

# PROTECTION OF TRADE MARKS IN INDIA UNDER THE WORLD TRADE ORGANISATION — TRADE RELATED ASPECTS OF INTELLECTUAL PROPERTY RIGHTS

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**Abstract :** Intellectual Property Law deals with exclusive, intangible, incorporeal rights of the creators and owners. Intellectual Property Rights such as trade mark(TM), patent, copyright, industrial design, plant breeder's rights, geographical indications etc. are integral to the development of socio-economic culture. Intellectual Properties are also Industrial Properties. Trade, trading and traders are not new concepts. Goldsmith of England used to use trade marks to their goods even before the industrial revolution. The World Trade Organisations (WTO), Trade Related Aspects of Intellectual Property Rights (TRIPs), World Intellectual Property Organisation (WIPO) are playing significant role for the protection of trade marks of the proprietors and rights of consumers with prevention and control of unfair trade practices world wide. Indian Parliament enacted and amended the Law to protect TM since 1889 as it is now the TM Act, 1999. But the Law is still insufficient to manage trade practice in contemporary socio-economic scenario. Indian judiciary has interpreted the Law and handed down landmark judgments for the protection of registered TM and goodwill in relation to goods or services in the course of trade to prevent unfair and dishonest practice in the industrial and commercial matters and to protect consumers as well as public at large. The proprietors should also have certain legal and moral duties to make the trade and business enterprises just, fair and reasonable and then only we can think of proper management and business with socio-economic justice as imbedded in the Preamble and Part-IV of the Indian Constitution.

**Abbreviations:**

- Intellectual Property Rights – IPR
- Trade Mark/s - TM
- The World Trade Organisation – WTO
- The World Intellectual Property Organisation - WIPO
- The Trade Related Aspects of Intellectual Property Rights – TRIPs
- United States of America – USA
- United Kingdom - UK
- The Trade Related Investment Measures - TRIMS
- The General Agreement on Tariff and Trade - GATT

## INTRODUCTION

Intellectual Property Law deals with exclusive, intangible, incorporeal rights of the proprietor which are integral to the

development of socio-economic culture. It regulates the activities of a wide variety of industries and reflects results of negotiations and compromises too. Globally, it is the emergence of the day to protect Intellectual Property Rights for the economic development and also for the benefit of the proprietors. IPR can be classified as trade mark, patent, copyright, trade secret, industrial design, plant breeder rights and the like. The list is not exhaustive rather increasing day by day. The TM deals with relationship between proprietor, mark and goods or

services which are manufactured or provided by the proprietor in the course of trade. Duration of protection of registered TM may be for indefinite period by way of periodic renewal following prescribed legal procedures. The TM can be used by the proprietor and with his consent or approval the permitted user, registered user, transferee, agent, assignee of TM can use it but it should not be used by third party except for the purpose of fair use or fair dealing. In case of collective TM and associated mark the Law is the same. A TM is a unique visual symbol in the form of a word, device, label, name, ticket or combination of colours applied by proprietor to goods or services of commerce with a view to indicate to the consumers the source of trade. A good TM must be devoid of deceptive similarity and it should not be immoral,

obscene, illegal or against religious feelings or public interests. Registration of TM is not compulsory but if it is registered then the proprietor will get protection under the TM Law and if it is not registered then there is Common Law remedy, i.e., passing off action for the protection of goodwill of the trade and commerce of the proprietor.

A TM serves the purpose of (i) identifying the source of origin of goods, e.g., Brooke Bond, TATA to identify the origin of tea or the company manufacturing tea and marketing it under the mark. These marks guarantee the quality and quantity of tea of certain products through their trade descriptions which are different from Taj Mahal product. (ii) It advertises the product for example; SONY is associated with electronic item. (iii) It creates an image of the product in the mind of public, e.g., M mark stands for food items of American origin of fast food chain 'Macdonald'. It creates image and reputation for food items offered by proprietor for sale in market. (iv) The TM Law deals with (a) registration of trademarks for goods or services, (b) protects the rights of proprietors, (c) regulates transfer and assignment of rights and (d) prescribes remedies in case of infringement of trade marks. There are civil, criminal and administrative remedies available to the proprietors in case of violation of their TM under the Trade Marks Act, 1999.

Following the WTO, WIPO, TRIPs and the European Conventions, the Indian Parliament enacted and amended the Law relating to the trade marks from time to time to fulfill the requirements and desires of the contemporary society balancing the National and International Trade Economy. Indian Judiciary also interpreted and delivered several judgments for the protection of TM balancing the interest of society and protection of rights of the proprietor in the age of vibrant economic, scientific and technological development. However, we need legal reforms to manage the trade in contemporary economy.

### **HISTORICAL PERSPECTIVE OF TRADE MARKS PROTECTION:**

With the development of modern capitalisation the concept of using trade mark, brand name, corporate name, service mark, labeling to goods or services are evolved to indicate the actual origin of goods or services. Even before industrial revolution goldsmiths, silversmiths and the marks of Sheffield cutlers were very much existed in England. It was an initiative to protect the consumers and to prevent and control unfair trade practice. Due to industrial revolution there were large scale productions and growth in business enterprises even at individual level by small traders and business men. With the modernised advertising and large-scale retailing, the practice to attract

purchasers to buy goods on the basis of marks is developed to compete in the global market. The Merchandise Marks Act, 1862 was passed in the UK but it was a Criminal Law. Therefore, it was amended in the year 1887 to include civil remedies in case of violation of TM. The Trade Description Act, 1968 was passed for the protection of consumers. The Trade Marks Act, 1938 was in existence to regulate assignment and licensing which was amended in the year 1994.<sup>1</sup>

In the USA the first federal Trade Mark Law was passed in the year 1870 which was struck down by the US Supreme Court in the year 1879 on the ground of inconsistency with the American Constitution. In the year 1881 another Act was passed for the protection of TM and to regulate economic development, trade and business in the USA which was amended in the year 1905 and thereafter. But there were need of legal reforms and regulations in social, cultural and economic front after the World War-II. Therefore, for the protection and proper regulation of TM in the contemporary socio-economic scenario the Congress enacted the Lanham Act, 1946.<sup>2</sup>

In India the Merchandise Marks Act, 1889 was the first statute for the protection of TM of the proprietors for certain goods or factories or businesses. The Law was not sufficient and most of the disputes relating to the registration and violation of TM were decided according to section 54 of the Specific Relief Act, 1877 and the Registration Act, 1908. Then the Trade Marks Act, 1940 was passed which replaced the Merchandise Marks Act, 1889, introduced the procedures of registration and protection of TM. Due to the passage of time with dynamic globalised business and trade the existing Act, 1940 was considered insufficient and the Law was reformed by the new enactment, i.e., the Trade and Merchandise Marks Act, 1958 which was later replaced by the Trade Marks Act, 1999.

### **PROTECTION OF TRADE MARKS IN INTERNATIONAL PERSPECTIVE**

#### **The Paris Convention**

The Paris Convention, 1883 was mainly for the protection of Industrial properties. There were Industrial revolutions in Europe which resulted in the enormous growth in the field of the International Trade Economics which compelled the world to think about the inventors, traders, manufacturers and the like. The convention provided protection to the Industrial as well as Intellectual Properties, such as, TM, patent, industrial design, geographical indications and the like. Countries were entitled to refuse or withdraw a TM in case a similarity

with the existing TM was proved. Article 6 provides that member states are entitled to prohibit the registration of TM if it bears flags of the other countries or hallmark or signs indicating a warranty on the part of the government of the other countries. Every TM of its origin country is to be accepted for filing an application for the registration in any other country of the convention and the countries may require the production of the original certificate of the registration in the country of its origin before final registration. According to article 7, countries also have to allow the registration of the collective marks belonging to associations if such associations do not possess the industrial or commercial establishment. Article 8 provides that trade name is protected in all the countries without complying with the obligation of registration.

### **The World Intellectual Property Organisation**

The WIPO was established in the year 1967 as specialised agency of the United Nations to encourage the intellectual production and to provide protection to the Intellectual Property Rights worldwide. Registration of TM in national level was essential but the procedure was troublesome. As a result, article 19 of the Paris Convention introduced the procedure of international registration of TM which was also agreed earlier in Madrid Agreement in the year 1891 and concluded in the year 1989 as Madrid Protocol.

### **The Trade Related Aspects of Intellectual Property Rights Agreement**

The Uruguay rounds negotiation had six main parts. These are as follows: (i) The Agreement Establishing the WTO. (ii) The Trade Related Investment Measures, the Multilateral Agreements on Trade in Goods including GATT 1994. (iii) The General Agreement on Trade in service. (iv) The TRIPs. (v) Dispute Settlement. (vi) Reviews of Government's trade policies. The TRIPs section 2, Part-II from articles 15 to 21 deal with TM protection. Article 15 identifies the protect-able subject matters. Article 15(1) includes any sign, combination of signs, capable of distinguishing the goods or services of one undertaking from those of other shall be capable of constituting a TM. Such signs include names, letters, numerals, figurative elements, combination of colours and combination of signs. It also provides that those signs or marks shall be eligible for registration as TM. If these are not capable of distinguishing the relevant goods or services the member state may make register-ability of mark depend on distinctiveness acquired through use, with the condition that signs should be visually perceptible. Article 15(3) provides that members may make registerability depend on use of TM though actual use shall not be a condition for filing an application for the registration of TM. There should not be refusal of application solely on the ground that intended use has

not taken place before the expiry of three years from the date of application. The nature of goods or services should not form an obstacle to registration of the TM under article 15(4). Article 15(5) imposes the duty on member state to publish each TM either before or after registration and shall afford a reasonable opportunity for petitions to cancel the registration and file opposition to application by the interested parties. The owner of a registered TM shall have the exclusive right to prevent all third parties who use identical or similar trade marks for goods or services or there is a likelihood of confusion. However, it will not prejudice any existing prior rights. The Paris Convention 1967 and the TRIPs traced on protection of the well-known marks in market. Article 17 of the TRIPs provides for the fair use of TM as exception to the infringement of TM and descriptive terms of protection. Initial registration shall be for a term of not less than 7 years subject to renewal from time to time for indefinite period. Article 21 deals with licensing and assignment of TM with or without the transfer of the business to which the TM belongs. However, the compulsory licensing shall not be permitted.

### **PROTECTION OF TRADE MARKS IN INDIA**

The TM Law prevents and controls abuse and misleading use of TM of a particular proprietor by third party. It has significant role in development of trading and commercial practices in increasing globalised and liberalised trade and business. The Law governs use and protection of TM rights of the proprietors in the contemporary scenario. In the era of outstanding growth in science and technology it encourages investment to simplify and harmonise TM management systems as it indicate trade origin of certain goods or services.

#### **Meaning**

A 'Trade Mark' is a visual symbol or sign in the form of word, a device, label, ticket, mark or name applied to articles of commerce or business with a view to indicate to the prospective purchasers that goods are manufactured or services are provided or dealt in by a particular person or organisation as distinguished from similar other goods or services. For example, PETER ENGLAND, LAKME, RVLON, L'ORIEL, PEPSI, THUMPS-UP etc. distinguishes trade origins from each other. Section (2)1(m) of the TM Act, 1999 defines the term 'mark' as follows: 'mark means and includes a device, brand, heading, label, ticket, names, signature, word, letter, numeral, shape of goods, packaging or combination of colours or any other combination thereof'. The word 'trade mark' is defined in section 2(1) (zb) as a mark capable of representing 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. According to the Black Law Dictionary the term TM means a distinctive mark of authenticity, through which the products of a particular manufacturers or the vendible commodities of a particular merchant may be distinguished from those of others.<sup>3</sup> In *London Rubber Co. Ltd. v. Durex Products and others*,<sup>4</sup> the High Court of Calcutta held that TM is a kind of intellectual property and protected under the Law irrespective of its commercial value for the interest of public and owner of the concerned TM. It is a right to restrain other from using any similar trade name or trade mark. In *R.S. Kandaswamy and others v. New Jyoti Match Industries*,<sup>5</sup> the Madras High Court defines the term trade mark which means a mark used in relation to goods for the purpose of indicating or so to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A TM may be registered in respect of any part or whole of goods comprised in a prescribed class of goods. A TM may be limited wholly or in part to one or more specified colours.<sup>6</sup> It may be registered or unregistered but the registration itself is proof of mark and ownership.

#### **Absolute grounds for refusal of registration of trade mark are as follows**

Under section 9(1), the TM (a) which are devoid of any distinctive character, that is, not capable of distinguishing the goods or services of one person from those of another person; (b) which consist exclusively of marks or indications which may serve in trade to designate the kind, quality, quantity, intended purpose, values, geographical origin or the time of production of the goods or rendering of the service or other characteristics of the goods or services; (c) which consist exclusively of marks or indications which have become customary in the current language or in the bona fide and established practices of the trade. It is provided that if before the date of application the mark has acquired a distinctive character as a result of the use or has become a well-known trade mark, then the registration shall not be refused. Section 9(2) of the Act, 1999 provides that a mark shall not be registered if (a) it is of such nature as to deceive the public or cause confusion; (b) it contains of any matter likely to hurt the religious susceptibilities of any class or section of the citizens of India; (c) it comprises scandalous or obscene matter; (d) use of it is prohibited under the Emblems and Names (Prevention of Improper Use) Act, 1950. Section 9(3) provides that a mark shall not be registered as a trade mark if it consists exclusively of (a) the shape of goods which results from the nature of the goods themselves; or (b) the shape of goods which is necessary to obtain a technical result, or (c) the shape which gives substantial value to the goods. In *Computer Sciences Corporation, California, U.S.A. v. Mr. R.*

*Thangaraj*,<sup>6a</sup> popularly known as CSC Computer Education, Chennai case the plaintiff was the registered proprietor of the TM 'CSC' in India and worldwide. Subsequently, the defendant started using the TM 'CSC' Computer Education. The applicant alleged before the Intellectual Property Appellate Board that the respondents' TM was deceptively similar to the TM of applicant and both the companies were engaged in providing computer services to the public. Therefore, the applicant applied for the cancellation of trade mark of the respondent. The Board held that *it has been established that the applicant was the prior adopter and user of the TM 'CSC' worldwide. So, the similar TM ought to have been refused registration.* The Board upheld the contention of the applicant that the mark 'CSC Computer Education' was devoid of any distinctive character. 'CSC' was already a well known mark and prior user. So, respondents application for registration was refused under section 9(1) (a) of the TM Act, 1999 as absolute ground for refusal of registration and there was also a likelihood of confusion on the part of public and consumers.

#### **Relative grounds for refusal of registration**

Section 11 of the TM Act, 1999 deals with relative grounds for refusal of registration. It provides that if there is a likelihood of confusion on the part of the public which includes the likelihood of association with the earlier TM then it will be treated as use of similar marks for similar goods or services, therefore, the TM shall not be registered. Section 11(2) provides that when a TM (a) is identical with or similar to an earlier trade mark and (b) is to be registered for goods or services which are not similar to those for which the earlier trade mark is registered in the name of a different proprietor, then it shall not be registered if or to the extent the earlier TM is a well-known TM in India and the use of the subsequent mark without due cause would take unfair advantage of or be detrimental to the distinctive character or reputation of the earlier TM. Under section 11(3), TM shall also not be registered to the extent that, its use in India is liable to be prevented (a) by virtue of any Law in particular, the Law of passing off protecting an unregistered TM used in the course of trade; or (b) by virtue of the Law of Copyright. Section 11(4) provides that the registrar may register the mark under special circumstances according to section 12 of the TM Act, 1999. Section 12 deals with registration of trade marks in the case of honest concurrent use or of other special circumstances which in the opinion of the registrar is proper to do. The registrar may permit the registration by more than one proprietors of the TM which are identical or similar in respect of the same or similar goods or services, subject to conditions and limitations if any, as he may think fit. In *BDH Industries Ltd. v. Corydon Chemical Works Pvt. Ltd.*<sup>7</sup> case the



petitioner had sought registration of his mark PV-DINE for its medicinal preparation. For the similar product TM of the respondent was PIODIN. Both the TM consisted of six letters and begins with a common syllable, i.e. 'P'. The suffixes DINE and DIN are two marks almost similar except the fact that suffix in the mark 'PV-DINE' consisted of 'DINE', i.e. four letters and 'PIODIN' consisted of 'DIN', i.e. three letters. There was no such difference in the pronunciation of these two in the context of phonetic test. These were very likely to cause confusion that they were same. There was no hypothetical possibility or probability but practical reality which could not be ignored. Therefore, the Court held that order of the Assistant Registrar upholding the objections of the respondent raised under sections 11 and 12(1) and refusing to register the TM of the petitioner could not be interfered with. In both the marks 'P' the first syllable was common and both the words pronounced similarly. They were very much active to give an impression that they were one and the same. There was hardly any phonetic dissimilarity between the two. The Assistant Registrar after considering the similarities in the two words had rightly refused to use the discretion in favour of the petitioners.

#### **Rights protected under the Trade Marks Act, 1999**

(i) Subject to the provisions of the Act, (i) the registered proprietors enjoy exclusive right to the use of the trade mark in relation to the goods or services under section 28(1). (ii) He has right to obtain relief in respect of infringement of the TM in the manner as provided by the Act, under section 28(1). (iii) Section 28(2) of the Act provides that the exclusive right to use the trade mark shall be subject to any conditions and limitations to which the registration is subject. (iv) Section 28(3) provides that where two or more persons are registered proprietors of TM, which are identical with or nearly resemble each other, the exclusive right to the use of any of those TM shall not be available to those proprietors against each other, though it shall be available to them against a third person. (v) Section 37 deals with power of registered proprietor to assign and give receipts. But a certification TM shall not be assignable or transmissible otherwise than with the consent of the registrar following legal procedures. Under section 43 in case of associated TM. There shall be assignment and transmission only as a whole and not separately, but subject to the provision of the Act 1999. They shall be for all other purposes, deemed to have been registered as separate TM under section 44. After such registrations the transferee will become the proprietor and accordingly he shall apply to the registrar to register him as the proprietor. A person other than the registered proprietor of a trade mark may also be registered as a registered user in respect of any or all of the goods or

services; there may also be other user of TM as permitted user under sections 47 and 48(2). Where the registered user may institute legal proceedings for infringement in his own name as if he is the registered proprietor, but a permitted user has no right to initiate any legal proceedings against the infringement. However, registered users have no right of assignment or transmission of TM.

#### **Infringement of trade marks and remedies under the Trade Marks Act, 1999**

Section 29 deals with acts of infringements of registered TM and section 135 deals with various remedies to the proprietors of a trade marks in case of infringement and passing off action. When a person, other than registered proprietor or permitted user uses a mark in the course of trade which is identical with or deceptively similar to the earlier registered TM or there is likelihood of causing confusion in the mind of public or likely to have an association with registered mark with goods or services, then it will be treated as infringement of TM. In such case the court shall presume that it is likely to cause confusion on the part of the public as similar marks are used or likely to be used and goods or services to which it was used are also similar with the proprietor already in market. When a person, other than proprietor or permitted user use a mark in the cause of trade which is identical with or similar to the registered TM, used in relation to different goods or services and the registered TM has a reputation in India and the use of the mark without due cause to take unfair advantage of or is detrimental to the distinctive character and reputation of TM or is contrary to honest practice in commercial matter, then also it will be treated as violation of TM in India as dilution in the USA. Remedies in suits for infringement and passing off are injunction, damages, and an account of profit, delivery of articles or labels for destruction.

#### **Tests for determination of infringement of a trade mark**

In R.S. Kandaswamy and Others v. New Jothi Match Industries<sup>8</sup> case the issue was raised about tests for determination of infringement of a TM. The Madras High Court held that the totality of the impression of the mark produced should be such as to cause confusion or deception in the mind of the purchasers. A tangible change of confusion by a substantial proof is the main test to find out whether the infringing mark is deceptively similar to the infringed mark. The test of comparison of marks side by side is not a sound one, since a purchaser will seldom have the two marks actually before him at the time of purchase. The eye is not accurate recorder of all visual details and marks are generally remembered by some significant details or impressions than by any

photographic recollection of the whole. Deception or confusion may also arise when a person buy goods under a mark thinking that he is accustomed with the goods, manufacturers, or that there is connection between both the accustomed goods and marks. In *Mars Incorporated v. Kumar Krishna Mukherjee*<sup>9</sup> case the Delhi High Court dealt with issues relating to granting of injunction for the infringement of trade mark of registered proprietor. The plaintiff was the registered proprietor of the trade mark 'MARS' in connection with goods, such as, chocolates, preserved food and food products, confectionery to run their business at the international market and their trade mark was a well known trade mark too. Subsequently, the defendant started a company in the name of 'Mars Food products Pvt. Ltd.,' relating to food and food products. Therefore, the plaintiff was apprehended about the violation of his right of trade mark 'MARS' and instituted suit for infringement of his trade mark by the defendant. The defendant argued that they only used the word 'MARS' and that was not actually infringement of the TM as 'Mars' was only the part of their trade mark. The Court observed that for injunctive relief there are certain tests which need to be fulfilled. These are as follows: (i) whether the subsequent mark is used to cause confusion or there is any likelihood to deceive the consumers relating to the source or origin irrespective of the competitive nature of goods or not. (ii) Whether the intention was infringement of TM or to hamper goodwill of the proprietor. (iii) Whether there was likelihood of damage or injury to the plaintiff by the defendant by using TM. (iv) Whether non-granting of injunction will cause more sufferings of plaintiff than defendant. The Court granted injunction to the defendant as it was a case of potential infringement of the TM of the plaintiff. In *Infosys Technologies Ltd. v. Adinath Infosys Pvt. Ltd. and Ors.*,<sup>10</sup> the issue was raised whether defendant were liable for infringement of the plaintiffs registered TM, i.e., 'Infosys'. The plaintiff claimed it as infringement of his TM. The Court held, '*any attempt on the part of a person to enrich upon the goodwill generated by any other person needs to be curbed by the court whenever approached by the aggrieved party in this regard*'.

### Passing off

The term 'passing off' means the defendant have sold its goods or offered its services in the name of the plaintiff which deceived or likely to deceive the public. When any one use well known mark of plaintiff without his consent and transfer goods or facilitate services using TM of plaintiff then it is the infringement of TM. If the TM of the plaintiff is registered then he will get remedies under the TM Act. But if it is not registered then passing off

action will be maintainable for the protection of goodwill and reputation of the well known mark of the plaintiff. The issue was raised in *Paragon Steels (P) Ltd. v. Paragon Rubber Industries*<sup>11</sup> before the Karnataka High Court relating to sections 2(1)(zg), 11(6)(7)(8) and 27 of the TM Act, 1999, from the trial court. The Paragon Rubber Industries (PRI) a footwear manufacturer claimed exclusive right over their registered TM 'Paragon' and filed a suit for a temporary injunction against Paragon Steels (P) Ltd. (PSL). PSL contended before the trial court that PRI were not the owner of the TM 'Paragon' and they are using the mark for sale of twisted steel rods since 1983; and that the word 'Paragon' is a dictionary word, no one can claim exclusive right over it. Products of PRI and PSL were very much different. So, there could not any passing off TM action. However, the trial court rejected those arguments of PSL. The High Court held that the trial court was correct in passing the above order. There was no valid registration of the TM of the plaintiff (PRI) on the date of filing of the suit. Under section 27 no person shall be entitled to institute any proceeding to prevent or recover damages for the infringement of unregistered TM. Even non-renewal of trade mark also will be treated as non registration of TM. On the issue of well known TM Court held that if a TM has been determined to be well-known in at least one relevant section of the public in India by any Court or Registrar, the Registrar shall consider it for the registration under the Act, 1999. But there was no material on record to show that TM of plaintiff (PRI) as a 'well-known TM'. Therefore, on this point the High Court deferred from the trial court and appeal was allowed on passing off issue. The Court also observed that action of passing off depend upon the proof of volume of sales, extent of advertisement turnover, misrepresentation by the defendant, mala-fide intention on the part of defendants, caused confusion to the public and the loss suffered by the plaintiff. No hardship or loss will be caused to plaintiff if temporary injunction is refused, but, on the other hand the defendants will be put to great hardship.

### CONCLUSION

From above discussion we can come to the conclusion that there are several functions of TM. Namely, trade marks serve the purpose of identifying the source of origin of goods, e.g., Tata, Brooke Bond, Goodricke, etc. identify the product originating from the companies who are manufacturing tea and marketing it under respective marks. Similarly, Amul, Kwality, Horlicks, Smith & Jones, Ganesh, Daawat Basmati Rice, etc. identify milk products or food products in market originate from respective companies who are the manufacturers of those goods. However, first flight, DTDC, Google, rediffmail, yahoo etc. are source of origin of services provided by those

respective companies to communicate people through their trade names and domain names. It guarantees *quality of goods or services* and their *reputation in commercial market*. For example, Tea of Taj Mahal product and Tata product are different. It *advertises the products or services and the proprietor* of product, for example, Nokia, Sony, LG, Voltas, Samsung, Canon etc. are associated with electronic products, Golden Gate, Dawaat are associated with basmati rice or food products, JK or Everest are associated with masala and spices. It *creates an image of the goods or services* in the mind of public or consumers. For example, 'M' mark stands for food items of American origin of fast food chain Macdonald or Indian food items of Monginis. So, TM creates reputation for food items offered by the proprietor for sale in market. However, a TM may be limited wholly or in part to any combination of colours and any such limitation shall be taken into consideration by the tribunal having to decide on the distinctive character of the TM and where a TM is registered without limitation of colour, it shall be deemed to be registered for all colours. In case of infringement of TM the registered proprietor can claim remedies under the TM Act, 1999 but if the TM is not registered he can not claim remedies under the same Act. However, passing off action for the protection of goodwill and reputation of trade marks will be available to the proprietors.

## SUGGESIONS

The TM Law recognises the rights of the registered proprietor and well known users and prescribes remedies in case of violation of TM as well as goodwill and reputation of the traders and protects rights of the consumers. But the TM Act, 1999 in India is still not specific about identifying exhaustively rights of the proprietors relating to trade dress, brand name, corporate name, domain name etc. for which we have to depend on creative judicial interpretation. Our Law is not clear about protection of goodwill and passing off action rather it has left the issue to the Common Law domain. The proprietor enjoys the right to affix the mark or brand name on the goods or services which he intends to sell or provide in the market. The TM thus tends to confer the power of using it on goods and services. The owner enjoys the right but it should be with certain specific limitations.

and he should be responsible to the consumers as well as the society. Unfair trade practice should be checked by law and by the proprietors themselves by self-restraint. Consumers should not be misguided about origin, quality and value of goods and services. With the industrial revolution and development of science and technology, the market gets overflooded with services and goods. With the well known and established use of the TM the proprietors become popular to the purchasers. Therefore,

there goodwill and reputation must also be protected even though not registered under the TM Act. In the light of the dynamic utility of the TM, the rights of the proprietor should be more specifically defined and should not be restricted only to the remedies in case of infringement. Along with rights specific duties should also be laid down by the Law. The right of the owner is expressed when he grants a license because if the mark is not used for more than five years any one can get it removed from the register.<sup>12</sup> In *Ramdev Food Products v. Arvindbhai*<sup>13</sup>.

(2006) 8 SCC 726. the Supreme Court held that the grant of license should not deprive the consumers from the correct information regarding the origin or the quality of the goods. The grant of license should not be allowed if it is considered to be deceptive as it may result in trafficking of the TM. The employees of the commercial enterprises have to know about utility of TM in the context of Intellectual and Industrial property. They must be proactive in identifying the potential infringers and search the register of the TM in the registry office. However, a proprietor should be encouraged to seek and enjoy protection of his TM in market, so that he is able to commercialise his TM. They should have knowledge of extent, type and value of protection of their TM. If the proprietor wishes to protect his TM under the Trade Mark Act, he should immediately apply for the registration so that none other can file an application for the registration of the same or similar marks. In case of infringement he should file a complaint before the appropriate authority or file suit without delay on his own part. There are certain chief problems which need to be addressed because these discourage the proprietors to enforce their rights. These are expenses, delay in proceedings, issuing of letter of demand, imbalance of financial resources, lack of awareness about enforcement of rights. However, Indian judiciary is actively interpreting the Law and deciding the disputes relating to infringement and passing off action balancing rights of the proprietors and the rights of the consumers. In spite of it there are continuous threat to the registered as well as unregistered trade marks in India. Along with the Judiciary, arbitration must be provided for resolution of disputes. However, honest and concurrent use of trade marks should not be allowed as defence for the infringement of TM. India also needs to enact Law relating to Anti-dilution Act and Anti Cyber-Squatting Consumer Protection Act as these are effective in the USA. The member states of the WTO-TRIPs can not be compelled to comply with the provisions of the Paris Convention, TRIPs and WIPO. To prevent and control the violation of TM at national and international level there is need of co-operation and co-ordination. It is also the moral duty of the traders to know about existing trade marks so that there TM will not be infringed by earlier TM. The list of the registered TM should also be published by the Government authorities through appropriate media

so that prospective proprietors will come to know about the existing TM. But, in that case the TM which is not registered cannot be enlisted and published by the registrar or duly assigned authority. Therefore, there should be specific Law to inform appropriate authorities about their own TM so that they can be maintained and publicised by the authority time to time. In that context the Government may by Law appoint a committee or special council who will look after it and co-operate with the appellate authorities and boards. If a company or trader selects strong, inventive marks which are easy to spell out then the deceptive similarity can also be avoided.

Reference:

**(Endnotes)**

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<sup>1</sup>. Cornish and Llewellyn,

‘Intellectual Property : Patents copyright, Trade Marks and Allied Rights’, 5th ed. Sweet and Maxwell, 2003, p-573.

<sup>2</sup>. The McKinney Engineering Library:  
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<sup>3</sup>. Bryan A. Garner, Black Law Dictionary  
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<sup>4</sup>. AIR 1959 Cal 56.

<sup>5</sup>. AIR 1995 Mad 73 at pp. 75 and 76.

<sup>6</sup>. Section 10 of the Trade Marks Act, 1999.  
6a. MIPR 2007 (3) 0260.

<sup>7</sup>. AIR 2002 (August)  
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<sup>8</sup>. AIR 1995 Mad 73.

<sup>9</sup>. 2003 (26) PTC 60 (Del), see also Pizza Hut International v. Pizza Hut India Pvt. Ltd., 2003 (26) PTC 208(Bom).

<sup>10</sup>. MIPR 2012(1) 0027.

<sup>11</sup>. MIPR 2009 (3) 0048.

<sup>12</sup>. Hardia Trading Ltd. v. Addison Paint & Chemicals Ltd. (2003)11 SCR 92.



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