

## Lesson 3<sup>rd</sup> for BALLB 9<sup>TH</sup> SEMESTER [2016]

### OVERVIEW OF TRADEMARK LAW

#### 1. What is a trademark?

A trademark is a word, symbol, or phrase, used to identify a particular manufacturer or seller's products and distinguish them from the products of another. For example, the trademark "Nike," along with the Nike "swoosh," identify the shoes made by Nike and distinguish them from shoes made by other companies (e.g. Reebok or Adidas). Similarly, the trademark "Coca-Cola" distinguishes the brown-colored soda water of one particular manufacturer from the brown-colored soda of another (e.g. Pepsi). When such marks are used to identify services (e.g. "Jiffy Lube") rather than products, they are called service marks, although they are generally treated just the same as trademarks.

Under some circumstances, trademark protection can extend beyond words, symbols, and phrases to include other aspects of a product, such as its color or its packaging. For example, the pink color of Owens-Corning fiberglass insulation or the unique shape of a Coca-Cola bottle might serve as identifying features. Such features fall generally under the term "trade dress," and may be protected if consumers associate that feature with a particular manufacturer rather than the product in general. However, such features will not be protected if they confer any sort of functional or competitive advantage. So, for example, a manufacturer cannot lock up the use of a particular unique bottle shape if that shape confers some sort of functional advantage (e.g. is easier to stack or easier to grip). *Qualitex Co. v. Jacobson Products Co., Inc.*, 115 S. Ct. 1300 (1995).

Trademarks make it easier for consumers to quickly identify the source of a given good. Instead of reading the fine print on a can of cola, consumers can look for the Coca-Cola trademark. Instead of asking a store clerk who made a certain athletic shoe, consumers can look for particular identifying symbols, such as a swoosh or a unique pattern of stripes. By making goods easier to identify, trademarks also give manufacturers an incentive to invest in the quality of their goods. After all, if a consumer tries a can of Coca-Cola and finds the quality lacking, it will be easy for the consumer to avoid Coca-Cola in the future and instead buy another brand. Trademark law furthers these goals by regulating the proper use of trademarks.

#### 2. What sources of law govern trademarks?

Trademarks are governed by both state and federal law. Originally, state common law provided the main source of protection for trademarks. However, in the late 1800s, the U.S. Congress enacted the first federal trademark law. Since then, federal trademark law has consistently expanded, taking over much of the ground initially covered by state common law. The main federal statute is the Lanham Act, which was enacted in 1946 and most recently amended in

1996. 15 U.S.C. 1051, et seq.. Today, federal law provides the main, and by and large the most extensive, source of trademark protection, although state common law actions are still available. Most of the discussion in this summary focuses on federal law.

### **3. What prerequisites must a mark satisfy in order to serve as a trademark?**

In order to serve as a trademark, a mark must be distinctive -- that is, it must be capable of identifying the source of a particular good. In determining whether a mark is distinctive, the courts group marks into four categories, based on the relationship between the mark and the underlying product: (1) arbitrary or fanciful, (2) suggestive, (3) descriptive, or (4) generic. Because the marks in each of these categories vary with respect to their distinctiveness, the requirements for, and degree of, legal protection afforded a particular trademark will depend upon which category it falls within.

An arbitrary or fanciful mark is a mark that bears no logical relationship to the underlying product. For example, the words "Exxon," "Kodak," and "Apple" bear no inherent relationship to their underlying products (respectively, gasoline, cameras, or computers). Similarly, the Nike "swoosh" bears no inherent relationship to athletic shoes. Arbitrary or fanciful marks are inherently distinctive -- i.e. capable of identifying an underlying product -- and are given a high degree of protection.

A suggestive mark is a mark that evokes or suggests a characteristic of the underlying good. For example, the word "Coppertone" is suggestive of sun-tan lotion, but does not specifically describe the underlying product. Some exercise of imagination is needed to associate the word with the underlying product. At the same time, however, the word is not totally unrelated to the underlying product. Like arbitrary or fanciful marks, suggestive marks are inherently distinctive and are given a high degree of protection.

A descriptive mark is a mark that directly describes, rather than suggests, a characteristic or quality of the underlying product (e.g. its color, odor, function, dimensions, or ingredients). For example, "Holiday Inn," "All Bran," and "Vision Center" all describe some aspect of the underlying product or service (respectively, hotel rooms, breakfast cereal, optical services). They tell us something about the product. Unlike arbitrary or suggestive marks, descriptive marks are not inherently distinctive and are protected only if they have acquired "secondary meaning." Descriptive marks must clear this additional hurdle because they are terms that are useful for describing the underlying product, and giving a particular manufacturer the exclusive right to use the term could confer an unfair advantage.

A descriptive mark acquires secondary meaning when the consuming public primarily associates that mark with a particular producer, rather than the underlying product. Thus, for example, the term "Holiday Inn" has acquired secondary meaning because the consuming public associates that term with a particular provider of hotel services, and not with hotel services in general. The public need not be able to identify the specific producer; only that the product or service comes

from a single producer. When trying to determine whether a given term has acquired secondary meaning, courts will often look to the following factors: (1) the amount and manner of advertising; (2) the volume of sales; (3) the length and manner of the term's use; (4) results of consumer surveys. *Zatarain's, Inc. v. Oak Grove Smokehouse, Inc.*, 698 F.2d 786 (5th Cir. 1983).

Finally, a generic mark is a mark that describes the general category to which the underlying product belongs. For example, the term "Computer" is a generic term for computer equipment. Generic marks are entitled to no protection under trademark law. Thus, a manufacturer selling "Computer" brand computers (or "Apple" brand apples, etc.) would have no exclusive right to use that term with respect to that product. Generic terms are not protected by trademark law because they are simply too useful for identifying a particular product. Giving a single manufacturer control over use of the term would give that manufacturer too great a competitive advantage. Under some circumstances, terms that are not originally generic can become generic over time (a process called "genericity"), and thus become unprotected.

#### **4. How do you acquire rights in a trademark?**

Assuming that a trademark qualifies for protection, rights to a trademark can be acquired in one of two ways: (1) by being the first to use the mark in commerce; or (2) by being the first to register the mark with the U.S. Patent and Trademark Office ("PTO"). 15 U.S.C. 1127(a). Remember, however, that descriptive marks qualify for protection (and can be registered) only after they have acquired secondary meaning. Thus, for descriptive marks, there may be a period after the initial use of the mark in commerce and before it acquires secondary meaning, during which it is not entitled to trademark protection. Once it has achieved secondary meaning, trademark protection kicks in.

The use of a mark generally means the actual sale of a product to the public with the mark attached. Thus, if I am the first to sell "Lucky" brand bubble-gum to the public, I have acquired priority to use that mark in connection with the sale of bubble-gum (assuming that the mark otherwise qualifies for trademark protection). This priority is limited, however, to the geographic area in which I sell the bubble gum, along with any areas I would be expected to expand into or any areas where the reputation of the mark has been established. So, for example, if I sell pizza in Boston under the name "Broadway Pizza," I will probably be able to prevent late-comers from opening up a "Broadway Pizza" within my geographic market. But I will not be able to prevent someone else from opening a "Broadway Pizza" in Los Angeles.

The other way to acquire priority is to register the mark with the PTO with a bona fide intention to use the mark in commerce. Unlike use of a mark in commerce, registration of a mark with the PTO gives a party the right to use the mark nationwide, even if actual sales are limited to only a limited area. This right is limited, however, to the extent that the mark is already being used by others within a specific geographic area. If that is the case, then the prior user of the mark retains the right to use that mark within that geographic area; the party registering the mark gets the

right to use it everywhere else. So, for example, if I register the mark "Broadway" in connection with the sale of pizza, the existing "Broadway Pizza" in Boston retains the right to use the name in Boston, but I get the right to use it everywhere else.

## **5. What does it mean to register a trademark?**

Although registration with the PTO is not required for a trademark to be protected, registration does confer a number of benefits to the registering party. 15 U.S.C. 1051. As described above, registration gives a party the right to use the mark nationwide, subject to the limitations noted above. 15 U.S.C. 1072. Registration constitutes nationwide constructive notice to others that the trademark is owned by the party. Registration enables a party to bring an infringement suit in federal court. 15 U.S.C. 1121. Registration allows a party to potentially recover treble damages, attorneys fees, and other remedies. Finally, registered trademarks can, after five years, become "incontestable," at which point the exclusive right to use the mark is conclusively established. 15 U.S.C. 1065.

Applications for registration are subject to approval by the PTO. The PTO may reject a registration on any number of grounds. 15 U.S.C. 1052. For example, the PTO will refuse to register generic marks or descriptive marks that have not attained secondary meaning. The PTO can also reject "immoral or scandalous" marks, certain geographic marks, marks that are primarily surnames, and marks that are likely to cause confusion with existing marks. As noted above, rejection of the mark does not necessarily mean that it is not entitled to trademark protection; it means only that the mark is not entitled to the additional benefits listed above. 15 U.S.C. 1125.

Some states also have their own registration systems under state trademark law.

## **6. Can trademark rights be lost?**

The rights to a trademark can be lost through abandonment, improper licensing or assignment, or genericity. A trademark is abandoned when its use is discontinued with an intent not to resume its use. Such intent can be inferred from the circumstances. Moreover, non-use for three consecutive years is prima facie evidence of abandonment. The basic idea is that trademark law only protects marks that are being used, and parties are not entitled to warehouse potentially useful marks. So, for example, a recent case held that the Los Angeles Dodgers had abandoned rights to the Brooklyn Dodgers trademark Major.

Trademark rights can also be lost through improper licensing or assignment. Where the use of a trademark is licensed (for example, to a franchisee) without adequate quality control or supervision by the trademark owner, that trademark will be canceled. Similarly, where the rights to a trademark are assigned to another party in gross, without the corresponding sale of any assets, the trademark will be canceled. The rationale for these rules is that, under these situations,

the trademark no longer serves its purpose of identifying the goods of a particular provider. *Dawn Donut Co., Inc. v. Hart's Food Stores, Inc.*, 267 F.2d 358 (2d Cir. 1959).

Trademark rights can also be lost through genericity. Sometimes, trademarks that are originally distinctive can become generic over time, thereby losing its trademark protection *Kellogg Co. v. National Biscuit Co.*, 305 U.S. 111 (1938). A word will be considered generic when, in the minds of a substantial majority of the public, the word denotes a broad genus or type of product and not a specific source or manufacturer. So, for example, the term "thermos" has become a generic term and is no longer entitled to trademark protection. Although it once denoted a specific manufacturer, the term now stands for the general type of product. Similarly, both "aspirin" and "cellophane" have been held to be generic. *Bayer Co. v. United Drug Co.*, 272 F.505 (S.D.N.Y. 1921). In deciding whether a term is generic, courts will often look to dictionary definitions, the use of the term in newspapers and magazines, and any evidence of attempts by the trademark owner to police its mark.

## **7. What constitutes trademark infringement?**

If a party owns the rights to a particular trademark, that party can sue subsequent parties for trademark infringement. 15 U.S.C. 1114, 1125. The standard is "likelihood of confusion." To be more specific, the use of a trademark in connection with the sale of a good constitutes infringement if it is likely to cause consumer confusion as to the source of those goods or as to the sponsorship or approval of such goods. In deciding whether consumers are likely to be confused, the courts will typically look to a number of factors, including: (1) the strength of the mark; (2) the proximity of the goods; (3) the similarity of the marks; (4) evidence of actual confusion; (5) the similarity of marketing channels used; (6) the degree of caution exercised by the typical purchaser; (7) the defendant's intent. *Polaroid Corp. v. Polarad Elect. Corp.*, 287 F.2d 492 (2d Cir.), cert. denied, 368 U.S. 820 (1961).

So, for example, the use of an identical mark on the same product would clearly constitute infringement. If I manufacture and sell computers using the mark "Apple," my use of that mark will likely cause confusion among consumers, since they may be misled into thinking that the computers are made by Apple Computer, Inc. Using a very similar mark on the same product may also give rise to a claim of infringement, if the marks are close enough in sound, appearance, or meaning so as to cause confusion. So, for example, "Applet" computers may be off-limits; perhaps also "Apricot." On the other end of the spectrum, using the same term on a completely unrelated product will not likely give rise to an infringement claim. Thus, Apple Computer and Apple Records can peacefully co-exist, since consumers are not likely to think that the computers are being made by the record company, or vice versa.

Between the two ends of the spectrum lie many close cases, in which the courts will apply the factors listed above. So, for example, where the marks are similar and the products are also similar, it will be difficult to determine whether consumer confusion is likely. In one case, the

owners of the mark "Slickcraft" used the mark in connection with the sale of boats used for general family recreation. They brought an infringement action against a company that used the mark "Sleekcraft" in connection with the sale of high-speed performance boats. Because the two types of boats served substantially different markets, the court concluded that the products were related but not identical. However, after examining many of the factors listed above, the court concluded that the use of Sleekcraft was likely to cause confusion among consumers. *AMF Inc. v. Sleekcraft Boats*, 599 F.2d 341 (9th Cir. 1979).

#### **8. What constitutes trademark dilution?**

In addition to bringing an action for infringement, owners of trademarks can also bring an action for trademark dilution under either federal or state law. Under federal law, a dilution claim can be brought only if the mark is "famous." In deciding whether a mark is famous, the courts will look to the following factors: (1) the degree of inherent or acquired distinctiveness; (2) the duration and extent of use; (3) the amount of advertising and publicity; (4) the geographic extent of the market; (5) the channels of trade; (6) the degree of recognition in trading areas; (7) any use of similar marks by third parties; (8) whether the mark is registered. 15 U.S.C. 1125(c). Kodak, Exxon, and Xerox are all examples of famous marks. Under state law, a mark need not be famous in order to give rise to a dilution claim. Instead, dilution is available if: (1) the mark has "selling power" or, in other words, a distinctive quality; and (2) the two marks are substantially similar. *Mead Data Central, Inc. v. Toyota Motor Sales, U.S.A., Inc.*, 875 F.2d 1026 (2d Cir. 1989).

Once the prerequisites for a dilution claim are satisfied, the owner of a mark can bring an action against any use of that mark that dilutes the distinctive quality of that mark, either through "blurring" or "tarnishment" of that mark; unlike an infringement claim, likelihood of confusion is not necessary. Blurring occurs when the power of the mark is weakened through its identification with dissimilar goods. For example, Kodak brand bicycles or Xerox brand cigarettes. Although neither example is likely to cause confusion among consumers, each dilutes the distinctive quality of the mark. Tarnishment occurs when the mark is cast in an unflattering light, typically through its association with inferior or unseemly products or services. So, for example, in a recent case, ToysRUs successfully brought a tarnishment claim against *adultsrus.com*, a pornographic web-site. *Toys "R" Us v. Akkaoui*, 40 U.S.P.Q.2d (BNA) 1836 (N.D. Cal. Oct. 29, 1996).

#### **9. What other potential causes of action are there?**

Although likelihood of confusion and dilution are the two main trademark-related causes of action, there exist a number of additional state-law causes of action under state unfair competition law: passing off, contributory passing off, reverse passing off, and misappropriation. Passing off occurs when the defendant tries to pass off its product as the plaintiff's product. So, for example, manufacturing computers and claiming that they are made by Apple Computer, Inc.

Contributory passing off occurs when the defendant assists or induces another (typically a retailer) to pass off its product as the plaintiff's product. So, for example, inducing a computer store to represent that the computers are made by Apple, when in fact they are not. Reverse passing off occurs when the defendant tries to pass off the plaintiff's product as its own. So, for example, taking a computer made by Apple, removing the label, and putting on a different label. Finally, misappropriation is a highly unstable, but potentially fruitful source of additional trademark-related claims.

#### **10. What defenses are there to trademark infringement or dilution?**

Defendants in a trademark infringement or dilution claim can assert basically two types of affirmative defense: fair use or parody. Fair use occurs when a descriptive mark is used in good faith for its primary, rather than secondary, meaning, and no consumer confusion is likely to result. So, for example, a cereal manufacturer may be able to describe its cereal as consisting of "all bran," without infringing upon Kellogg's rights in the mark "All Bran." Such a use is purely descriptive, and does not invoke the secondary meaning of the mark. Similarly, in one case, a court held that the defendant's use of "fish fry" to describe a batter coating for fish was fair use and did not infringe upon the plaintiff's mark "Fish-Fri." *Zatarain's, Inc. v. Oak Grove Smokehouse, Inc.*, 698 F.2d 786 (5th Cir. 1983). Such uses are privileged because they use the terms only in their purely descriptive sense.

Some courts have recognized a somewhat different, but closely-related, fair-use defense, called nominative use. Nominative use occurs when use of a term is necessary for purposes of identifying another producer's product, not the user's own product. For example, in a recent case, the newspaper USA Today ran a telephone poll, asking its readers to vote for their favorite member of the music group New Kids on the Block. The New Kids on the Block sued USA Today for trademark infringement. The court held that the use of the trademark "New Kids on the Block" was a privileged nominative use because: (1) the group was not readily identifiable without using the mark; (2) USA Today used only so much of the mark as reasonably necessary to identify it; and (3) there was no suggestion of endorsement or sponsorship by the group. The basic idea is that use of a trademark is sometimes necessary to identify and talk about another party's products and services. When the above conditions are met, such a use will be privileged. *New Kids on the Block v. News America Publishing, Inc.*, 971 F.2d 302 (9th Cir. 1992).

Finally, certain parodies of trademarks may be permissible if they are not too directly tied to commercial use. The basic idea here is that artistic and editorial parodies of trademarks serve a valuable critical function, and that this critical function is entitled to some degree of First Amendment protection. The courts have adopted different ways of incorporating such First Amendment interests into the analysis. For example, some courts have applied the general "likelihood of confusion" analysis, using the First Amendment as a factor in the analysis. Other courts have expressly balanced First Amendment considerations against the degree of likely

confusion. Still other courts have held that the First Amendment effectively trumps trademark law, under certain circumstances. In general, however, the courts appear to be more sympathetic to the extent that parodies are less commercial, and less sympathetic to the extent that parodies involve commercial use of the mark.

So, for example, a parody of an L.L. Bean magazine advertisement was found not to constitute infringement. *L.L. Bean, Inc. v. Drake Publishers, Inc.*, 811 F.2d 26, 28 (1st Cir. 1987). Similarly, the use of a pig-like character named "Spa'am" in a Muppet movie was found not to violate Hormel's rights in the trademark "Spam." *Hormel Foods Corp. v. Jim Henson Prods.*, 73 F.3d 497 (2d Cir. 1996). On the other hand, "Gucchie Goo" diaper bags were found not to be protected under the parody defense *Gucci Shops, Inc. v. R.H. Macy & Co.*, 446 F. Supp. 838 (S.D.N.Y. 1977). Similarly, posters bearing the logo "Enjoy Cocaine" were found to violate the rights of Coca-Cola in the slogan "Enjoy Coca-Cola" *Coca-Cola Co. v. Gemini Rising, Inc.*, 346 F. Supp. 1183 (E.D.N.Y. 1972). Thus, although the courts recognize a parody defense, the precise contours of such a defense are difficult to outline with any precision.

### **11. What remedies are there for trademark infringement and/or dilution?**

Successful plaintiffs are entitled to a wide range of remedies under federal law. Such plaintiffs are routinely awarded injunctions against further infringing or diluting use of the trademark. 15 U.S.C. 1116(a). In trademark infringement suits, monetary relief may also be available, including: (1) defendant's profits, (2) damages sustained by the plaintiff, and (3) the costs of the action. 15 U.S.C. 1117(a). Damages may be trebled upon showing of bad faith. In trademark dilution suits, however, damages are available only if the defendant willfully traded on the plaintiff's goodwill in using the mark. Otherwise, plaintiffs in a dilution action are limited to injunctive relief. 15 U.S.C. 1125(c).

## **TRADEMARK LAW IN INDIA**

### **Definition**

According to Section 2 (zb) of the Trade Marks Act, 1999, "trade mark means 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." A mark can include a device, brand, heading, label, ticket, name, signature, word, letter, numeral, shape of goods, packaging or combination of colors or any such combinations.

India's obligations under the TRIPS Agreement for protection of trademarks, inter alia, include protection to distinguishing marks, recognition of service marks, indefinite periodical renewal of registration, abolition of compulsory licensing of trademarks, etc. With the globalization of trade, brand names, trade names, marks, etc. have attained an immense value that require uniform

minimum standards of protection and efficient procedures for enforcement as were recognised under the TRIPS.

In view of the same, extensive review and consequential amendment of the old Indian Trade and Merchandise Marks Act, 1958 was carried out and the new Trade Marks Act, 1999 was enacted. The said Act of 1999, with subsequent amendments, conforms to the TRIPS and is in accordance with the international systems and practices. The Trade Marks Act provides, inter alia, for registration of service marks, filing of multiclass applications, increasing the term of registration of a trademark to ten years as well as recognition of the concept of well-known marks, etc.

The Indian judiciary has been proactive in the protection of trademarks, and it has extended the protection under the trademarks law to Domain Names as demonstrated in landmark cases of *Tata Sons Ltd. v. Manu Kosuri & Ors*, [90 (2001) DLT 659] and *Yahoo Inc. v. Akash Arora* [1999 PTC 201].

India, being a common law country, follows not only the codified law, but also common law principles, and as such provides for infringement as well as passing off actions against violation of trademarks. Section 135 of the Trade Marks Act recognises both infringement as well as passing off actions.

Well-known Trademark and Trans Border Reputation India recognises the concept of the “Well-known Trademark” and the “Principle of Trans Border Reputation”. A well-known Trademark in relation to any goods or services means a mark that has become so to the substantial segment of the public, which uses such goods or receives such services such that the use of such a mark in relation to other goods and services is likely to be taken as indicating a connection between the two marks.

Trans Border Reputation concept was recognised and discussed by the Apex Indian Court in the landmark case of *N. R. Dongre v. Whirlpool* (1996) 5SCC 714. The Trademark “WHIRLPOOL” was held to have acquired reputation and goodwill in India. The Mark “WHIRLPOOL” was also held to have become associated in the minds of the public with Whirlpool Corporation on account of circulation of the advertisements in the magazines despite no evidence of actual sale. Hence, the trademark WHIRLPOOL was held to have acquired trans-border reputation which enjoys protection in India, irrespective of its actual user or registration in India.

Legal Remedies against Infringement and/or Passing off Under the Trade Marks Act, both civil and criminal remedies are simultaneously available against infringement and passing off.

Infringement of trademark is violation of the exclusive rights granted to the registered proprietor of the trademark to use the same. A trademark is said to be infringed by a person, who, not being a permitted user, uses an identical/ similar/ deceptively similar mark to the registered trademark without the authorization of the registered proprietor of the trademark.

However, it is pertinent to note that the Indian trademark law protects the vested rights of a prior user against a registered proprietor which is based on common law principles.

Passing off is a common law tort used to enforce unregistered trademark rights. Passing off essentially occurs where the reputation in the trademark of party A is misappropriated by party B, such that party B misrepresents as being the owner of the trademark or having some affiliation/nexus with party A, thereby damaging the goodwill of party A. For an action of passing off, registration of a trademark is irrelevant.

Registration of a trademark is not a pre-requisite in order to sustain a civil or criminal action against violation of trademarks in India. In India, a combined civil action for infringement of trademark and passing off can be initiated.

Significantly, infringement of a trademark is a cognizable offence and criminal proceedings can be initiated against the infringers. Such enforcement mechanisms are expected to boost the protection of marks in India and reduce infringement and contravention of trademarks. Relief granted by Courts in Suits for Infringement and Passing off The relief which a court may usually grant in a suit for infringement or passing off includes:

- i. permanent and interim injunction, damages or account of profits,
- ii. delivery of the infringing goods for destruction and
- iii. Cost of the legal proceedings.

The order of interim injunction may be passed ex parte or after notice. The Interim reliefs in the suit may also include order for:

(a) Appointment of a local commissioner, which is akin to an “Anton Pillar Order”, for search, seizure and preservation of infringing goods, account books and preparation of inventory, etc.

(b) Restraining the infringer from disposing of or dealing with the assets in a manner which may adversely affect plaintiff’s ability to recover damages, costs or other pecuniary remedies which may be finally awarded to the plaintiff.

**Offences and Penalties** In case of a criminal action for infringement or passing off

The offence is punishable with imprisonment for a term which shall not be less than six months but which may extend to three years and fine which shall not be less than INR 50,000 but may extend to INR 200,000.

## **Procedure of Registration of Trademark in India**

**Section 18. of Trademark Act provides:**

(1) Any person claiming to be the proprietor of a trade mark 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 trade mark.

(2) A single application may be made for registration of a trade mark for different classes of goods and services and fee payable therefor shall be in respect of each such class of goods or services.

(3) Every application under sub-section (1) shall be filed in the office of the Trade Marks Registry within whose territorial limits the principal place of business in India of the applicant or in the case of joint applicants the principal place of business in India of the applicant whose name is first mentioned in the application as having a place of business in India, is situated:

Provided that where the applicant or any of the joint applicants does not carry on business in India, the application shall be filed in the Office of the Trade Marks Registry within whose territorial limits the place mentioned in the address for service in India as disclosed in the application, is situated.

(4) Subject to the provisions of this Act, 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.

(5) In the case of a refusal or conditional acceptance of an application, the Registrar shall record in writing the grounds for such refusal or conditional acceptance and the materials used by him in arriving at his decision.

#### *Withdrawal of Acceptance*

**19.** 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.

### **The Convention Applications**

In order to fulfill the obligations of any treaty, convention or arrangement with a country or countries that are members of inter-governmental organizations, which accord to Indian citizens similar privileges as granted to their own citizens, the Central Government notifies such countries to be Convention Countries.

In case of an application for registration of a trademark made in any of the Convention countries, a priority date can be claimed with regard to the application in India, provided that the application is made within six months of the application having been filed in the Convention country.

The Government has notified and extended this privilege of priority to the members who have ratified the Paris Convention on Protection of Industrial Property.

## **Madrid Protocol**

India Parliament has passed the Trade Marks (Amendment) Bill, 2009 for enacting special provisions relating to protection of trademarks through international registration under the Madrid Protocol. As per the Amendment Bill, from the date of the international registration of a trademark where India has been designated or the date of the recording in the register of the International Bureau about the extension of the protection resulting from an international registration of a trademark to India, the protection of the trademark in India shall be the same as if the trademark had been registered in India. The Amendment Bill is yet to be notified.

## **Classification of goods and services**

For the purpose of classification of goods and services for registration of trademarks, India follows the International Classification of Goods and Services (Nice Classification) published by World Intellectual Property Organization (WIPO). For the purpose of classification of the figurative elements of marks, India follows the Vienna Agreement.

## **Opposition proceedings**

After advertisement of a trademark in the Trade Marks Journal, (which is available online at the website of Office of Registrar of Trademarks) an opposition challenging the application for registration can be filed by any person within a period of 3 months (which may be extended by a period not exceeding 1 month).

## **Renewal of registration**

The trademark is initially registered for a period of 10 years, which is calculated from the date of filing of the application and in case of convention application, from the date of priority. The registration is required to be renewed within 6 months before the date of expiry of the registration, i.e., 10 years from the date of the application or subsequent renewals. The failure in renewing the trademark within the stipulated period of time and a grace period of maximum 1 year granted for restoration of the trademark, automatically leads to removal of the trademark from the Register of Trademarks.

## **Rectification of Trademark**

An aggrieved person may file an application before the Registrar of Trademarks or to the Intellectual Property Appellate Board (IPAB) for cancellation or varying the registration of the trademark on the ground of any contravention or failure to observe a condition entered on the Register in relation thereto. The application for rectification can also be filed for removal of an

entry made in Register, without sufficient cause or wrongly remaining on the Register and for correction of any error or defect in any entry in the Register.

### **Assignment, Transmission and Licensing of Trademarks in India**

“Assignment” means an assignment in writing by an act of the parties concerned. While in case of licensing, the right in the trademark continues to vest with the proprietor, the assignment of the trademark leads to a change in the ownership of the mark. A registered trademark is assignable with or without the goodwill in respect of all or only some of the goods/services for which the mark is registered.

India is a member to TRIPS and Article 21 of the TRIPS dealing with Licensing and Assignment mandates that “... the owner of a registered trademark shall have the right to assign the trademark with or without the transfer of the business to which the trademark belongs.”

Section 39 of the (Indian) Trade Marks Act, 1999 allows for the assignment of an unregistered trademark with or without the goodwill of the business concerned. Indian law contains embargo on the assignments of trademark, whether registered or unregistered, whereby multiple exclusive rights would be created in more than one person which would result in deception/confusion. However, the assignment with limitations imposed, such as goods to be sold in different markets, i.e., within India or for exports are valid.

The Registrar is authorized to issue a certificate of validity of the proposed assignment on a statement of case by the proprietor of a registered trademark who proposes to assign the mark. The said certificate as to validity is conclusive unless vitiated by fraud.

### **Trademark Classes**

Trademark law 2002, suggests that trademark can be registered in India under the following classes:

Class 1. Chemical used in industry, science, photography, agriculture, horticulture and forestry; unprocessed artificial resins, unprocessed plastics; manures; fire extinguishing compositions; tempering and soldering preparations; chemical substances for preserving foodstuffs; tanning substances; adhesive used in industry

Class 2 . Paints, varnishes, lacquers; preservatives against rust and against deterioration of wood; colorants; mordents; raw natural resins; metals in foil and powder form for painters; decorators; printers and artists

Class 3 . Bleaching preparations and other substances for laundry use; cleaning; polishing; scouring and abrasive preparations; soaps; perfumery, essential oils, cosmetics, hair lotions, dentifrices

Class 4 . Industrial oils and greases; lubricants; dust absorbing, wetting and binding compositions; fuels(including motor spirit) and illuminants; candles, wicks

Class 5 . Pharmaceutical, veterinary and sanitary preparations; dietetic substances adapted for medical use, food for babies; plasters, materials for dressings; materials for stopping teeth, dental wax; disinfectants; preparation for destroying vermin; fungicides, herbicides

Class 6. Common metals and their alloys; metal building materials;

transportable buildings of metal; materials of metal for railway tracks; non-electric cables and wires of common metal; ironmongery, small items of metal hardware; pipes and tubes of metal; safes; goods of common metal not included in other classes; ores

Class 7 . Machines and machine tools; motors and engines (except for land vehicles); machine coupling and transmission components (except for land vehicles); agricultural implements other than hand-operated; incubators for eggs

Class 8 . Hand tools and implements (hand-operated); cutlery; side arms; razors

Class 9 . Scientific, nautical, surveying, electric, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life saving and teaching apparatus and instruments; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs; automatic vending machines and mechanisms for coin-operated apparatus; cash registers, calculating machines, data processing equipment and computers; fire extinguishing apparatus

Class 10 . Surgical, medical, dental and veterinary apparatus and instruments, artificial limbs, eyes and teeth; orthopaedic articles; suture materials

Class 11 . Apparatus for lighting, heating, steam generating, cooking, refrigerating, drying ventilating, water supply and sanitary purposes

Class 12 . Vehicles; apparatus for locomotion by land, air or water

Class 13 . Firearms; ammunition and projectiles; explosives; fire works

Class 14 . Precious metals and their alloys and goods in precious metals or coated therewith, not included in other classes; jewellery, precious stones; horological and other chronometric instruments

Class 15. Musical instruments

Class 16 . Paper, cardboard and goods made from these materials, not included in other classes; printed matter; bookbinding material; photographs; stationery; adhesives for stationery or household purposes; artists' materials; paint brushes; typewriters and office requisites (except furniture); instructional and teaching material (except apparatus); plastic materials for packaging (not included in other classes); playing cards; printers' type; printing blocks

Class 17 . Rubber, gutta percha, gum, asbestos, mica and goods made from these materials and not included in other classes; plastics in extruded form for use in manufacture; packing, stopping and insulating materials; flexible pipes, not of metal

Class 18 . Leather and imitations of leather, and goods made of these materials and not included in other classes; animal skins, hides, trunks and travelling bags; umbrellas, parasols and walking sticks; whips, harness and saddlery

Class 19 . Building materials, (non-metallic), non-metallic rigid pipes for building; asphalt, pitch and bitumen; non-metallic transportable buildings; monuments, not of metal.

Class 20 . Furniture, mirrors, picture frames; goods(not included in other classes) of wood, cork, reed, cane, wicker, horn, bone, ivory, whalebone, shell, amber, mother- of-pearl, meerschaum and substitutes for all these materials, or of plastics

Class 21 . Household or kitchen utensils and containers(not of precious metal or coated therewith); combs and sponges; brushes(except paints brushes); brush making materials; articles for cleaning purposes; steelwool; unworked or semi-worked glass (except glass used in building); glassware, porcelain and earthenware not included in other classes

Class 22 . Ropes, string, nets, tents, awnings, tarpaulins, sails, sacks and bags (not included in other classes) padding and stuffing materials(except of rubber or plastics); raw fibrous textile materials

Class 23 . Yarns and threads, for textile use

Class 24 . Textiles and textile goods, not included in other classes; bed and table covers.

Class 25 . Clothing, footwear, headgear

Class 26 . Lace and embroidery, ribbons and braid; buttons, hooks and eyes, pins and needles; artificial flowers

Class 27 . Carpets, rugs, mats and matting, linoleum and other materials for covering existing floors; wall hangings(non-textile)

Class 28 . Games and playthings, gymnastic and sporting articles not included in other classes; decorations for Christmas trees

Class 29 . Meat, fish, poultry and game; meat extracts; preserved, dried and cooked fruits and vegetables; jellies, jams, fruit sauces; eggs, milk and milk products; edible oils and fats

Class 30 . Coffee, tea, cocoa, sugar, rice, tapioca, sago, artificial coffee; flour and preparations made from cereals, bread, pastry and confectionery, ices; honey, treacle; yeast, baking powder; salt, mustard; vinegar, sauces, (condiments); spices; ice

Class 31. Agricultural, horticultural and forestry products and grains not included in other classes; live animals; fresh fruits and vegetables; seeds, natural plants and flowers; foodstuffs for animals, malt

Class 32 . Beers, mineral and aerated waters, and other non-alcoholic drinks; fruit drinks and fruit juices; syrups and other preparations for making beverages

Class 33 .Alcoholic beverages(except beers)

Class 34 . Tobacco, smokers' articles, matches

## SERVICES

Class 35 .Advertising, business management, business administration, office functions.

Class 36 .Insurance, financial affairs; monetary affairs; real estate affairs.

Class 37 . Building construction; repair; installation services.

Class 38. Telecommunications.

Class 39. Transport; packaging and storage of goods; travel arrangement.

Class 40. Treatment of materials.

Class 41. Education; providing of training; entertainment; sporting and cultural activities.

Class 42. Scientific and technological services and research and design relating thereto; industrial analysis and research services; design and development of computer hardware and software.

Class 43. Services for providing food and drink; temporary accommodation.

Class 44. Medical services, veterinary services, hygienic and beauty care for human beings or animals; agriculture, horticulture and forestry services.

Class 45. Legal services; security services for the protection of property and individuals; personal and social services rendered by others to meet the needs of individuals.

## References

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