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Review Article

LEGISLATION (INDIA TRADEMARK LAW)

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ABSTRACT:

A trade mark is a visual symbol that distinguishes the goods or services of one enterprise from those of the competitors. A reference to goods will imply services also, unless the context prohibits it. Trade Marks are at the centre of global business today. They are the major source of product differentiation and non-price competition in a modern, market driven economy. Consumers come to associate certain value in terms of performance, durability, price, after-sales service etc in the goods sold under specific brands, which may be among the greatest assets of the enterprise. In the language of the law, brand names are known as trademarks. Several products, of the same category or of different categories, can be marketed under one brand name. Recently, non-visual signs have made a strong claim for recognition as trademarks. Smell and sound signs fall under such category though they are not yet recognised in India. Several broadcasting organisations and film producers have specific signature tunes to identify their programmes. This article review about the features of legislation, function and selection of trademark, types of trademark that can be registered, duration and benefits of trademark, who can apply and use the trademark, how to apply for and formalities of major trademark transaction.

Key Words: Lagislation, Trademark, Patentable, License

INTRODUCTION:

The main features of trademark is enshrined the new trade Marks Act, 1999 came into force with effect from September, 1958 was repealed at the same time. The new Trademark Act of 1999 is in line with the WTO recommendation and is in conformity with the TRIPS Agreement to which India is signatory. [1]

Under the new trademark act of 1999:

- Registration of service marks allowed in addition to trademark for goods.
- No separate application necessary for each category / class of goods or service ; a single application would do , however filling fee will be charged separately for each class of goods / services

- The term of registration of trademark is ten years, subject to renewal thereafter.
- The system of maintaining registration of trademark in Part A and Part B with different legal rights, dispensed away.
- Registration of trademark which are imitation of well known trademark no permitted.
- Registration of collective Marks owned by association allowed.
- Offences relating to trademark made cognizable.
- Filling fees enhanced by more than 8 times.
- Extension of application of convention countries.

What is trademark?

A Mark may consist of a word or invented word, signature, device letter, numeral, brand, name written in a particular style, the shape of goods other than those for which a mark is proposed to be used, or any combination

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thereof or a combination of colours and so forth. Subject to certain conditions, a trademark may also be symbolised by the name of the person, living or dead. For the purpose of registration, a mark chosen should be capable of distinguishing goods or services of one person from those of the others. Further it should not be deceptively similar to an existing mark of another person and not the one expressly prohibited under the Act. The marks devoid of any distinctive character, or which are only indicative of the kind, quality, quantity, purpose, value or geographical origin of goods, or which are marks already in vogue in the trade due to their customary use may not be registered. But these qualifications do not apply to marks, which have already acquired distinction due to their popularity and consistent use. Internationally acclaimed brands names are freely available for use in India. [2]

What is covered under trademark

A trademark is mark use in relation to goods or services so as to indicate a connection in the course of trade between the goods or services and some person having the right as proprietor to use the mark

What is the function of a trademark

Under modern business condition a trade mark performs for functions:

- It identifies the goods/or service and its origin.
- It guarantees its unchanged quality.
- It advertises the goods/services.
- It creates an image for the goods/services.

How to select a trademark

- If it is a word it should be easy to speak, spell and remember.
- The best trademarks are invented words or coined words.
- Please avoid selection of a geographical name. No one can have monopoly rights on it.
- Avoid adopting laudatory word or words that describe the quality of goods (such as best, perfect, super etc.)

- It is advisable to conduct a market survey and a search at trademark office to ascertain if same/similar mark is used in market.

What are the types of trademark than can be registered

Under the Indian trademark law the following are the types of trademark that can be registered:

- ***Product trademarks:*** are those that are fixed to identify goods.
- ***Service trademarks:*** are those to identify the services of an entity, such as the trademark for a trademark for a broadcasting service, retails outlet, etc. They are used in advertising for services.
- ***Certification trademark:*** are those that are capable of distinguishing the goods or services in connection with which it is used in the proprietor with regard to their origin, material, the method of manufacture, the quality or other specific features.
- ***Collective trademark:*** are registered in the name of groups, association or other organisation for the use of members of the group in their commercial activities to indicate their membership of the group.

What are the different types of trademarks available for adoption

- Any name (including personal or surname of the applicant or predecessor in business or the signature of the person), which is not unusual for trade to adopt as a mark.
- An invented word or any arbitrary dictionary words, not being directly descriptive of the character or quality of the goods/services.
- Letters or numerals or any combination thereof.
- The right to proprietorship of a trademark may be acquired by either registration under the Legislation or by use in relation to particular goods or service.
- Device, including fancy devices or symbols.
- Monograms

- Combination of colors or even a single color in combination with a word or device.
 - Shape of goods or their packaging.
 - Marks constituting a 3- dimensional sign.
 - Sound marks when represented in conventional notation or describe in words by being graphically represented.
- [3]

Who can apply for a trademark

A person who claims to be the proprietor of the trademark can apply for the registration of its mark for goods as well services. A person may apply for registration of a trademark to the Trademark office under whose jurisdiction the principal place of the business of the applicant in India falls. In case, the principle place of business is outside India, then the application can be filed in the Trademark office under whose jurisdiction the office of the lawyer appointed by you is located. In case of a company about to be formed, anyone may apply in his name for subsequent assignment of the registration in the company's favour. Before making an application for registration it is prudent to conduct a trademark search in the Trademark office in context of the already registered trademark to ensure that registration may not be denied in view of resemblance of the proposed mark to an existing one or prohibited one.

Who can use a trademark

The right to use a mark can be exercised either by the registered proprietor or a registered user. [4]

What are legal requirement for registration of trademark in India

The legal requirements to register a trade mark under the legislation are:

- The selected mark should be capable of being represented graphically (that is in the paper form).
- It should be capable of distinguishing the goods or services of one undertaking from those of others.
- It should be used or proposed to be used mark in relation to goods or service for purpose of indicating or so as to indicate a connection in the course of trade between

the goods or service and some person have the right to use the mark with or without identity of that person.

What is the duration of a trademark in India

Term of registration of a trademark is ten years, which may be renewed for a further period of ten years on payment of prescribed renewal fees.

Non – user of a registered trademark for a continuous period of five years is a ground for cancellation of registration of such trademark at the behest of any aggrieved party.

Convention application and international treaties

India has declared certain countries as convention countries which afford to citizens of India similar privileges as granted to its own citizen. A person or company from a convention country, may within six months of making an application in the home country, apply for registration of the trademark in India. If such a trademark is accepted for registration, such foreign national will be deemed to have registered his or her trademark in India, from the same date on which he or she made application in home country.

Where the application have been made for the registration of trademark in two or more convention countries, the period of six months would be reckoned from the date on which the earlier or earliest of those application was made.

Although the recovery of damages for infringement of a trademark is possible only if the infringement takes place after the date of filling application for registration with the concerned trademark office in India, yet the deemed seniority in making application in home country may entitle the applicant to initiate an action in India for injunction, delivery of impugned labels and so on.[5]

What are benefits of trademark registration

The registration of a trade mark confers upon the owner the exclusive right to the use of the registered trade mark and indicate so by using the symbol (R) in relation to the goods or services in respect of which the mark is

registered and seek the relief of infringement in appropriate courts in the country. The exclusive rights is however subject to any conditions entered on the registered such as limitation of area of use etc. also, where two or more persons have registered identical or nearly similar mark due to special circumstances such exclusive right does not operate against each other.[6]

Trademark in India and passing – remedies for infringement of off

Two types of remedies are available to the owner of a trademark for unauthorized use of his or her mark or its limitation by a third party. These remedies are:

- An action for infringement' in case of a registered trademark.
- An action for passing off' in the case of an unregistered trademark.

While former is statutory remedy, the latter is a common law remedy. In an action involving infringement or passing off, a court may grant relief of injunction and/or monetary compensation for damages for loss of business and/or confiscation/destruction of infringing labels and tags etc. Although registration of trademark is prima facie an evidence of validity of a trademark, yet the registration can not upstage a prior consistent user of trademark, for the rule is priority in adoption prevails over priority in registration.

How to apply for registration of a trademark in respect of particular goods or services

Goods and services are classified according to the international classification of goods and services. Currently schedule IV of the Legislation provides a summary of list of such goods and services falling in different classes which is merely indicative. The Register is the final authority in the determination of class in which particular goods or services fall. The schedule IV of the Legislation is annexed at the end of this questionnaire on trademarks.[7]

What purpose a trademark system serves

- It identifies the actual physical origin of goods and services. The brand itself is the seal of authenticity.

- It guarantees the identity of the origin of goods and services.
- It stimulates further purchase.
- It serves as a badge of loyalty and affiliation.
- It may enable consumer to make a life style or fashion statement.

Who benefits from trademark registration

The Registered Proprietor: The registered proprietor of a trade mark can stop other traders from unlawfully using his trade mark, sue for damages and secure destruction of infringing goods and or labels. The purchaser and ultimately Consumers of trademarks goods and services. The Government: The Trademarks Registry is expected to earn a substantial annual revenue, which is perpetually on the rise.[8]

What does the register of trademark contain

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

Can any correction be made in the application or the register of trademarks

Yes. But the basic principal is that the trade mark applied for should not be substantially altered affecting its identity. Subject to this changes are permissible according to rules detailed in the subordinate legislation.

Can a registered trademark be removed from the register

It can be removed on application to the registrar on prescribed form on the ground that the mark is wrongly remaining on the register. The register also can suo moto issue notice for

removal of a registered trade mark. Non use of a registered trademark for continuous period of 5 years is also a ground of removal.

Can I apply for a design/logo registration for same goods and services in black and white as well as colour

Yes. You can do so in one application as India recognizes the system of series application.

What recourse I have if a competitor has already registered by mark in India

The Indian trademark law provides for invalidation proceedings and you have the right to initiate a cancellation action should a competitor have registered your trademark in India. You also have the right to initiate either a civil or a criminal action against any party that is violating your mark in India.

Who can use symbol ® in India

Only the proprietor of a trademark whose trademark has been registered in India can use the symbol in India. Using the symbol unless your mark has been registered in India is unlawful.

When can the symbol TM be used in India

Using this symbol with your trademark simply implies that you claim to be the proprietor of the trademark. There is no prohibition on the use of the symbol TM in India. [9]

What is the penalty prescribed under criminal laws for infringement of a trademark in India

The penalty for selling or providing services using a false trademark is a minimum of six months and maximum of three years and with fine not less than rupees fifty thousand but which may extend to rupees two lack.

As a foreign investor how can i register my trademark in India

Registration of trademarks is one of the important protections that businesses should

avail in India. Many foreign and domestic applicants have been able to successfully register their marks in India. Indian courts have upheld many of those registrations and granted favourable decisions to rights holders. In addition to the registering of their trademarks in India, businesses need to adopt other strategies for protecting their trademarks. Some of them are mentioned below:

- Get trademark searches conducted in the Indian Trade Marks registry in the classes that are of interest to you including the ancillary classes.
- Get common law searches (this includes the internet, market surveys, yellow pages and directories) conducted to ascertain whether third parties are using your trademarks and if so, the extent of such use.
- Based on this information and after seeking the local counsel's opinion decide if the trademark is available for use or not.
- Should the trademark be available for use, immediately apply for the registration.
- The right holder should also consider hiring a watching service to monitor the trademark journals in order to alert them to any published, deceptively similar trademarks or descriptive trademarks that might be of concern.
- Should the right holder own a trademark that has been used and has acquired goodwill and reputation, it is advisable that along with filing of the trademark application in India, they should also make press releases, publish cautionary notices and advertise the mark to ensure that the relevant section of the public is aware that they are entering the Indian market and are protecting their trademark from any kind of third party violation.
- The rights holder should also take immediate steps to register their domain names including country coded top level domain names in India, as there have been many instances of third parties registering domains for certain well known marks with the intention of extracting money by selling these domain names to the rights holder.

- Should the rights holder discover that their trademark is being infringed, they should take immediate steps to protect their trademark, either by the means of filing oppositions, cancellations, conducting investigations, sending cases and desist notices or initiating appropriate civil and criminal actions. [10]

Being a foreign corporation, must I sell my products or services in India before seeking trademark registration

No, Indian trademark law allows filing of a trademark application in India on an 'intent – to – use' basis. However the registered proprietor of the trademark in India has to commence use of the mark within 5 years and 3 months of the date of registration. Otherwise the registered trademark is open to invalidation proceedings.

What are the services of trademark legislation

The national statute i.e., the Trade Marks Act, 1999 and rules made there under.

- International multilateral convention.
- National bilateral treaty.
- Regional treaty.
- Decision of the courts.
- Office practice and rulings.
- Decision of intellectual Property Appellate Board.
- Text books written by academicians and professional experts.

What are the formalities for major trademark transactions

For filing new applications there are prescribed forms depending on the nature of application such as Form TM-1, TM-2, TM-3, TM-8, TM-51 etc. To file a notice of opposition to oppose an application published in the Trademarks journal (Form TM-5).

For renewal of a registered trademark (Form TM – 12). Surcharge for belated renewal (Form TM – 10). Restoration of removed mark (Form TM – 13). Application for rectification of a registered trademark

(Form TM-26) Legal Certificate (Form TM-46). (Providing details of entries in the register) Official search request (Form TM-54). Patents in India: Laws, Procedures, Registering and challenging patents.

***Intellectual Property Laws in India
Legislation***

The patent system in India is governed by the Patent Act, 1970 (no 39 of 1970) and The Patent Rules 1972, effective from April 20, 1972. Subsequently The Patents Act, 1970 is amended effective from January 1, 1995 and The Patent Rules, 1972 is amended effective from June 2, 1999. [11]

Administration

The Patent office, under the Ministry of Commerce and Industry, Department of Industrial Policy and promotion, has been established to administer the various provision of the Patents Law relating to the grant of Patent and The Design Law, relating to the registration of Industrial Design.

Membership of international treaties

India is member of the following treaties governing Patents:

- Convention establishing World Intellectual Property organization (WIPO).
- Trips Agreement under the World Trade Organization.
- Paris Convention for the protection of Industrial property with effect from December 7, 1998.
- Patent Cooperation Treaty (PCT) with effective from December 7, 1998.

Types of patent

- Ordinary Patent
- Patent of addition
- Convention

Who can apply

Application may be made, either alone or jointly with another, by the inventor, assignee, legal representative of deceased inventor or

assignee. The inventor is entitled to be mentioned in the patent if he applies to do so. Application may be made jointly by two or more cooperation as assignee.

Patentable inventions

An invention means any new and useful art, process, method or manner of manufacture; machine, apparatus or other article; or substance produced by manufacture, and includes any new and useful improvement of any of them, and an alleged invention. [12]

What is not patentable

- An invention that is frivolous or that claims anything obviously contrary to well-established natural laws;
- An invention the primary or intended use of which would be contrary to law or morally or injurious to public health;
- The mere discovery of a scientific principle or the formulation of an abstract theory;
- The mere discovery of any new property or new use for a known substance or of the mere use of a known process, machine or apparatus unless such known process result in a new product or employs at least one new reactant;
- A substance obtained by a mere admixture resulting only in the aggregation of the properties of the components thereof or a process for producing such substance;
- The mere arrangement or rearrangement or duplication of known devices, each functioning independently of one another in a known way;
- A method or process of testing applicable during the process of manufacture for rendering the machine, apparatus or other equipment more efficient, or for the improvement or restoration of the existing machine, apparatus or other equipment or for the improvement or control of manufacture;
- A method of agriculture or horticulture;
- Invention relating to atomic energy.
- In case of invention relating to substances prepared or produced by chemical processes (including alloys, optical glasses,

semiconductors and inter-metallic compounds) and substances intended for use or capable of being used as food. No patent will be granted in respect of claims for the substances themselves, but claims for the method or processes of manufacture will be patented. [13]

Documents required for filing an application

Application form in triplicate. Provisional or complete specification in triplicate. If the provisional specification is filed it must be followed by complete specification within 12 months (15 month with extension). Drawing in triplicate (If necessary). Abstract of the invention (in triplicate). Information and undertaking listing the number, filing date and current status of each foreign patent application in duplicate. Priority document (if priority date is claimed). Declaration of inventorship where provisional specification is followed by complete specification or in case of convention application. Power of attorney (if filed through patent Agent). Fee in cash/by local cheque/by demand draft.

Appropriate office for filing an application

Application is required to be filed according to the territorial limits where the applicant or the first mentioned applicant in case of joint applicants for a patent normally resides or has domicile or has a place of business or the place from where the invention actually originated. If the applicant for the patent or party in a proceeding having no business, place or domicile in India, the appropriate office will be according to the address of service in India given by the applicant or party in a proceeding.

Examination and publication

All the applicants for patents accompanied by complete specification are examined substantively. A first examination report stating the objection (s) is communicated to the applicant or his agents. Application or complete specification may be amended in order to the meet the objections (S). Normally all the objection must be met within 15 months

from the date of first examination report. Extension of time for three months is available, but application for extension therefore must be made before the expiry of normal period of 15 months. If all the objections are not complied within the normal period or within the extended period the application will be deemed to have been abandoned. When the application is found to be suitable for acceptance it is published in the gazette of India (Part III, Section 2). It is deemed laid open to the public on the date of publication in the gazette of India.

Opposition

Notice of opposition must be filed within four months of notification in the gazette. Extension of one month is available, but must be applied before expiry of initial four month period.

Grant or sealing of patent

If the application is not opposed or the opposition is decided in favour of the applicant or is not refused the patent is granted or sealed on payment of sealing fee within 6 months from the date of advertisement. However, it is extendable by three months.

Register of patents

The Register of Patent will be kept in the Patent office and its branch offices. Register of Patent can be inspected or extract from it can be obtained on payment of prescribed fees. Register of Patent contains full details of the patent which include patent number, the name and addresses of the patentee; notification of assignment etc; renewals, particulars in respect of proprietorship of patent etc.

Rights of patentee

A patent grant gives the patentee the exclusive right to make or use the patented article or use the patented process. He can prevent all others from making or using the patented process. A patentee has also the right to assign the patent, grant licenses under, or otherwise deal with it for any consideration. These right created by statute are circumscribed by various conditions and limitations. [14]

Renewal fee

Renewal fees are payable every year. The first renewal fees is payable for third year of the patent's life, and must be paid before the patent's second anniversary. If the patent has not been issued within the period, renewal fees may be accumulated and paid immediately after the patent is sealed, or within three months of its recordal in the register of the patents.

Date of payment of Renewal fees is measured from the date of the patent. Six months grace is available with extension fees. No renewal fees are payable on patents of addition, unless the original patent is revoked and the patent of addition is converted into an independent patent; renewal fees then become payable for the remainder of the term of the main patent.

No renewal fees are payable during the pendency of the application for a patent; renewal fees that become overdue during pendency are payable upon sealing within three months of recordal in the patent register.

Working

Annual reports as to the extent of working, by every patentee and licensee, are a statutory requirement and must be submitted by March, 31 each year for the previous year ending December, 31.

Compulsory license and license of right

On failure to work a patent within three years from the date of its sealing, an interested party may file petition for grant of a compulsory license.

Every patent for an invention relating to a method or process for manufacture of substances intended for use, or capable of being used, as food, medicine, or drug, or relating to substances prepared or produced by chemical process (including alloys, optical glass, semi-conductors and inter-metallic compounds) shall be deemed to be endorsed "License of Right" from the date of expiry of three years from the date of sealing the patent.

Assignment

Application must be filed on the prescribed form with the Controller for the registration of assignment and any other documents creating an interest in patent in order for them to be valid. In order to be valid, an assignment must

be recorded within six months from the date of the document. A six months extension may be obtained.

License

Application must be filed on the prescribed form with the Controller for the registration of licenses and other documents creating an interest in patent in order for them to be valid. A license must be recorded within six months from the date of document.

Duration

A patent lasts for 14 years from the date of filing the complete specification (if an application is filed with provisional specification on January 1, 1989, and a complete specification is filed on January 1 1990). However, for food, drug and insecticide patents, the life is seven years from the date of complete specification, or five years from date of sealing, whichever is shorter.

Restoration

Application for restoration of a patent that lapses due to non-payment of renewal fees must be made within one year of lapse. If an overdue annuity is not paid within the extension period, the one year period for seeking restoration commences from the date of recordal.

Infringement

Infringement can consist of taking away essential features of the patented invention; utilised claimed features; copying patented substances; mechanical equivalence; taking part of the invention. While the patent is in force. Use by the government or for government purposes is not infringement. Such use must be paid for on terms to be agreed upon before or after use. Accidental or temporary use, use for researches, use on foreign vessels, do not constitute infringement.

Appeal

Appeal lies in the high court. Appeal must be lodged within three months from the decision of the controller.

Patent and Intellectual Property Attorneys

Our lawyers include those admitted to bar in India, and the USA. They understand the multi-cultural and the multi-jurisdiction aspects of international business in this age of globalization. They those educated at Harvard Law School, Harvard Universities in India. [15]

CONCLUSION:

Indian trademark law statutorily protects trademarks as per the Trademark Act, 1999 and also under the common law remedy of passing off. Statutory protection of trademark is administered by the Controller General of Patents, Designs and Trade Marks, a government agency which reports to the Department of Industrial Policy and Promotion (DIPP), under the Ministry of Commerce and Industry.

The law of trademark deals with the mechanism of registration, protection of trademark and prevention of fraudulent trademark. The law also provides for the rights acquired by registration of trademark, modes of transfer and assignment of the rights, nature of infringements, penalties for such infringement and remedies available to the owner in case of such infringement.

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