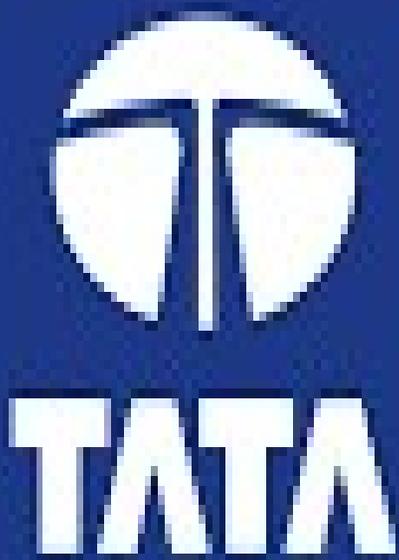


- **UNIT III**
- **TRADEMARKS**

- IDEA + EXPRESSION = COPYRIGHT
- IDEA + INNOVATION + INVENTION = PATENT
- IDEA + QUALITY + IDENTITY = TRADEMARK
- IDEA + APPEARANCE = DESIGN



TATA



kotak

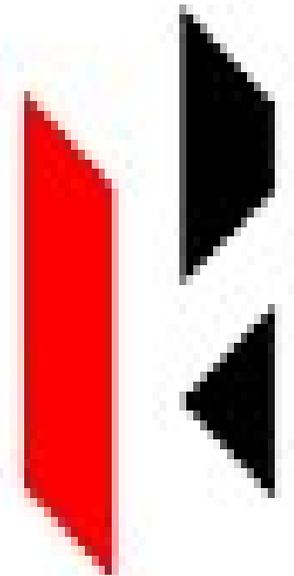
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asianpaint



Reliance





Trademarks

- Trade & commerce are called as **“lifeline of economy of nation”**.
- In the era of competitive economics, the goods are sold by names which indicate its **quality & identity** which is distinct from others.
- The trademark is most commonly used & known intellectual property.

- **Importance of Trademark**
- Identification of product.
- Creation of image of product/service.
- Certificate/symbol of unchanged quality.
- Advertisement of goods & services.

Importance of Trademarks

It Provides a Unique Identity

Trademark Make it Easy for Consumers to Find You

Trademarks are Inexpensive to Safeguard

It does not Create any Market Confusion

Financial Benefits

Trademark is an Effective Tool for Communication

Trademark are an Appreciated Asset

Trademark Protects your Business

Trademarks can make Hiring Easier

- **Evolution of Concept of Trademark-**
- **Before Industrialization-** Consumers used to identify the goods with personal manufacturers.
- **Post Industrialization-** Due to enormous production, manufacturers started to put a unique or special & distinct signs or marks on goods to distinguish his goods from another
- Such sign or mark put on goods & used during the course of business or trades are known as **trademark**.
- Creation of goodwill & acceptance of goods by people.
- Such trademarks are prone to be stolen & misused by dishonest manufacturer. Hence protection needed.

- At global level, importance of trademark was recognized in **Madrid Agreement, 1891**. It constituted **TRIPS** to establish international legal system to provide protection to trademark.
- **In India**, the Trade Mark Act, 1940 was passed to regulate use, acquisition & assignment of trademark. It was the first legislation on this concept. It was based on Trade Mark Act, 1938 of England.
- After independence, the Trade & Merchandize Act, 1958 was enacted.

- Since 1940, significant development took place in India in the field of trade & business. Due to LPG there were considerable changes brought in trade & commercial practices.
- The Act of 1940 was insufficient to keep pace with changing time & international norms. Hence new legislation needed.
- The Trade Mark Act was enacted in 1999. It came into force on **15th September 2003**. This Act repealed the Act of 1958.

- **Object of Trademarks Act, 1999 –**

- To provide legal protection to trade mark & service marks.
- To prevent fraudulent use of trade marks.
- To provide mechanism for registration.
- To encourage trade & business by protecting their goodwill.
- To provide for assignment & license of trade mark.
- To provide principles for determination of infringement of trademark.

- To provide relief against infringement/remedies.
- To implement international obligation to respect trademark, its right in all nations.
- To protect public from deception & confusion about goods.
- To protect mark owners business, trade, goodwill of his business or name & fame of his business against ill-will of competitors.

- **Salient Features of Trademarks Act, 1999 –**
- Easy registration mechanism even through email or online.
- Classification of goods & services for registration.
- Prohibition on registration of imitation of well-known trademarks.
- Enhancement of punishment for offences.

- Prohibition of registration of names of chemicals.
- Prohibition to use name & representation of living or dead person.
- Prohibition of identical or similar trade mark by more than one.
- Establishment of Appellate Board to dispose appeals under the Act.

- **Meaning of Trade Mark –**

- Trademark is a special mark which plays vital role in trade, business & economic competition.
- It is a product of competitive trade practices.
- It makes difference between goods of trademark owner & other goods of similar nature.
- It is one kind of intellectual property which carry with it goodwill & identity of goods, business & trade.
- It provides protection to the owner of the mark by ensuring the exclusive right to use it, or to authorize another to use the same in return for payment. The period of protection is 10 years.

- **Definition of Mark (Sec. 2(1)(m)) –**
- A device, brand, heading, label, ticket, name, signature, word, letter, numeral, shape of goods, packaging or combination of colours or any combination any of the above.
- **Definition of Trade Mark (Sec. 2(zb)) –**
- It means a mark capable of being represented graphically, distinguishing the goods or services of one person from those of others & it may include shape of goods, their packaging & combination of colours.
- **Eg.** Lux, Apple, TVS, Parle, Nike etc.

- In simple words, it is a visual symbol in form of word, device or label applied to articles or goods of commerce to indicate purchasing public that they are manufactured, packed, by particular person as distinguished from similar goods manufactured by others.

- **Trade mark can be** –
- Signs, words, letters, numbers
- Drawing, pictures, emblem
- Colour or combination of colours,
- Shape of goods
- Graphic representation or packaging or
- Any combination of the above.
- As applied to an article or a product.
- It ensures purchaser that he is purchasing proper goods which he has already used with same trade mark.

- **Characteristics of Trade Mark –**

- 1) Trademark is a visual symbol– addressed to eye.
- 2) It may include shape of goods- soap, brush.
- 3) It may include word, sign, letter, numerical or combination of one or more thing stated
- Eg. M80, Hero Honda, Bajaj.
- 4) It must be short, appealing & attractive.
- 5) It must be capable to distinguish goods from other similar goods.

- 6) It must be registerable.
- 7) It is an intellectual property.
- 8) The trademark, business, trade & its goodwill are inseparable. Transfer of goodwill.
- Eg. Nokia to Microsoft.
- 9) It is a word easy to spell, speak & remember.
- 10) It is capable of explaining the motto of the business.
- 11) It should not be identical to a trademark which is already registered.

Attributes of a Good Trademark

**Excluded from
the List of
Prohibited Class
under
Trademark Act**

**Easy to
Recognize,
Spell, and
Speak**

**Adhere to
Distinctiveness**

**Require
Invented or
Coined
Words**

**Should not
Manifest
Product's
Description**

- **Functions of Trade Mark –**

- 1) It provides identity & origin of goods.
- Eg. Colgate, Videocon, Vicco
- 2) It assures quality of goods.
- 3) It distinguishes goods of manufacturer from similar goods by others.
- E.g.. Eveready-Nippo
- 4) It makes advertisement of product. E.g. Bisleri.

- 5) It creates brand value. E.g.. Samsung, LG, Ford
- 6) It creates image of product in the mind of consumers. e.g. Pears, Parle, Dettol, 7'O Clock
- 7) It protects consumer from deception.
- Eg. Samsung-Sumsang, Saffola-Shaffola

Kinds/Types of Trademarks

01

Product Mark

02

Service Mark

03

Collective Mark

04

Certification Mark

05

Shape Mark

06

Pattern Mark

07

Sound Mark

- **Types of Trademark -**

- There are various types of trademark. These are -

- I) Product Mark

- II) Service Mark

- III) Collective Mark

- IV) Certification Mark

- V) Shape Mark

- VI) Pattern Mark

- VII) Sound Mark

- **I) Product Mark -**

- Product mark is a mark that is used on a good or on a product rather than on a service. This this type of trademark is used to recognize the origin of the product and helps in maintaining the reputation of a business.
- Trademark applications filed under trademark class 1-34 could be termed as a product mark, as they represent goods.
- Eg. Nestle, Amul, etc.

- **II) Service Mark -**

- Service mark is similar to the product mark but a service mark is used to represent a service rather than a product. The main purpose of the service mark is that it distinguishes its proprietors from the owners of other services. Trademark applications filed under trademark class 35-45 could be termed as a service mark, as they represent services.
- Eg. Indian Airlines, Red Cross, Red Bus, telecommunication service providers, etc.

- **III) Collective Mark -**

- Collective mark is used to inform the public about certain distinguished features of a product or service used to represent a collective. A group of individuals can use this mark so that they are collectively protecting a goods or service. The mark holder can be an association/public institution/Company.
- In a collective mark, normally the standards of the products are fixed by the regulator owing the mark. Others associated with the collective are held responsible to adhere to certain standards while using the mark in the course of business.
- **Eg.** Chartered Accountant designation.

- **IV) Certification Mark -**

- Certification mark is a sign that denotes a products origin, material, quality or other specific details which are issued by the proprietor. The main purpose of certification mark is to bring out the standard of the product and guarantee the product to the customers. A certification mark can also be used to uplift the product's standard amongst the customers by showing that the product had undergone standard tests to ensure quality. Certification marks are usually seen on packed foods, toys and electronics.
- Eg. ISI, Agromark

- **V) Shape Mark -**

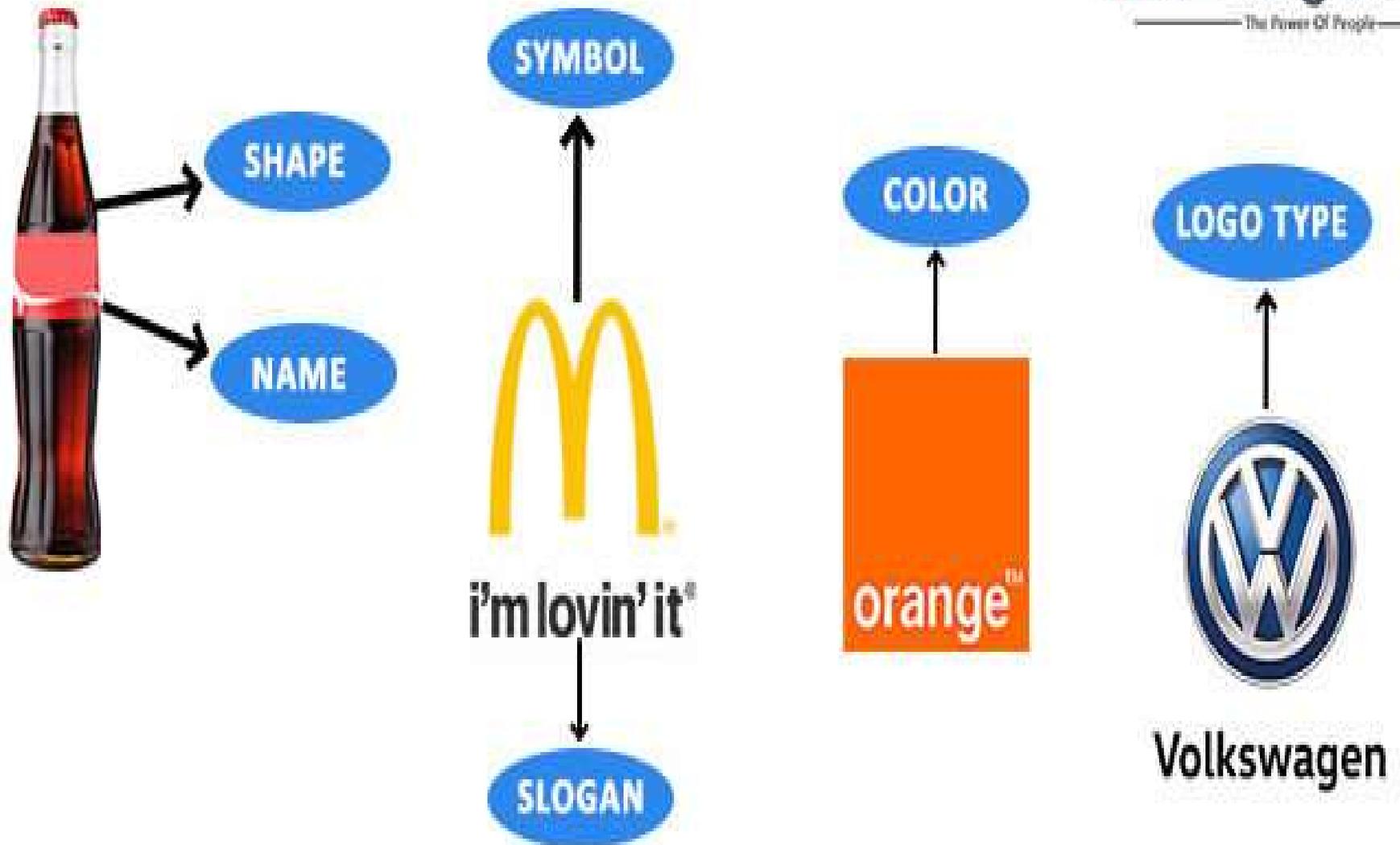
- Shape Mark is exclusively used to protect the shape of the product so that the customers find it relatable to a certain manufacturer and prefer to buy the product. The shape of a particular product can be registered once it is recognized to have a noteworthy shape.
- Eg. The Coca-Cola bottle or Fanta bottle, which have a distinctive shape identifiable with the brand.

- **VI) Pattern Mark -**

- Pattern marks are those products that have specific designed patterns that come out as the distinguishing factor of the product. Patterns which fail to stand out as a remarkable mark is generally rejected since it does not serve any purpose. For a pattern to be registered, it has to show evidence of its uniqueness.
- Eg. Louis Vuitton & its famous pattern, fashionable clothes etc.

- **VII) Sound Mark -**

- Sound mark is a sound that can be associated with a product or service originating from a certain supplier. To be able to register a sound mark, when people hear the sound, they easily identify that service or product or a shows that the sound represents. Sound logos are called as audio mnemonic and is most likely to appear at the beginning or end of a commercial.
- Egs. Tunes of IPL, BSNL, AIRTEL etc. (Jingles)



TYPES OF TRADEMARK

- **Some Examples of Trade Mark-**
- **1. Brands –**
- **Eg.** Camel inkpot, Mortein coils, Ship Brand safety matches or cycle brand agarbathis.
- **2. Letters –**
- **Eg.** LG, L&T, IBM, HMT
- **3. Label, Ticket –**
- Label is a composite mark containing various features including device, picture, words.
- **Eg.** Pantaloon, Zodiac, Philips, Cotton Kings

- **4. Symbol, Logo-**

- Logo is a visual depiction of manufacturers.

- **Eg.** TATA, ICICI, LIC, Adidas

- **5. Packaging –**

- Unique package of goods with certain shape.

- Eg. Fair & Lovely with unique tube, Apple.

- **6. Title –**

- Title of book, magazine.

- Eg. India Today, Outlook, CSR.

7. Shape of Goods –

Eg. Shape of soaps, toothbrush etc.

8. Packaging –

Eg. Capsule, cap, lid, case, box etc.

9. Numerals –

Eg. 555 brand of Cigarettes.

- **10. Name**
- **a. Product Name:** You can register a particular product's name as a trademark. Apple's iPod is a product name trademark.
- **b. Business Name:** Registering a company name as a trademark is the most common route businesses take. Ex: Bajaj.
- **c. Person's Name/Surname:** If your name plays an important part in generating revenue, then you can even trademark your name! Ex: Shah Rukh Khan has trademarked his name.
- **d. Abbreviations:** Abbreviations of a company or brand name can also be a trademark. Ex: BMW.

- **11. Tagline**

- If you have a tagline for your brand, you can go ahead and trademark that as well. A tagline tells your customers what you stand for as a business. For example, KFC's 'It's finger lickin' good'.

- **12. Other Options**

- **a. Colour Mark:** You can trademark a colour or a combination of colours. (Ex: Cadbury has trademarked the colour royal blue)
- **b. Sound Mark:** Musical notes or sounds can be trademarked if we can prove that it's distinctive. Nokia has trademarked its tune.
- **c. Scent Mark:** Even scents can be trademarked.

- **Trademark Classes**

- There are 45 trademark classes & all the goods & services are categorized across these classes.
- You need to be very careful while picking the classes as it will determine the validity of your trademark for your business' products/services.
- If your business operates across different goods/services that fall under different classes, you have to ensure that you apply for the trademark under all the applicable classes.

- Some of the popular trademark classes in India are:
- **Class 9:** which includes computer software and electronics,
- **Class 25:** which includes clothing,
- **Class 35:** which includes business management and advertising, and
- **Class 41:** which includes education and entertainment.
- If you are operating within these trademark classes, the competition for a trademark might be higher. However, that shouldn't matter as long as your mark is unique.



TATA



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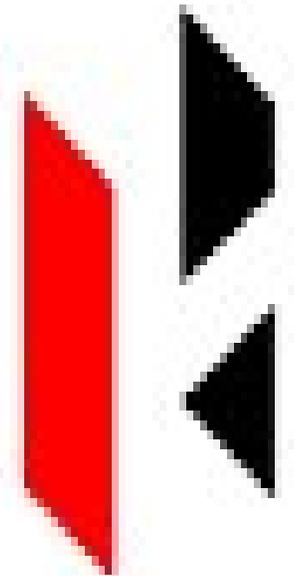
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Reliance







HYUNDAI



HONDA



Hero

- While the “H” in **Hyundai's logo** does stand for the company's name, it's also a stylized picture: **a silhouette of two individuals shaking hands**. One individual is a company representative and the other is a satisfied customer.
- The **Honda logo** is a large “H” appeared as the brand's badge. The “H” is the first letter in the name of the Honda Motor Company founder Soichiro Honda. ... It **represents the quality, durability & confidence of every vehicle produced under the company's name**.
- The new **Hero logo** stands for **the new face of India – that youthful energy and 'can do' spirit**. It is in true sense the “Indian Catapult” which signals that while it is deeply rooted in Indian values, it is also poised to go for global expansion – a Leap of Faith. The logo revolves around high energy & space.

- **Registrar & Register of Trade Mark –**
- **1. Appointment of Registrar & other Officials (S.3)**
- **C/G** appoints a person by Notification in O/G to be called **“Controller General of Patents, Designs & Trade Marks”**.
- This section also provides for appointment of other staff & their powers & functions.

- **2. Functions of Registrar –**

- 1) To classify goods & services.
- 2) To publish alphabetical index of registered trademarks.
- 3) To register trademarks.
- 4) To take cognizance of violation of Trademark Act.
- 5) To consider application for registration.
- 6) To issue certificate of registration.
- 7) To settle disputes relating to registration.
- 8) To cancel registration.
- 9) To have powers of civil court.

- **3. Register of Trademark (S.5)-**
- The Register of Trade Mark has to be kept at the Office of Registration.
- The C/G is empowered to specify the Head Office & Branch Offices as place of Register.
- **HO of Trademark- Mumbai &**
- **Branch Offices-**
 - Ahmadabad,**
 - Kolkata,**
 - Chennai &**
 - Delhi.**

- **4. Entries in Register-**

- The Register shall contain entries such as names of owner, addresses of proprietor, description of trade mark & its use.
- The Registrar has to keep control & management of trade mark.

- **5. Classification of Goods & Services in Register-**

- **S. 7 & 8 of the Act** obliges the Registrar to classify goods & services in accordance with international classification.
- The service marks & trade marks must be separately registered.

- **Conditions/Requirements for Registration of Trade Mark-(Grounds for Refusal of Registration)**
- Every trade mark is not registerable.
- For registration, the trade mark must fulfill the essential conditions for registration.
- It is the duty of Registrar to examine the application by considering following factors or grounds before granting registration.
- There should not be absolute or relative grounds for refusal of registration of trademark.
- Limitation as to colours.

Grounds for Trademark rejection

01

Application Process

02

Similar to any Registered Mark

03

Descriptive Words

04

General Word

05

Offensive Terms

06

Confusing Terms

07

Official Designs

08

Conditions & Restrictions

- **A) Absolute Ground for Refusal of Registration(S.9) –**
- 1) If trademark is **not capable to distinguish goods**
- **Case- Imperial Tobacco Co. India Ltd. V. Registrar of TM, AIR 1968 Calcutta 582**
- **Simla Cigarettes – Trade Mark Registration**
- Held, **distinctiveness** means some quality in trademark which separates goods so marked them from those of other producers or manufacturers of such goods.

- 2) It is of **deceptive nature**.-
- Deceptive, confusing etc.
- **Case— Parker Knoll v. Knoll International Ltd. (1962)**
- Difference between deception & causing confusion
- Spring Chair materials
- Lord Denning explained the word deceptive as to tell lie. It is false representation to consumer & making him to believe that particular thing is true which actually is false.

- 3) If trademark contains matter affecting **religious faith**
- 4) If it contain **scandalous or obscene matter**.
- 5) If its registration is **prohibited under The Emblems & Names (Prohibition of Improper Use) Act, 1950.-**
- This Act contains list of Names & Emblems of national interest, therefore such can not be used as trademark by any person.

- **B. Relative Ground for Refusal of Registration (S.11 of the Act) –**
- 1) If trademark is likely to cause confusion in the mind of public as it may have an association with earlier registered trademark.
- 2) If earlier registered trademark is a well-known in India & later trademark may likely to take unfair advantage of well-known trademark.

- 3) If its use in India is liable to be prevented by virtue of any law of passing off protecting the unregistered trademark.
- 4) The name of chemical, international non-proprietary names are not registerable.
Eg. CRY, WHO.
- 5) The name & representation of living person or dead person unless their consent is taken.

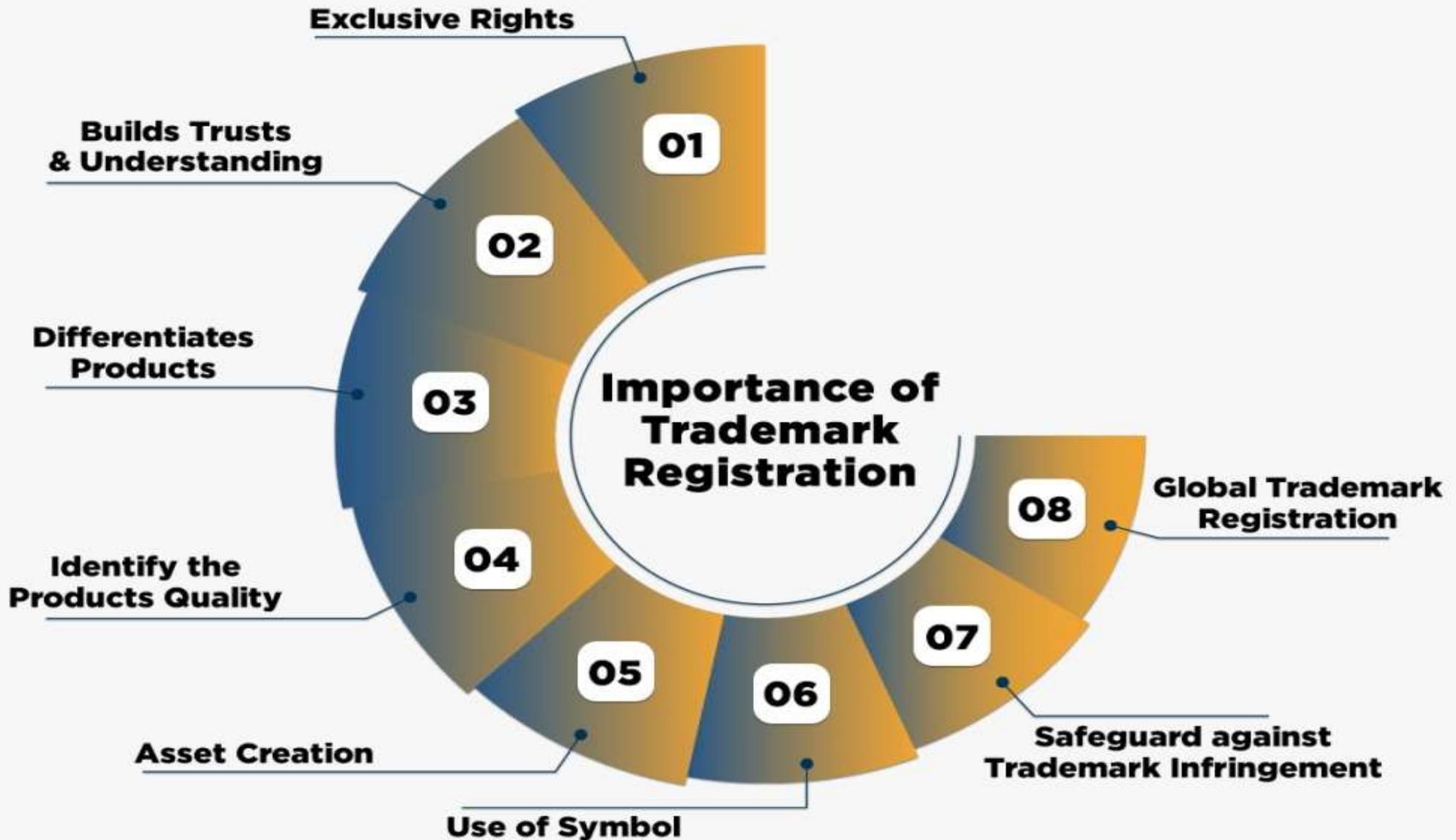
- **C) Limitation as to Colour –**

- 1) A trademark may be registered either subject to limitation as to certain colours.
- 2) It may be registered without limitation as to colours.
- 3) If it is registered without limitation as to colours, then it will be registered for all colours.

Benefits Of Trademark Registration



Importance of TM Registration



- **Advantages of Trademark Registration -**

- Trademark registration is important and necessary for a business because:
 - It showcases your unique identity
 - It helps you build trust and loyalty among your customers
 - It offers legal protection for your brand's identity
 - It is an asset in itself
 - It prevents unauthorized usage of your brand's identity.

TRADEMARK CLASSIFICATION

Class
1 to 34

GOODS

Class
35 to 45

SERVICES



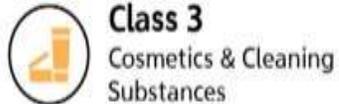
Classes of Goods



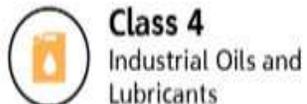
Class 1
Chemical Products



Class 2
Paints & Varnishes



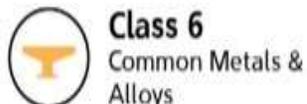
Class 3
Cosmetics & Cleaning Substances



Class 4
Industrial Oils and Lubricants



Class 5
Medicines



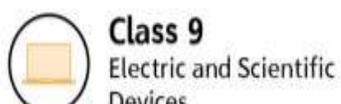
Class 6
Common Metals & Alloys



Class 7
Machine Tools



Class 8
Hand Tools



Class 9
Electric and Scientific Devices



Class 10
Medical Apparatus



Class 11
Environmental Control Apparatus



Class 12
Vehicals



Class 13
Firearms



Class 14
Jewellery



Class 15
Musical Instruments



Class 16
Stationery and Papper Goods



Class 17
Rubber Goods



Class 18
Leather Goods



Class 19
Building Materials



Class 20
Furniture and Materials not otherwise specified



Class 21
Houseware and Glass



Class 22
Ropes and Fibers



Class 23
Yarns and Thread



Class 24
Fabrics



Class 25
Clothing and Footware



Class 26
Fancy goods such as Lace and Embroidery



Class 27
Carpets and Floor Coverings



Class 28
Toys and Sporting Goods



Class 29
Meats and Processef Foods



Class 30
Staple foods including Flour, cereals, bread etc.



Class 31
Natural Agricultural Products



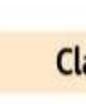
Class 32
Light Beverages including Beer



Class 33
Wines and Spirits



Class 34
Tobacco Products



Class 35
Advertising and Business Services



Class 36
Insurance and Financial Services



Class 37
Building Construction & Repair Services



Class 38
Telecommunication Services



Class 39
Transportation and Storage Services



Class 40
Material Treatment Services



Class 41
Education and Entertainment Services



Class 42
Computer, Scientific and Legal



Class 43
Restaurants and Food Service



Class 44
Medical and Veterinary Services



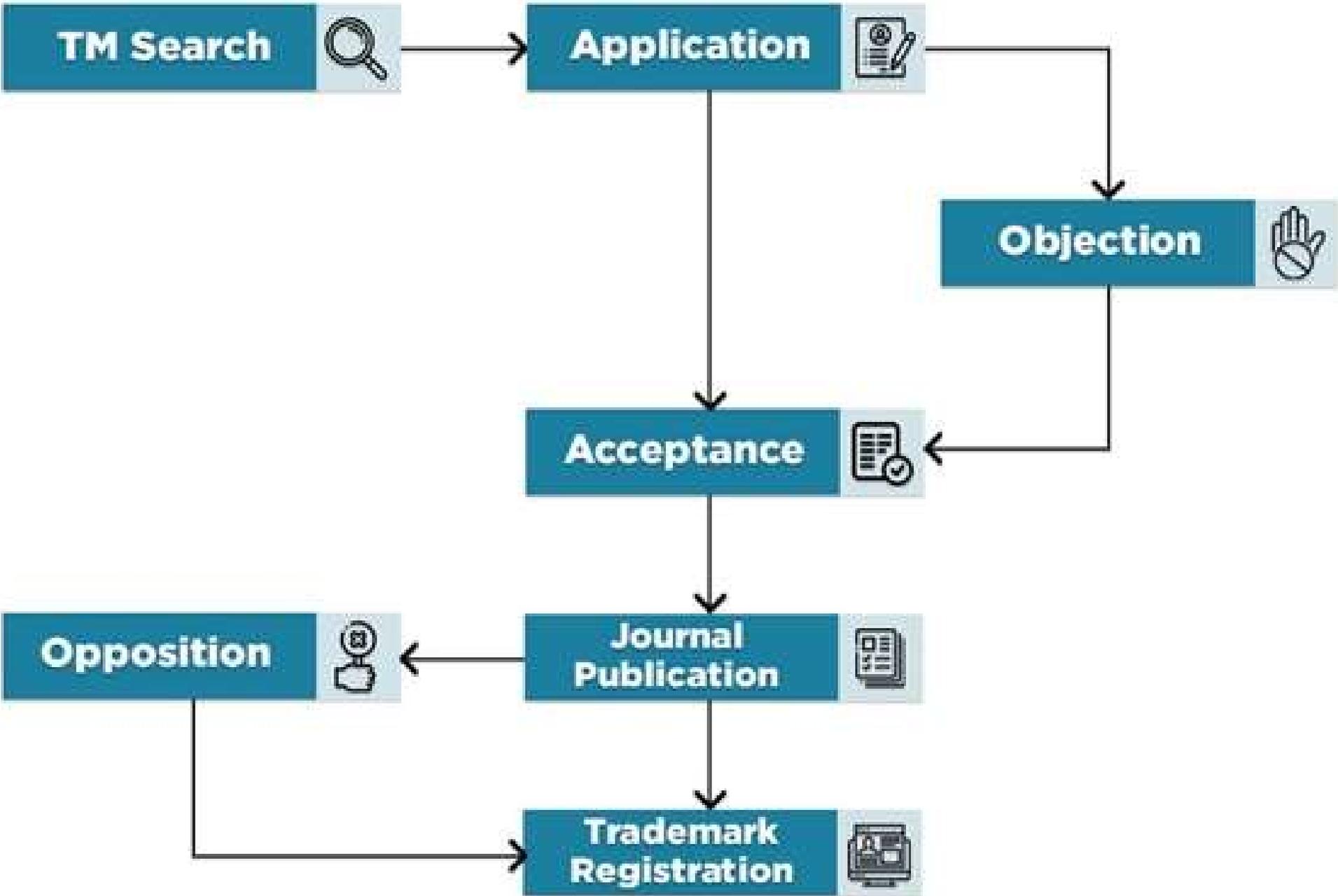
Class 45
Personal and Social Services

Classes of Services

Procedure for Registration of TM



Trademark Registration



- **Procedure for Registration of Trade Mark (S. 18-24)**
- **Who Can Apply-**
- Any person, claiming to be the proprietor of a trade mark used or proposed to be used by him, can apply for registration of a trade mark.
- The application may be made in the name of an individual, partners of a firm, a Corporation, any governmental department, a trust or joint applicants.

- **2. Application –**
- Every person interested in obtaining registration of trade mark must apply in writing in prescribing form.
- The prescribed form for registration is **TM-1** & fees payable shall be Rs 4500 for one class.
- Single form can be used for registration of trade mark for different classes but fees shall be paid for each classes.

- **3. Place for Application-**

- Every application for registration shall be filed in Office of Trademark within whose territory the principal office or place of business is situated.
- The Office of the Controller General of Patents, Designs & Trade Marks is the appropriate office for filing of a trade mark application in India. This office has branches in Mumbai, Delhi, Chennai, Ahmadabad & Kolkata.

- **4. Preliminary Advise & Search-**

- Before or after applying for registration, the applicant may apply for a report as to whether the mark or one similar to it has already been registered or applied for.
- He may also request for the Registrar's opinion as to the distinctive character of the mark.
- The Registrar's search report or opinion is not, however, binding on him.

- **5. Acceptance of Application -**
- On the receipt of application-
- The Registrar may accept or reject it.
- The Registrar will cause the application to be examined & communicate to applicant any objection to the mark which mainly related to distinctive character & similarity with already registered marks.
- If the application is accepted, it will be advertised in the **Trade Mark Journal**.
- If he refuses to accept the application he must record the reasons for refusal.

- **6. Advertisement of Application -**

- Where the application for registration has been accepted, the Registrar shall effect the publication.
- It shall be published in **Trade Mark Journal**.
- The purpose for such advertisement is to invite objections from interested persons whose trademark rights may be suffered due to registration of such proposed trade mark.
- The opposition time limit shall be **3 months** from publication.

- **7. Opposition to the Registration –**
- Any person interested can give notice in writing to Registrar with objections. He shall pay prescribed fees along with notice.
- Then Registrar shall send notice to applicant & applicant must submit counter statement **within 2 months** from notice.
- If he fails to do so, it may amount to withdrawal of application for registration.
- After consideration of objection, oppositions & counter statement & evidences submitted by parties, the Registrar shall decide registerability of trade mark.

- **8. Registration –**
- After accepting of application & disposal of objections the Registrar shall register such trademark with effect from date of application.
- After registration, the Registrar shall issue the **Registration Certificate** to applicant.
- If applicant fails to complete the process **within 12 months**, the process of registration shall be abandoned.

- **9. Effect of Registration –**
- It is a **prima facie evidence** of its validity. But it does not confer any new right on owner. It facilitates a remedy which may be enforced obtained through out state.
- Case – **BETA Enterprise V. Pradhan Perfumes.**
- It was held that, the registration of trademark itself does not create trademark. The trademark exist separately of registration. It merely affords further protection under the Act. (Agarbathi).

- **10. Duration, Renewal, Removal of Registration –**
- **A) Duration** –The registration of trademark shall be for **10 years** from registration. It may be renewed from time to time.
- **B) Renewal** – The Registrar on the application by the owner of TM & on payment of fees shall renew the TM. It shall be **renewed for 10 years**.
- **C) Removal** -If the owner of the TM fails to renew it, the Registrar after giving written notice shall remove the TM from registration.
- Where the TM is removed from register & if the applicant makes an application for restoration with prescribed fees **within 6 month**. It can be restored.

- **Trademark Registration Fees in India –**
- **Individual/ MSME/Startup Fee – 4500/- per Class**
(45 Class)
- **Others (Pvt Ltd/LLP) – 9000** (If you have Udyam Certificate then 50% discount)

- **Rights of the TM Holder –**
- **1. Right to Exclusive Use –**
- Registration gives exclusive right to owner to use the TM with goods & services for which it is registered.
- This right is subject to terms & conditions imposed by Registrar at the time of registration.
- **2. Right to Assign the TM right –**
- The registered proprietor of TM has the right to transfer his right **through license or assignment** of his TM or TM right.
- The rights can be transferred through modes of transfer for valid consideration.

- **3. Right to Seek Legal Remedies against Infringement –**

- Since the Act confers exclusive rights to use the TM by proprietor or his authorized user. Any unauthorized use of his TM is infringement . In this case he has the remedy of passing off.

- **4. Right to Seek Correction of Register –**

- The registered TM owner has the right to apply for correction of Register of TM.
- The correction may relate with name, address & description of profile of proprietor.
- The application in requisite form is needed for correction.

- **Limitation on Rights of TM Owner/Holder –**
- The rights of TM proprietor are subject to terms & conditions imposed at the time of registration.
- **1)** Any use beyond the limitations is not protected by law.

Where a TM is granted for particular product or colour, the manufacturer can not use it for other goods or in other colour.

- **2)** The registered TM owner can not interfere with prior user of same or similar TM.
- **3)** Bonafide use of such TM is not infringement. (eg. Educational purpose).

- **Deceptive Similarity of TM-**
- **1) Introduction –**
- The purpose of TM is to give distinctive identity to the goods & services of owner.
- Every TM should be unique & distinguishable by the consumers of average knowledge.

- **2) Definition of Deceptive Similarity (S.2(d)) –**
- A mark shall be deemed to be deceptively similar to another mark if it **closely resembles to other mark** & it is **likely to deceive consumer** about manufacturer or cause confusion.
- **S. 11 of the Act** does not allow the registration of TM of deceptive nature.
- No TM shall be identical or deceptively similar to a TM which is already registered in the name of a different proprietor in respect of the same goods or description of goods.
- The earlier TM may be registered or unregistered.

- **3) Factors Considered for Determination of Deceptive Similarity –**

- The question of similarity between two TM or the likelihood of deception will depend upon the facts & circumstances.

A) The nature of marks such as surnames, letters, numerals, symbols etc.

B) The degree of resemblance or similarity between the marks such as phonetic, visual etc.

C) The nature of goods in respect of which they are used or likely to be used as TM.

D) The purchasers level of education, intelligence & the degree of care they are likely to exercise in purchasing the goods.

- **4) Determination of Deceptive Similarity –**
- It is the duty of office or court to determine DS.
- While its determination, the court must see whether the **feature & scheme of both TM** in question are such that innocent purchaser would consider one to be another.
- The court need not to proceed to find out the detailed points of similarities or dis-similarities between TM.
- **The real test is** – what would be its **impression on the mind of consumer**, who is aware with plaintiff's mark & as seeing defendant's mark.
- If the TM of defendant mislead consumer that goods with defendant's TM belong to plaintiff TM which he already know.

- **5) Examples of DS –**
- **A) Pidilite Industries v. S.M. Associates**
 - M-SEAL – SM-SEAL – SM-SEAL deceptive.
- **B) Bombay Oil Industries v. Ballarpur Industries**
 - SAFFOLA-SHAFOLA
- **C) Maharashtra Rajya Sahakari Doodh Mahasangh Ltd. V. Ideal Vit Food Products Ltd.**
 - Mahanand Cow Milk – Maha- Anand Cow Milk.
- **D) Shelke Bevarages Pvt. Ltd. V. Rasiklal Dhariwal**
 - Oxycool & Oxyrich – No deceptive similarity

- **Honest & Concurrent Use of TM –**
- **S. 12 of the Act** provides for registration of similar or identical TM in special circumstances as honest & concurrent user of TM.
- A/c to S. 12, the Registrar will allow an application which is inconsistent with earlier provisions.

- In case of honest & concurrent use, or of other special circumstances which make it proper so to do, the Registrar may permit the registration of TMs which are **identical or similar** in respect of the same or similar goods or services, irrespective of the fact that any such TM is already registered or not.

- If the Registrar thinks it to do so proper **in favour of more than one proprietor of TM.**
- In such an event, the Registrar is empowered to impose such **conditions & limitations**, as he deems fit. The provisions establish the superiority of TM rights acquired by use.
- Honest & concurrent use of TM is **exception to general rule.**
- For registration of TM, the applicant must follow procedure including publication of application & giving time limit for objections.

- In case where any person is using similar or same TM without registration & has acquired goodwill & if it is infringed, the remedy is action for **passing off**.
- But if any other person engaged in same business has used the TM **concurrently & without dishonest intention** & earlier person has not taken any action against him, it is recognized as a “**Concurrent Use**”.

- So, where such applicant uses such TM for **more than 5 years & without dishonest intention as well as earlier person does not taken prohibitive action against applicant**, then registration of TM shall not be refused.
- If an application which has been accepted on the basis of honest & concurrent use, the Registrar shall grant the registration.
- The Registrar may permit the registration to more than one proprietor which are identical or similar on the basis of honest & concurrent use.

- **Cases –**
- 1) **Satilila Charitable Society V. Skyline Educational Institute (2004)**
- An engineering institution in the name of “Skyline” was allowed to be continued despite the existence of “Skyline Business School” of the other party.
(A student is not a lay customer- he can make choices and has tendency to act upon).

- 2) **Goenka Institute of Education & Research V. Anjani Kumar Goenka & Another. (2009)**
- Both the institutes were working in different States i.e. Rajasthan & Delhi. Both were allowed to use the same.
- 3) **Dr. Reddy Lab. Ltd. V. Reddy Pharma Ltd. (2004)**
- The defendant not bonafide user- not allowed to use the same trademark as the defendant was an employee in the applicants company.

- **Infringement of Registered TM –**
- A registered TM owner has bundle of right like-
 - A) Right to use TM himself.
 - B) To assign any right to other.
 - C) To exploit it exclusively.
 - D) To transfer TM.

- **1. Definition of Infringement of TM (S.29) –**
- An unauthorized use of registered TM or identical or deceptively similar TM use or contravention of conditions of permitted TM use shall be considered as infringement of a registered TM.
- **2. Meaning of infringement of TM –**
- Registered TM is infringed by a person who use identical or deceptively similar trade mark to already registered trade mark.

- **3. Essentials of Infringement of TM –**
- 1) The TM in question must be **registered**.
- 2) The infringing mark is **identical with or deceptively similar** with infringed TM.
- 3) The person is **not authorized to use** the TM.
- 4) The infringing TM must be used **in course of trade or business or services** covered by registered TM.

- 5) The use of infringing mark is in such a manner that it may cause **confusion in the mind of purchasing public** that infringed goods are manufactured by registered TM owner.
- 6) If registered user of TM violates **any condition of grant of use**, or **exceeds the permitted use**.
- 7) Such TM may be used **with alteration**.

- **4. Test for Determination of Infringement –**
- In order to decide whether infringement is made or not can be decided **by court by assessment of impact on purchaser.**
- If the infringing mark is **likely to cause confusion** or in the mind of deception.
- Such TM may be termed as infringed.

- **Cases –**
- **Astra IDL Ltd. V. TTK Pharma Ltd. (Betoloc/Betalong) (1991)**
- **(High BP & Chest Pain tabs)**
- Held, the **question** must be considered from the point of view of literate or aware person.
- **Deception** must be seen from the eyes of person of average intelligence & illiterate.
- The court should consider **overall similarity** between registered TM & infringing TM.
- It must be compared as whole & not microscopic examination.

- Held, the similarity likely to cause confusion is sufficient to prove infringement & there is no need to prove that actual confusion has been caused.
- In other words, the deception, fraud or confusion on the mind of consumer is essential requirement to determine infringement.

- **1) Lakme Ltd. V. Subhash Trading (1996)**
- Lakme & Like- me (Nail Enamel).
- **2) Sri Sai Agencies v. Chintala Rama Rao (1997)**
- Mathura Ghee & Mathurag Ghee
- (In both the above cases, the trademark infringement occurred and proved. The court issued directions accordingly.)

- **5. Exceptions to Infringement –**

A) **Honest use** of TM & without unfair advantage.

B) **Registered user** of TM within the terms & conditions of use.

C) **Concurrent use** of TM by two or more persons without affecting each others interest & not challenged by both for more than 5 years.

D) Use of TM **by assignee or transferee.**

- **Concept of Passing Off –**

- **1. Introduction –**

- The Act provides certain civil & criminal remedies for infringement of registered TM.
- But in case of infringement of unregistered TM the remedy is law of passing off or passing off action as it is provided under S. 27(2) of the Act.

- **2. Concept of Passing Off –**

- The term passing off is an actionable claim in which a person passes off his goods as the goods of another.

- **Cases –**
- **I) Singer Manufacturing Co. v. Loog (1896)**
- (Sewing Machines/America)
- The term “Passing Off” is explained as –
“No man is entitled to represent his goods as the goods of another man & no man is permitted to use of any mark, sign or symbol or device of other man to deceive the purchaser as passing off”.

- **II) Cadila Health Care Ltd. V. Cadila Pharma Ltd. (Anti- Malarial Drug) (2001)**
- The Supreme Court held that, the offence of passing off in case of medicine is a serious offence. It not only affects economic loss to TM owner but also affects health, life of purchaser.
- The goods passed off may not contain the quality & efficacy of medicine as original possess.

- **3. Offence of Passing Off under S. 27(2) –**
- No action for infringement of unregistered TM
 1. No person shall be entitled to institute any proceedings to prevent or recover damages for infringement of unregistered TM.
 2. Nothing in this Section shall be deemed to affect the right of action against any person for passing off goods or services as goods or services of another person.

- **4. Object of Passing Off Remedy –**

- The object of this remedy is to protect the goodwill & reputation of business from the encroachment by dishonest competition.
- I) To protect the interest of trade mark owner.
- II) To protect the interest of consumer.
- III) To promote fair dealing in the market, and
- IV) To promote commercial morality.

- **5. Elements of Passing Off –**
- I) Reputation of goods passed off.
- II) actual or possible deception.
- III) likelihood of damages to plaintiff.

- **6. Essentials of Passing Off –**

- The basis of action of passing off action is **misrepresentation**. It is an actionable wrong by any person who pass off his goods or services as goods or services of another by false representation by using deceptive or similar mark.
- Here, the **plaintiff must show that –**
- A) There is misrepresentation made by the defendant in course of trade to prospective customers or ultimate consumers of plaintiff.
- B) There is misrepresentation calculated to injure his business or goodwill.

- **Case – Narayan & Another v. S. Murali. (2008)**
- **(Banana Chips A1 Brand)**
 - A)** The Supreme Court held that, mere filing of an application for registration of TM does not give right of passing off action, the person must have actually used the TM for his business.
 - B)** It is a Common Law remedy. It is based on the principle that no other trader has any right to represent his goods or services as belonged to another.
 - C)** The plaintiff has to prove that his TM has acquired reputation, goodwill & well established.
 - D)** It is an action for deceit committed by the defendant.

- **5. Modes of Passing Off –**

- A.** Direct false representation.

- B.** Adoption of TM which is same or deceptively similar to rival to rival trader.

- C.** Adoption of essential part of rival trader.

- D.** Adoption of name, design, word by which rival business is known.

- **Cases –**
- **I) Dhariwal Industries v. M/S MSS Food Products. (2005)**
- Manikchand (1988) & Malikchand Panmasala (1959) case.
- The owner of Manikchand was restrained from using Manikchand because of passing off action brought by Malikchand.
- **II) Yahoo Inc. v. Akash Arora (1999)**
- Held, defendant's name Yahoo India was found deceptively similar to plaintiff's domain Yahoo. The defendant was restrained from using yahoo India.

- **III) Living Media India Ltd. V. Jitender Jain
(2002)**

- The Delhi High Court held that, the usage of trade name “**Khabrein Aaj Tak**” for a newspaper run by the defendant would amount to passing off, of the plaintiff’s well known Hindi news program “**Aaj Tak**”.
- Also held, the doctrine of PO is a common law remedy whereby a person is prevented from trying to wrongfully utilise the reputation & goodwill of another by trying to deceive the public through ‘passing off’ his goods.

- **Some other Cases on Passing Off –**
- **Case - ITC V. Nestle (2013)**
- Magical Trade War
- ‘Magic Masala’ words
- No infringement
- **Case - BharatPe V. PhonePe**
- The use of word ‘Pe’ for ‘Pay’
- No infringement

- **6. Defences Against Action for Passing Off –**
- The defendant may escape from liability if he shows that the added material or TM is sufficient to distinguish his goods from goods of plaintiff.
- **7. Remedies Against Passing Off –**
- The plaintiff in suit for passing off action can follow the same procedure for filing suit for **Injunction, Damages, Accounts of Profit, Delivery of Goods.**

- **8. Difference between Passing off & Infringement -**

Passing –Off of Trade Mark

Infringement of Trade Mark

1. It is a common law remedy.

1. It is a statutory remedy.

2. It originates from the principle that no trader has any right to represent his goods or services as belonging to another.

2. It accrues by the registration of trade mark.

3. To establish passing off, the plaintiff has to prove that his TM has acquired good reputation & is well established.

3. To establish infringement, the plaintiff has to prove only the registration of TM

4. The actual use of TM by the defendant is not essential.

4. The actual use of TM by the defendant is essential.

Passing- Off of a Trade Mark

Infringement of a Trade Mark

5. It is basically an action for deceit.

5. It is a statutory remedy conferred on the registered proprietor of TM for enforcement of his rights.

6. The defendant may escape liability if he can show that the added material is sufficient to distinguish his goods from those of plaintiff.

6. a) Honest use of TM & without unfair advantage.

b) Registered user of TM.

c) Concurrent use of TM

d) Use of TM by assignee or transferee.

These are the defences for defendant.

- **Remedies Against Infringement of TM –**

Following are the remedies available for plaintiff for infringement of his registered TM-

A) Civil Remedies

B) Criminal Remedies

C) Administrative Remedies

A) Civil Remedies –

A suit can be initiated for infringement under the Trade Marks Act, 1999 in a Civil Court which is established under the Civil Procedure Code, 1908.

- **1. Who Can File A Suit –**

- Legal successor
- Registered user
- Joint owner
- Assignee

- **2. Against Whom Suit Can Be Filed –**

- The person who directly infringes TM.

- Agent of infringer.

- Master under whose employment & authority infringement is done.

- Director or promoter of company when they personally commit infringement.

- **3. Nature of Remedies –**

- I) Injunction to restrain infringement

- II) Damages for infringement or accounts of profit

- III) Anton Pillar Order

- **4. Where The Suit can be Filed –**
- In **District Court** having proper jurisdiction i.e. territorial, pecuniary etc.
- **5. Limitation for Filing Suits –**
- The Limitation Act is applicable for period limit to file suit.
- The suit must be filed **within 3 years** from the date of infringement.
- In continuing infringement no time limit.

- **6. Burden of Proof –**

- Firstly, it lies on the plaintiff.
- The plaintiff must prove that TM used by the defendant is identical or deceptively similar to his registered TM.
- He must prove that the defendant has deceived his consumers.

- **7. Defences by Defendant –**

I) Honest & Concurrent Use.

II) Defendant is prior user of TM.

III) Complained use is for bonafide purpose
(e.g. education).

IV) Lapse of limitation period to file suit.

- **B) Criminal Remedies –**

- Criminal remedies can be initiated in criminal court having competent jurisdiction in addition to civil remedies.
- In case of criminal remedies, the law does not make any distinction between a registered TM & unregistered TM.

- **Limitation of Prosecution –**

- The period of limitation for criminal prosecution is **3 years** following the commission of the offence or **2 years** after the discovery thereof by the prosecutor, whichever is earlier.

- A/c to **S. 115 of the Act**, under certain circumstances, a Police Officer not below the rank of Deputy Superintendent of Police has power to search & seizure without warrant the goods, machine, docks, plates or other instruments or things involved in the commission of cognizable offence which is committed or likely to be committed. For this, he has to obtain the opinion of Registrar.

- Following are the various offences & penalties –
- **1. Falsifying & Falsely Applying TM (S. 102-103) -**
- Imprisonment between 6 months to 3 years & fine between Rs 50000 to 100000.
- **2. Selling Goods or Providing Services with False TM & False Description of Goods (S.104) –**
 - Forfeiture of goods & fine between Rs 1000
- **3. Removal of Goods Contrary to the Act –**
 - Forfeiture of goods & fine between Rs 1000

- **4. Falsely Representing that TM is Registered –**
 - Imprisonment between 6 months to 3 years & fine between Rs 50000 to 100000
- **5. Improper Description of Place of Business in Trade Mark Office –**
 - Imprisonment up to 2 years & fine or with both.

- **C) Administrative Remedies –**
- The Trade Mark Act, 1999 vests certain powers in various administrative authorities to grant reliefs & remedies to the aggrieved persons. These powers are –
 - I) Classification of goods & services for the purpose of registration.
 - II) Publication of alphabetical index of classification of goods/services.
 - III) Granting of or refusing to register a TM.
 - IV) Correcting & amending the Register.
 - V) Renewal, removal & restoration of registration.
 - VI) Assignability & transmissibility of registered TM.
 - VII) Registration of assignments & transmissions and other aspects relating to TM.
- The **Registrar** is the person who mostly exercises these powers under the guidance of the C/G.

- **Intellectual Property Appellate Board (S.45) –**
- The Trade Marks Act, 1999 provides for the establishment of an Appellate Board, to be appointed by the C/G to be known as the “Intellectual Property Appellate Board”.
- This Board shall consist of a Chairman, a Vice-Chairman & such other Members & it may sit at different Benches.

- **Appointment of Chairman –**
- A person who is or has been a Judge of a High Court or who has held the office of a Vice- chairman would be qualified for appointment as the Chairman.
- **Appointment of Vice- Chairman –**
- A person must have held the office of a Judicial Member or Technical Member for at least 2 years or has been a Member of the Indian Legal Service in Grade-I for at least 5 years.

- A **Judicial Member** should be a person who has been a member of the Indian Legal Service in Grade-I for atleast 3 years or has held a Civil Judicial Office for atleast 10 years.
- A **Technical member** should be a person who has for atleast 10 years experience of a Tribunal & has held a post not lower than the post of a Joint Registrar atleast 5 years or has been an advocate for 10 years with special expertise in trade mark law.
- The Chairman, Vice-Chairman & other Officials are appointed by the **President of India**. The Chairman is appointed in consultation with the CJI. The term of Chairman & other Officials is **5 years**.

- The Board is empowered to hear appeals from the orders or decisions of the Registrar, to the exclusion of other courts.
- The Board is not bound by the procedure laid down under the CPC, 1908. It should follow the principles of natural justice.
- The Board has **powers of the Civil Court** such as –
 - I) to receive evidence.
 - II) to issue commissions for the examination of witnesses.
 - III) requisitioning any public record &
 - IV) any other matter which may be prescribed.

- The Board has power to make interim orders & to transfer cases from one Bench to another & to itself.
- The Board makes the procedure simple & the decision more professional.
- It is a Quasi- judicial body like Income Tax Tribunal.
- It reduces the burden of the regular civil courts including the HC.