

PROTECTION OF TRADEMARKS

WIPO TRAINING OF TRAINERS PROGRAM

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Why TMs need Protection?

- **Trademarks** form the organization's intellectual property- value of creativity & investment of intellectual process
- **Passing off** & unfair competition- people on the prowl to steal attractive popular TMs
- **Exploitation of TM-** leading to loss & dilution of brand
- **Erosion** of goodwill
- **Avoiding** costs of litigation

Overview of TM Protection

Bases

- **Property rights** relating to ownership
- **Consumer protection**- from confusion and deception

Methods

- **Use**- In UK, India & other countries having similar TM systems rights can be protected for the use made of TM- *protection against passing off & unfair competition(US)*
- **Registration**-Registering TMs in a particular registry- *protection against infringement*

Hierarchy of protection

- **Invented or arbitrary-** whether names designs or shapes- pure invention is the strongest.
Kodak, Exxon, Caltex- pure invention, coined- legally strong, expensive to market
Camel, Tide, Apple,- arbitrary, no co-relation
- **Suggestive marks** combine protectability with the power to communicate- *Dove, Visa, Sunsilk, Mcdonalds*
- **Descriptive marks** communicate ,are popular but are weak TMs-*Kwik-fit, Zip-lock, Sweet-n-low*
- **Generic marks** comprise simple product descriptions from generic terms- no one can lay claim-does not refer to source- *Gramophone, Aspirin, Xerox, Thermos-*
generic use dilution of TM

Other weak marks

- **Laudatory names-** Super, deluxe, Gold Medal flour
- **Geographical names-** Champagne, Bharat, Gujarat
Ambuja, Bank of Baroda, etc.
- **Common names & surnames-** Smith, Bajaj
- **Letters-** which are also non-distinctive -IBM, L&T

Passing off

- **TMA'99- S.27** -“No action for infringement of unregistered trade mark...” .
- **On the other hand** a person whose goods and services have been passed off by another as his own is entitled to take action.
- **Essence of passing off** is not to grant an automatic monopoly in TM but to give legal recognition to an existing position.
- **Protection of goodwill** from dishonest competition.
- *Nobody has the right to represent his goods (or services) as that of somebody else*

Modes of passing off

- **Direct false representation** or adoption/imitation of existing TM of rival trader.
- **Copying colour scheme** or get up of existing label.
- **Imitating a design** or shape of existing goods.
- **Adopting/copying** of rival traders name.
- **Holding out** his goods/services as having some association with the plaintiff.

Essentials of passing off

- **Misrepresentation** or deceit
- **Misrepresentation calculated** to injure rivals business
- **Plaintiffs must suffer damage** to business or goodwill
- **Registration of TM** not necessary- action for existing marks
- **POA** is a common law remedy
- **Common field** of activity not required to be established

Infringement of Registered TM

- **Registered proprietor** can bring legal action for TM infringement & unauthorized use of his TM.
- **Infringing TM** is similar or identical or deceptively similar to the already registered TM.
- **Infringing TM** must be used in the course of regular trade of the registered user.
- **Infringing TM** must cause confusion or deception in the mind of the purchaser (likelihood of confusion is sufficient as opposed to actual confusion).
- **Person not authorized** to use TM.

Comparative Advertising

- **Involves explicit use** of a competitor's trademark- is a common practice in the West eg. auto sector, airlines & computer manufacturers
- **Comparative advertising** is also a commercial practice in India.
- **New Act permits** the use of a registered TM in advertisement thru s.29 provided,
 - It is a honest practice.
 - Does not take unfair advantage of the distinctive character or reputation of the TM.
 - is not detrimental to the value of the TM.

Why register your TM?

- **Monopoly rights-** to use registered TM in relation to services & prevent unauthorized use.
- **Easier enforcement-** 3rd party action taken far more seriously.
- **Use is not prerequisite-** do not have to establish reputation.
- **More cost effective-** infringement action far cheaper than action for passing off.
- **Unlimited life-** on renewal.
- **Deterrent factor-** because of the public record it's a notice to competitors to keep off.

Registration of TM

- **Practice & Procedures** as according to Trademark Act 1999.
- **Register** of TM.
- **Classifications** of goods (sections 7&8).
- **Examination Procedures**- some have & some don't (France, Austria, Italy & Benelux)
 - **Absolute**- whether application acceptable or not- examination- UK, US, Japan, Germany
 - **Relative**- conducting a research of their TM to check if there are any prior registrations of applications which conflict with the mark applied for- UK, US, Japan, Spain Scandinavia
 - **India adopts** both the systems- most countries

Absolute grounds for refusal

- **Being devoid** of distinctive character.
- **Consists exclusively** of marks which designate quality, quantity, intended purpose, GI of goods/services.
- **Consists of marks** which have become customary in the current language or established practice of trade.
- **Likely to deceive** public or cause and hurt religious sentiments of the Indian people.
- **Contains scandalous** or obscene matter.
- **Its use is prohibited** under the Emblems & Names Act.

Non-registration

Further a mark shall not be registered if it consists exclusively

- **Of the shape** of the goods which result from the nature of the goods themselves or of goods necessary to obtain a technical result
- **Is the name** of a chemical element or international proprietary name
- **Names of living** persons or recently dead

Relative Grounds

Registrar 'may' refuse

- **Likelihood of confusion** with an earlier TM.
- **Earlier TM is a well known mark** & new TM takes unfair advantage of earlier mark.
- **Its use in India** is liable to be prevented by any law of passing off or any law of copyright.

Procedure for registration

- **Application**
- **Place of filing**
- **Acceptance or refusal of application**
- **Advertisement of application**
- **Opposition**
- **Registration**
- **Effect of registration**
- **Duration**

Madrid Agreement & Protocol

- **Paris Convention 1883-** minimum standards for protecting all forms of industrial property
- **Madrid Agreement 1891-** protection of International registration of marks.
- **Essentials-** registration in member countries through WIPO International Bureau within one year
- **Flaws-** too many & not acceptable by many countries.
- **Madrid Protocol 1997-** built on flaws of Agreement with better mechanisms & longer time for registration
- **India** will be joining the Protocol soon.

Rights of a trade mark holder

- **Right to exclusive use**
- **Right to assign**
- **Right to seek legal remedies against infringements**
- **Right to seek correction of register**

Legal remedies

- **Civil remedies** includes
 - Injunction- preliminary & permanent
 - Damages with or without delivery of infringing labels- actual damages, defendant's profits & costs
- **Criminal remedies** includes punishment and fine according to the nature of the offence

Principles of Trade Mark Management

- **Your company's** trademarks are valuable and important assets.
- **Know and use** the legal protection available
- **Always use** an adjective trademark without pluralising it.
- **Indicate** a TM clearly in print.
- **Use the word** 'registered' with the symbol ® or TM
- **Be alert & vigilant** against infringement of your mark.

Trademark Due Diligence

- Does the your company use marks for their products or services? Your own or licensed? If licensed what are the terms? Are these marks registered?
- If yes, then have you /your licensor paid fees? Is documentation proper? Has the mark been renewed or when does it come up for renewal?
- If no, than have you/they filed for protection? Have you/they searched for conflicting marks? Have you/they advertised or taken action to strengthen such mark. Are you/they using correct symbols to denote your/their marks?
- Have you/they been licensed? What are terms of such license? Are you/they Registered Users?
- Are there any notices or Litigation?

THANK YOU!

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