action of passing off, has to establish that his business or goods has acquired the reputation and that his mark has become distinctive of his goods among the public at large. He has to establish that there is likely hood of deception or confusion in the minds of the public. He, however, does not have to establish the fraudulent intention on the part of the defendant. Thirdly, he has to establish that confusion is likely to cause damage or injury to the reputation, goodwill and fair name of the plaintiff. He need not prove the actual loss or damage in an action of passing off.

In the case of Mahendra and Mahendra Paper Mills Ltd. vs. Mahindra and Mahindra Ltd. [AIR 2002 SC 117] Supreme Court broadly stated, in an action for passing off on the basis of unregistered trade mark generally for deciding the question of deceptive similarity the following factors are to be considered—

- *The nature of the marks i.e. whether the marks are word marks or labels marks or composite marks i.e. both words and label works.*

- *The degree of resemblance between the marks, phonetically similar and hence similar in idea.*
- *The nature of the goods in respect of which they are used as trademarks.*
- *The similarity in nature, character and performance of the goods of the rival traders.*
- *Class of purchasers who are likely to buy the goods bearing the marks they require, on their education and intelligence and a degree of care they are likely to exercise in purchasing and /or using the goods.*
- *The mode of purchasing the goods or placing orders for the goods.*
- *Any other surrounding circumstances which may be relevant in the extant of dissimilarity between the competing marks.*

Weightage to be given to each of the aforesaid factors depending upon facts of each case and the same weightage cannot be given to each factor in every case.

Registration to be Prima Facie Evidence of Validity

Section 31 of the Act stipulates that in all legal proceedings relating to trade mark registered under the Act, the original registration and all subsequent assignments and transmission thereof shall be prima facie evidence of its validity. However, as per Section 34 the proprietor or a registered user of a registered trademark is not entitled to interfere with or restrain the use by any person of a trademark identical with or nearly resembling it in relation to goods or services in relation to which that person or a predecessor in title of his has continuously used that trade mark from a prior date.

Therefore, in case of unregistered marks, the owner of the trade mark may lodge a case against passing off action in case his trademark is used by some other person. It has been held by the courts in various cases and the ownership of a trademark is decided by its usage in commercial transactions.

The Supreme Court in Uniply Industries Ltd. vs. Unicorn Plywood Pvt. Ltd. and Others observed that:

- (i) for inherently distinctive marks ownership is governed by priority of use for such marks. The first user of sale of goods/services is the owner who is senior to others.*
- (ii) These marks are given legal protection against infringement immediately upon adoption and use in trade.*
- (iii) Some courts indicate that even prior sales of goods – though small in size with the mark – are sufficient to establish priority, the test being to determine continuous prior user and the volume of sale or the degree of familiarity of the public with the mark.*

Therefore, the proprietorship of the trademark is decided by the date of usage of the mark by a person in business transactions.

Assignment and Transmission

Section 37 entitles the registered proprietor of a trademark to assign the trade mark and to give effectual receipts for any consideration for such assignment. Section 38 deals with the assignability and transmissibility of a registered trade mark with or without goodwill of the business either in respect of all goods or services or part thereof. Section 39 provides that unregistered trade mark may be assigned or transmitted with or without the goodwill of the business concerned.

Section 40 contains restriction on assignments or transmissions of trade mark where multiple exclusive rights would be created in more than one person in relation to same goods or services; same description of goods or services; goods or services or description of goods or services which are associated with each other, which would be likely to deceive or cause confusion. Nevertheless, such assignment is not deemed to be invalid, if having regard to the limitations imposed, the goods are to be sold in different markets - either within India or through exports.

Section 42 stipulates conditions for assignment of a trade mark without goodwill of business. Such an assignment shall not take effect unless the assignor obtains directions of the Registrar and advertises the assignment in accordance with the directions of the Registrar and as per the prescribed manner.

Section 43 deals with the assignability and transmissibility of certification trade marks and provides that the assignment of certification trade mark can only be done only with the consent of the Registrar. Section 44 states that associated trademarks shall be assignable and transmissible only as a whole but they will be treated as separate trade marks for all other purposes. Section 45 deals with the procedure for registration of assignment and transmission and provides that where the validity of an assignment is in dispute between the parties, the Registrar may refuse to register the assignment or transmission unless the rights of parties are determined by the competent court.

Proposed Use of Trade Mark by Company to be Formed

Section 46 empowers the Registrar to allow registration of a trademark, if he is satisfied that—

- (i) a company is about to be formed and registered under the Companies Act and that the applicant intends to assign the trademark to that company with a view to use thereof in relation to those goods and services by the company; or
- (ii) the proprietor intends it to be used by a person, as a registered user after the registration of trademark.

Removal of Trade Mark for Non-use

Section 47 deals with removal of a trade mark from the register on the ground of non-use and provides that a trade mark which is not used within five years of its registration, becomes liable for removal either completely or in respect of those goods or services for which the mark has not been used. The five years period starts from the date on which the trade mark is actually entered on the register. However, Section 47(3) protects a mark from being removed from the register on ground of non-use if such non-use is shown to have been due to special circumstances in the trade which may include restriction imposed by any law or regulation on the use of trade mark in India.

Registered User

Section 48 deals with registered users. Section 49 provides for registration as registered user. Section 50 deals with the power of the Registrar to vary or cancel registration as registered user on the ground that the registered user has used the trade mark otherwise than in accordance with the agreement or in such a way as to cause or likely to cause confusion, or deception or the proprietor/registered user misrepresented or has failed to disclose any material facts for such registration or the stipulation in the agreement regarding the quality of goods is not enforced or the circumstances have changed since the date of registration, etc. However, Registrar has been put under obligation to give reasonable opportunity of hearing before cancellation of registration.

In view of the simplification of the procedure for registration of registered user and to ascertain whether the registered user agreement is in force, Section 51 empowers the Registrar to require the proprietor to confirm at any time during the continuation of registration as registered user, whether the agreement, on the basis of

which registered user was registered is still in force, and if such confirmation is not received within a period of one month, the Registrar shall remove the entry thereof from the Register in the prescribed manner. Section 52 recognises the right of registered user to take proceedings against infringement. Section 54 provides that the registered user will not have a right of assignment or transmission. However, it is clarified that where an individual registered user enters into partnership or remains in a reconstituted firm, the use of the mark by the firm would not amount to assignment or transmission.

Collective Marks

Collective Marks means a trades mark distinguish the goods or services of members of an association of person not being a partnership within the meaning of the Indian Partnership Act, 1932 which is the proprietor of the mark from those of others.

Sections 61 to 68 contain provisions relating to the registration of Collective trade marks. These sections provide for registration of a collective mark which belongs to a group or association of persons and the use thereof is reserved for members of the group or association of persons. Collective marks serve to distinguish characteristic features of the products or services offered by those enterprises. It may be owned by an association which may not use the collective mark but whose members may use the same. The association ensures compliance of certain quality standards by its members, who may use the collective mark if they comply with the prescribed requirements concerning its use. The primary function of a collective mark is to indicate a trade connection with the Association or Organisation.

Certification Trade Marks

Certification trade mark as to mean a mark capable of distinguishing the goods or services in connection with which it is used in the course of trade which are certified by the proprietor of the mark in respect of origin, material, mode of manufacture of goods or performance of services, quality, accuracy or other characteristics from goods or services not so certified and registerable as such in respect of those goods or services in the name, as proprietor of the certification trade mark, of that person.

Sections 69 to 78 deal with registration of certification trade mark. The purpose of certification trade mark is to show that the goods on which the mark is used have been certified by some competent person in respect of certain characteristics of the goods such as origin, mode of manufacture, quality, etc. The proprietor of a certification trade mark does not himself deal in the goods. A certification trade mark may be used in addition to the users own trade mark on his goods. Central Government empower the final authority for registration of certification trade mark to the Registrar.

Appointment of Registrar and Trade Mark Registry

Section 3 provides for appointment of the Registrar and other officers and Section 4 empowers the Registrar to withdraw any matter pending before an officer and deal with such matter himself or transfer it to another officer with reasons for such transfer to be recorded therein. Section 5 deals with the establishment of the Trade Marks Registry and branch offices and provides that the Trade Marks Registry established under the Trade and Merchandise Marks Act, 1958 shall continue to be the Trade Marks Registry for the purposes of this Act.

Register of Trade Marks

Section 6 contains provisions relating to maintenance of a single Register of Trade Marks at Head Office including therein particulars of registered trademarks and other prescribed particulars, except notice of trust. A copy of the Register is to be kept at each branch office. Sub-section (2) allows the maintenance of records in computer floppies or diskettes or in any other electronic form subject to the prescribed safeguards.

What does the Register of Trademark Contain?

The register of trademark currently maintained in electronic form contains inter alia the trademark the class and goods/ services in respect of which it is registered including particulars affecting the scope of registration of rights conferred; the address of the proprietors; particulars of trade or other description of the proprietor; the convention application date (if applicable); where a trademark has been registered with the consent of proprietor of an earlier mark or earlier rights, that fact.

Classification of Goods and Services and Publication of Index

Section 7 empowers the Registrar to classify goods and services according to international classification of goods and services and to determine any question related thereto. Section 8 requires the Registrar to publish an alphabetical index of classification of goods and services.

According to Rule 20 of the Trade Marks Rules, 2017, classification of goods and service for the purpose of registration of trademark, the goods and services shall be classified as per current edition of “the International Classification of goods and services (NICE classification)” published by the World Intellectual Property Organization (WIPO). The Registrar shall publish a class wise and an alphabetical index of such goods and services, including goods and services of Indian origin.

Trade Mark Agent

Section 145 deals with agents and provide that Where, by or under the Trade Marks Act, any act, other than the making of an affidavit, is required to be done before the Registrar by any person, the act may, subject to the rules made in this behalf, be done instead of by that person himself, by a person duly authorised in the prescribed manner, who is—

- (a) a legal practitioner, or
- (b) a person registered in the prescribed manner as a trade marks agent, or
- (c) a person in the sole and regular employment of the principal.

Qualifications for Registration

Rule 144 of the Trade Marks Rule states that subject to the provisions of Rule 145, a person shall be qualified to be registered as a trademarks agent if he—

- (i) is a citizen of India,
- (ii) is not less than 21 years of age;
- (iii) is a graduate of any university in India or possesses an equivalent qualification and has passed the examination prescribed in rule 148 or is an Advocate within the meaning of the Advocates Act, 1961 or is a member of the Institute of Company Secretaries of India;
- (iv) is considered by the Registrar as a fit and proper person to be registered as a trademark agent.

Manner of Making Application for Trademarks Agent

All applications under the provisions of Part IV of the Trade Marks Rules, 2017 shall be made in duplicate and shall be sent to or submitted at that office of the Trade Marks Registry within whose territorial limits the principal place of business of the applicant is situate.

Application for Registration as a Trademarks Agent

Every person desiring to be registered as a trademarks agent shall make an application in Form TM-G. The applicant shall furnish such further information bearing on his application as may be required of him at any time by the Registrar.

LESSON ROUND-UP

- Trade Mark distinguishes the goods of one manufacturer or trader from similar goods of others and therefore, it seeks to protect the interest of the consumer as well as the trader. A trade mark may consist of a device depicting the picture of animals, human beings etc., words, letters, numerals, signatures or any combination thereof.
- The Trade Marks Act, 1999 and the Trade Marks Rules, 2017 govern the law relating to Trade Marks in India.
- Object of trademark law is to permit an enterprise by registering its trademark to obtain an exclusive right to use, share, or assign a mark. Closely related to trademarks are service marks which distinguish the services of an enterprise from the services of other enterprise.
- Mark includes a device, brand, heading, label, ticket, name, signature, word, letter, numeral, shape of goods, packaging or combination of colours or any combination thereof.
- A trade mark performs four functions: It identifies the goods/or services and its origin; It guarantees its unchanged quality; It advertises the goods/services; It creates an image for the goods/ services.
- A well-known trade mark in relation to any goods or services means a mark which has become so to the substantial segment of the public which uses such goods or services such that the use of such mark in relation to other goods or services would be likely to be taken as indicating a connection in the course of trade or rendering of services between those goods or services and a person using the mark in relation to the first-mentioned goods or services. When a registered trade mark is used by a person who is not entitled to use such a trade mark under the law, it constitutes infringement.
- A person shall be deemed to have infringed a registered trade mark, if he uses a mark which is identical with or similar to the registered trade mark, and is used in relation to goods or services which are not similar to those for which trademark is registered; and the registered trade mark has a reputation in India and the use of the mark without due cause would take unfair advantage of or is detrimental to the distinctive character or repute of the registered trade mark.
- There will be no infringement of trade mark, if the use of a mark is in accordance with honest practices in industrial or commercial matters and is not such as to take unfair advantage of or be detrimental to the distinctive character or repute of a trade mark.
- The registered proprietor of a trademark to assign the trade mark and to give effectual receipts for any consideration for such assignment.
- A trade mark which is not used within five years of its registration becomes liable for removal either completely or in respect of those goods or services for which the mark has not been used.

