



INDIAN TRADEMARK SYSTEM

LexOrbis | INTELLECTUAL
PROPERTY
ATTORNEYS

Overview of Indian Trademark System

In India, the Trade Marks Act, 1999 (“Act”) and the Rules there under guide the process of registration and enforcement of rights relating to trade marks. The Indian regime affords protection to registered as well as unregistered marks. In case of misuse of a registered mark, the right holder can initiate an infringement action against the violating party. For misuse of unregistered marks, the right holder is entitled to claim protection under the law of passing off. For succeeding in an action for passing off, the Plaintiff must meet these threefold criteria – (1) established goodwill or reputation of the Plaintiff attached to the relevant goods or services under its mark, (2) misrepresentation by the Defendant which is likely to deceive public in to believing that the Defendant’s goods/ services emanate from the Plaintiff and (3) damage suffered or likely to be suffered by the Plaintiff.

It is important to remember that Indian regime affords high importance to prior use. Therefore, an infringement action on the basis of a prior registered mark by a registered proprietor may not succeed against a prior user. Trans-border reputation also holds huge weightage but, a party relying on trans-border reputation must be able to prove the acquisition of this reputation in India before the date of adoption and use of the relevant mark by the other party in India.

The reliefs which a court may grant in a suit for infringement or passing off include injunction, and at the option of the Plaintiff either damages or an account of profits together with or without any order for delivery up of the infringing labels and marks for destruction or erasure. Apart from civil actions, a criminal complaint may also be filed for offences relating to trademarks such as falsification or false application of trademarks.

Even though remedies have been provided to owners of unregistered marks; it is still always advisable to get a mark registered because in cases of actions based on registered marks, the onus of disproving infringement lies on the Defendant. On the contrary, when an action is initiated on the basis of unregistered marks, the Plaintiff has to discharge a heavy burden of meeting the threefold criteria of passing off as mentioned above.

PROCEDURE

Searches

Searches can be carried out for identical/similar word / device marks at the online portal of the Trademarks Registry.

Examination

A trade mark application can be filed physically or through e-portal. Once filed, it first undergoes scrutiny for procedural formalities. If it fails this formality check phase, an Office Action is issued and reply/compliance to the same must be filed/executed within 30 days from the date of its receipt. After completion of the formality check phase, the application undergoes substantial examination. If objection(s) is/are raised by the Trade Marks Office (TMO), a response must be filed within 1 month from the date of receipt of the examination report. After reviewing the response, if the Examiner continues to maintain the objection(s), a hearing is scheduled. In the alternative, if the Examiner is satisfied with the response, the mark is advertised as accepted in the Trade Marks Journal.

Opposition

Once a mark is advertised, the third parties have a period of 4 months (non-extendible) from the date of such advertisement of the mark to file a Notice of Opposition. Once the Notice of Opposition is filed, the Applicant is required to file its Counter statement within 2 months (non-extendible) from the date of official service of the Notice of Opposition. Once the Counter Statement is filed by the Applicant, the Opponent is required to file its Evidence in Support of Opposition within 2 months (non-extendible) from the date of official service of such Counter Statement. Alternatively, he may intimate the Registrar that he does not wish to adduce any evidence at this stage and may rely on the contents of its Notice of Opposition. Thereafter, the Applicant is required to file its Evidence in support of Application within 2 months (non-extendible) from the receipt of the Evidence in support of Opposition or the intimation that the Opponent does not wish to adduce any evidence. Alternatively, the Applicant may intimate the Registrar that he does not wish to adduce any evidence and may rely on the contents of its Counter Statement. Subsequent to the service of the Evidence in Support of Application on the Opponent or the intimation that the Applicant does not wish to adduce any evidence, the Opponent may file its Evidence in Reply within 1 month (non-extendible) of such service. Upon completion of the evidence stage, the Registrar issues notice of hearing to both the parties and decide the matter on merits.

Registration

If no opposition is filed by any third party within 4 months from the date of publication, the mark smoothly sails towards registration.

Rectification / Cancellation

A Registration can be cancelled on grounds that it was wrongly granted and/or it remains on register contrary to law. It can also be cancelled on the ground of continuous non-use for 5 years from the date of its registration.

OWNERSHIP CHANGES & RIGHT TRANSFERS

Assignment

Both registered and unregistered marks can be assigned. Assignment can be made either in respect of all or part of the goods and services for which the mark is registered.

License

The application for recordation of a License/Registration of Registered User must be filed within 6 months from the date of signing of the license agreement.

Change of Name & Address

Change of name and address applications should be filed at the Trademarks Registry to keep the records in order.

RENEWAL

A mark is valid for a time period of ten (10) years from the application date and needs to be renewed every 10 years thereafter.

INFORMATION / DOCUMENTS REQUIRED

Application Filing:

1. Exact representation of the mark
2. Name, address and legal status of the Applicant.
3. Details of Goods/Services
4. A simply signed Power of Attorney (PoA) of the Applicant. No notarization or legalization is required
5. Priority details and a certified copy of the priority document along with its certified English translation, in case of a priority claim
6. In case of User Claim - date, month and year of first use in DD/MM/YYYY format

along with evidence to corroborate the same. A user affidavit supported with evidence is a mandatory requirement. If no use claim is made, the applications may be filed on 'proposed to be used' basis

Assignment:

1. Original signed or notarized Deed of Assignment
2. Original signed and notarized Affidavit of No Legal Proceedings from the Assignee stating that there are no legal proceedings pending in respect of the trademarks and assignment
3. A simply signed PoA of the Assignee.

License:

1. An original or notarized copy of the executed License Agreement
2. A notarized Affidavit from the Licenser (registered proprietor/owner) or his/her duly authorized representative stating the following:
 - (a) The particulars of the relationship (as existing or proposed) between the registered proprietor and the proposed registered user including particulars showing the degree of control by the proprietor over the permitted use and as to whether the proposed registered user is the sole registered user or if there are any other restrictions on the number of persons to be applied as registered users;
 - (b) The exact specification of the goods and/or services in respect of which the licensee is to be registered as the registered user;
 - (c) The conditions or restrictions (if any) with respect to the characteristics of the goods /services, the mode or place of permitted use or any other matter;
 - (d) The exact duration of the permitted use or whether it is to exist without any limit of period
3. A simply signed PoA of the Licenser and Licensee

Change of Name:

1. Any document evidencing the change of name. (for ex: Certified copy of an extract from the Commercial Register)
2. A simply signed PoA with the new name of the proprietor

Change of Address:

1. Any document evidencing the change of address. (for ex: Certified copy of an extract from the Commercial Register)
2. Date on which the address was changed in DD/MM/YYYY format (Only in Registered matters).
3. A simply signed PoA with the new address of the proprietor

Renewal:

1. A simply signed PoA of the Proprietor

ENFORCEMENT

Anti counterfeiting

Anti-counterfeiting is a major aspect of enforcement of the trademark rights of proprietors and right holders, and the term “Counterfeiting” is also defined in Section 28 of the Indian Penal Code (IPC) to essentially mean an act that causes one thing to resemble another thing, intending by means of that resemblance to practice deception, or knowing it to be that the deception will thereby be practiced. Further, it is not essential to Counterfeiting that the imitation should be exact. Moreover, Section 415 of IPC read with illustration (b) makes the act of Counterfeiting into an act of cheating which can either entail imprisonment that may extend to 1 year, or with fine, or with both. Since the sale of counterfeit goods is intended to make illegal profits by defrauding the customers and other members of the trade and the public, the Courts in India have also taken cognizance of such acts as an offence of cheating and dishonestly inducing delivery of property under Section 420 of IPC, which is punishable with imprisonment of 7 years along with a fine.

Sections 102, 103 and 104 of the Trademarks Act also define offences, penalties and procedures in relation to falsification and falsely applying trademarks. These provisions deem to include the offence of counterfeiting and provides for imprisonment for a term not less than 6 months which may extend up to 3 years and fine not less than INR 50,000/- (USD 742) but, could be enhanced to INR 200,000/- (USD 2966). The term of imprisonment and fine can be further enhanced on second and subsequent convictions. The offences defined under the Trade Marks Act are cognizable offences allowing a police officer of a designated rank to make or cause an arrest of the offenders without warrant and to start an investigation with or without the permission of a Court. However, prior to taking any action under the Trade Marks Act, the police officers are required to seek an opinion from the Registrar of Trademarks on the facts of the case.

Border Control

The Government of India has enabled IP owners to enforce their IP Rights at Indian Borders under Intellectual Property Rights (Imported Goods) Enforcement Rules, 2007. For this, it is mandatory to have a validly registered trademark/IP right in place. The period of protection available under Customs is 5 years from the recordation of rights with the Customs authorities or upon expiry of the validity of registration of the mark/IP right, whichever is earlier. After the expiry of 5 years, the right holder is required to furnish a fresh notice.

Infringement/ Passing off

Under the Trade Marks Act, a civil action for infringement of a registered trademark can be filed by the registered proprietor or the registered user of the trademark in India before a District Court having jurisdiction to try the suit. In cases where the infringement occurs in the metropolitan areas of Delhi, Mumbai, Chennai and Kolkata, the suit can also be filed before the concerned High Court in those cities. A civil suit against the infringer may also be initiated alongside criminal action for effective deterrence since the import/sale of counterfeit goods also amounts to infringement. Further, in cases of trademark infringement and passing off involving an artistic work as the subject matter, it is useful for the right holder to also plead infringement of his/her copyright in such artwork thus invoking the enforceable provisions of copyright law as well. The remedies provided under a civil suit include preliminary and permanent injunction, account of profits or damages, delivery-up of the infringing labels/marks for destruction or erasure, etc. In appropriate cases, the Courts in India have not hesitated from awarding punitive or exemplary damages to the right holder for effective deterrence even amounting to 10 million rupees (USD 146920). The Court entertaining a civil suit is also empowered to appoint a Commissioner or Commissioners to visit the business premises of the defendant without notice, to inspect the premises and make inventory of the counterfeit goods for their safe custody by the defendant as court property, which means that once recorded by the Commissioner, the defendant cannot deal with or sell those goods to any third party without obtaining prior permission from the concerned civil court. In case the mark which is counterfeited is not registered in India, a civil action for passing off can be initiated under Section 27(2) read with Sections 134 & 135 of the Act if the mark carries substantial goodwill/reputation in the relevant market. The remedies available under a passing off action are the same as in the case of an action for infringement.

Civil remedies from the court can include an Anton Piller order, a John Doe order and Mareva injunction. An Anton Piller order is a court order that provides the right to search the premises of the defendant and seize evidence of infringing material without prior warning. This is the search and seizure mechanism employed more often than not by the courts in India as ex-parte orders which amounts to a raid action on the premises of the defendant. It ensures that the infringing material is not removed or destroyed by the defendant to cover up its offence and aids in the recovery of crucial evidence for the trial of the case. In cases where the IP offenders and infringers are not known, the Courts in India are empowered to pass John Doe orders against such unknown violators. These orders are recognized internationally and are also popularly referred to as Ashok Kumar orders in India for punishing the class of infringers whose identities are unknown. John Doe orders involve similar search and seizure mechanisms against unidentified defendants who are generally scattered in a territory but infringe and engage in counterfeiting in large groups. A Mareva injunction is also in the nature

of an ex-parte injunction and refers to the freezing of the assets of the defendant located within the Court's jurisdiction so that the defendant is not able to remove or deal with such assets out of the jurisdiction of the court before or during the trial of the case. This helps in the recovery of assets from the defendant, as part of the damages or an account of profits etc., in accordance with the final judgment in favour of the plaintiff. The Courts in India have also passed orders for the discovery and disclosure of documents and information relevant to a case from third parties/organizations such as the Indian Customs authorities, banks etc., especially in cases where such information/documents are exclusively available with such third parties and are necessary for the determination of the extent of IP violation and for awarding appropriate reliefs to the right holder. Such orders for discovery and disclosure are also known as Norwich Pharmacal orders.

Trade dress protection including shape and packaging in India

In today's market, the overall packaging of the product plays a significant factor in affecting the buying choices of the consumer. Packaging, color combination, shape of the product, texture, design, graphics and illustration, which we call as trade dress, are protected from being misused by other parties who intend to imitate the overall look of a product in order to take advantage of its established goodwill and reputation. In India there is no separate provision for protection of trade dress, however, the common law of passing off provides protection of trade dress consisting of shape of goods, their packaging and combination of colors etc. which is elucidated in Section 2 (zb) of the Trademarks Act 1999. In order to qualify for protection, the overall appearance or image of the product has to be distinctive i.e. it should either have inherent distinctiveness or acquired distinctiveness.

Shape of goods has always been a fascinating subject matter for both IP protection and enforcement. The right holders are often faced with the dilemma to select the most appropriate IP legislation when it comes to protection of a particular shape. It is a general understanding that if the shape of a particular product is new and original and not disclosed to the public, such shape should be protected under the Designs law by registration. However, in cases, where the right holders have failed to register a particular shape under the Designs law, it can still be protected under the Trademarks law or common law tort of passing-off, provided it has become distinctive due to long and continuous use. In order to claim passing-off successfully, the right holder must establish that the particular shape has become distinctive of its goods or services, it is associated exclusively with the right holder, and that use of a similar shape would create confusion among the public. The Indian Courts have contributed a lot in the development and modernization of Trademarks law. With the recent change in the Indian Trademark Rules making explicit provision for registration of sound marks, both the government and courts are recognizing the significance of non-conventional trademarks.

NOTE



Your most trusted IP Partner

LexOrbis | INTELLECTUAL
PROPERTY
ATTORNEYS

NEW DELHI • MUMBAI • BENGALURU

- » **WTR 1000:** 2019 Indian Law Firm Awards, IP Protection
Managing Intellectual Property: 2019 Rated Firm - Trademark Prosecution
- » **Legal media Group:** IP Star Women of the year 2019 - Manisha Singh
- » **GIPC:** Award for Excellence for invaluable services in the field of IP, 2019 -
Manisha Singh
- » **WTR 1000, 2018:** Recommended Law Firm - Trademark Prosecution and
Strategy
- » **India Business Law Journal, 2018:** Manisha Singh recognized as one of India's
Top 100 Lawyers, The A-List
- » **Asia Law Profile 2018:** Rated as Notable Firm, Asia Pacific Region
- » **Asia IP, 2018:** Tier 2 Firm - Trademark Prosecution
- » **IAM Patent 1000, 2018:** Recommended Law Firm - Patent Prosecution
- » **India Business Law Journal, 2018:** Manisha Singh recognized as one of India's
Top 100 Lawyers, The A-List

- » **Asia Law Profile 2018:** Rated as Notable Firm, Asia Pacific Region
- » **Asialaw 2018:** Manisha Singh recognized as Leading Lawyer for IP
- » **Managing Intellectual Property, 2018:** Rated as a Tier 3 Firm in Patent
Prosecution
- » **Managing Intellectual Property, 2018:** Manisha Singh recognized as an IP
Star (Litigation and Strategy & Counseling)
- » **Managing Intellectual Property, 2018:** Joginder Singh recognized as a
Rising Star
- » **Legal League Consulting:** Leadership Excellence Award 2018 for "Leading
Law Firm in Patent Practice
- » **World Intellectual Property Forum:** Ranked and Awarded amongst the Top
10 most Prestigious & Trusted IP Law firms of India, 2018
- » **World HRD Congress:** ET NOW - Stars of the Industry Awards for Excellence

709-710 Tolstoy House,
15-17 Tolstoy Marg,
New Delhi 110001
T: +91 11 2371 6565 / F: +91 11 2371 6556

146 Jolly Maker Chamber II,
Vinay K Shah Marg, Nariman Point,
Mumbai 400021
T: +91 22 4120 0392 / F: +91 22 4120 0396

606-607, Gamma Block,
Sigma Soft Tech Park No. 7,
Whitefield Main Road, Varthur Hobli,
Bengaluru 560066
T: +91 80 432 45 900 / F: +91 80 432 45 909



mail@lexorbis.com / www.lexorbis.com

