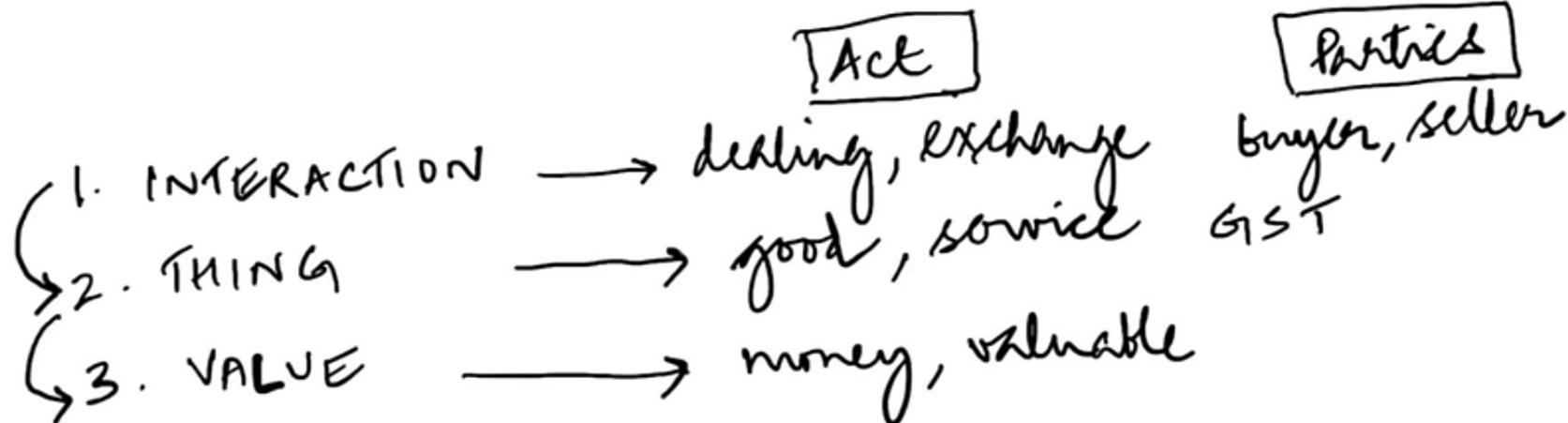


Business

An organization or economic system where goods and services are exchanged for one another or for money.

Every business requires some form of investment and enough customers to whom its output can be sold on a consistent basis in order to make a profit.



Preface

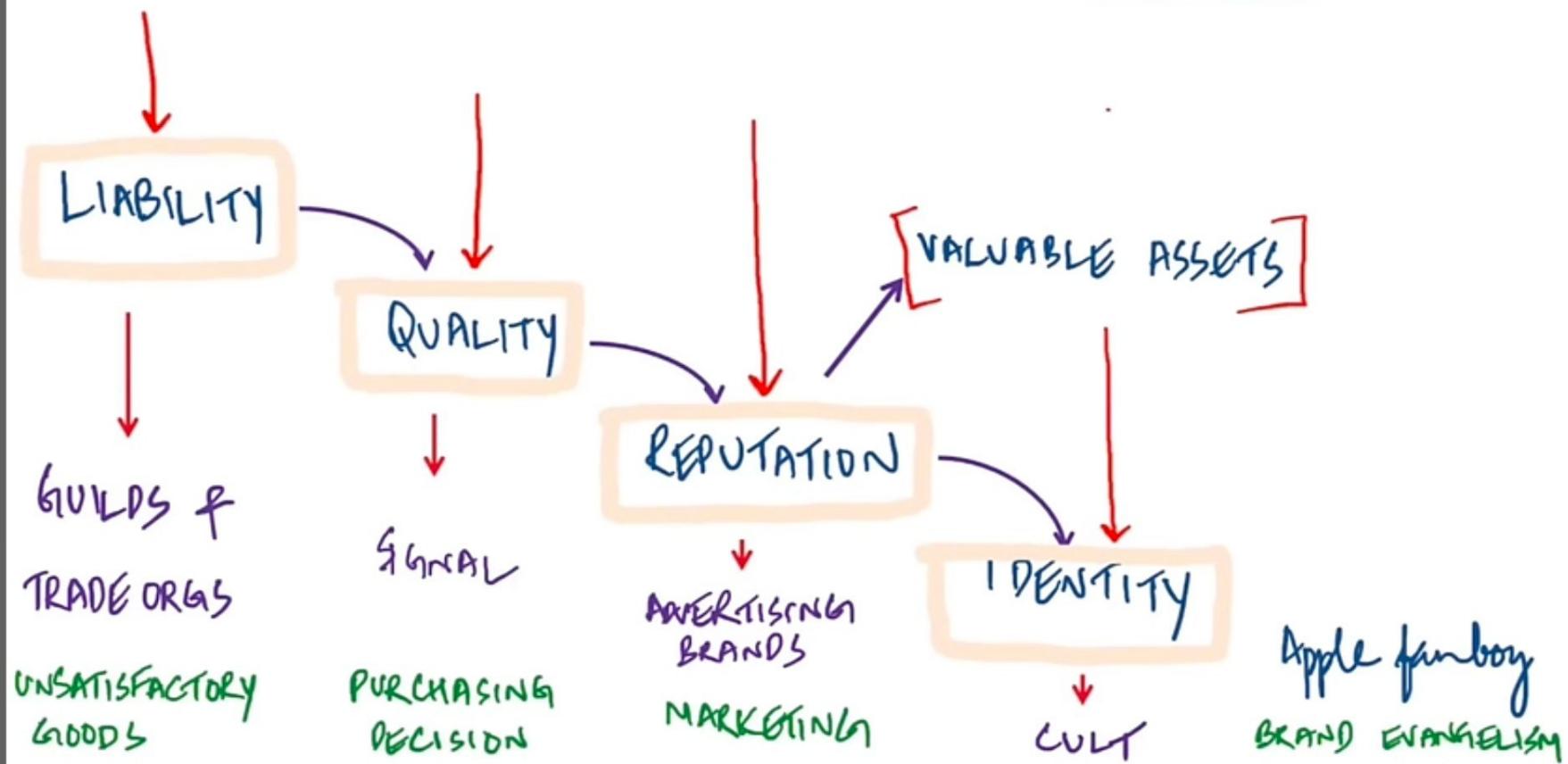
- Promotion and selling of goods and services
 - Brands
 - Get-up, business names, etc.
 - Consumers distinguish competitive products
- What is a trade mark?
 - Any word, name, symbol, or device
 - Used to identify and distinguish goods and services

History and Origin

- Existed from time immemorial
 - Craftsmen sold their goods with signature, marks
 - Increasing trade in middle ages lead to increasing use of signs to distinguish goods
- Role in Industrialization
 - Growth of market oriented economy
 - Same products and services by different competitors
 - Difference in quality, need to distinguish

TRADE MARKS

OWNERSHIP



LEGAL PROTECTION

16th C - Traders - indication of source

→ fraud

19th C - passing off - Chancery Courts
for protecting
traders

→ reputation
goodwill

Registration - 1875

Show misrepresentation → deceive customers
CONFUSION (SOURCE)

Introduction

- Why protect trade marks?
 - Trade mark functions
 - Origin function
 - Quality or guarantee function
 - Investment or advertising function
 - Information v. promotion

REGISTRATION



No need to prove good will + distinctiveness → Passing off
Protection before use (proposed use)
Assign trademarks without giving good will of business

Protection → preservation of uniqueness (property)

NOT A MONOPOLY

Patents
Copyright, Design

IN GOODS & SERVICES - Only in using name

JUSTIFICATIONS

1. CREATIVITY - creative association trader
public
REWARDS INVESTMENT - QUALITY
2. INFORMATION - market efficiency increased
shorthand - HUL v. Amul
3. FAIRNESS - Ethical - comparative advertising

9:41 AM 100% 

Is it ice-cream or frozen dessert X Ice Cream Vs. Frozen X Ice cream vs. HUL in X HUL counters Amul in X + 

www.thehindubusinessline.com/companies/is-it-ice-cream-or-frozen-dessert/article20254...   

Aa

Is it ice-cream or frozen dessert?

Divya Trivedi T+ T-

New Delhi, May 21

Ate an ice-cream today? Are you sure it was an ice-cream? Or was it frozen desserts?

There is a thin line dividing frozen desserts and ice-creams. So, read the fineprint on the product cover to know what you are having.

Barring a few companies in the market such as Amul, Mother Dairy, Hatsun Agro Food Ltd and Havmor, others—including Kwality Walls (Hindustan Unilever) – serve frozen desserts and not ice-creams. International brands such as Haagen Dazs, Movenpick (Nestle), Swensen's and Baskin Robbins offer ice-creams. Vadilal sells both.

According to the definition of milk and milk products under the Prevention of Food Adulteration Rules, 1955, an ice-cream is a product with not less than 10 per cent of milk fat, whereas frozen dessert contains vegetable fat.

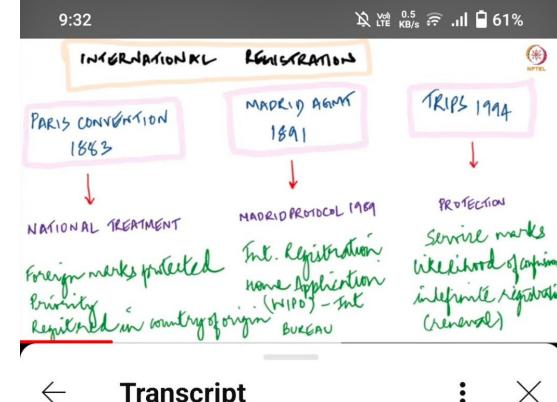
Vegetable vs milk fat

"There is no health hazard in using either of the two ingredients. Traditionally, ice-creams have been made out of milk fat, so it might be considered as cheating by some consumers," says Ms Pritee Shah, Senior Director, Consumer Education and Research Centre, Ahmedabad and Editor, *Insight Magazine*.

Baskin Robbins is a market leader in the premium category of ice-creams and plans to introduce an emblem to convey the use of cow milk fats in its products. The company's Executive Director, Mr Sunil Pardal, says that there is a difference in the taste of ice-creams and frozen

Introduction

- International Agreements
 - Paris Convention, 1883
 - Madrid Agreement, 1891
 - Madrid Protocol, 1989
 - World Intellectual Property Organization
 - International registration
 - TRIPS Agreement



← Transcript ⋮ X

Search in video

0:53 So, international registration itself came about with the Madrid Agreement.

1:00 The Paris Convention in 1883 brought out the principle of national treatment, which is

1:05 something which we had already seen, which said that foreign marks will be protected

1:11 just in the same manner as national or domestic marks will be protected.

1:16 It kind of preserve the priority, you could file a foreign mark, it kind of preserve the

1:25 priority, you could file a mark in the domestic country and then get it registered in a foreign

1:33 country.

1:34 So, foreign country registration is where allowed provided a application was made in

1:40 the country of origin.

1:42 But, apart from this, the Paris Convention did not have anything which could enable a

1:51 international registration for trademarks, that came about in the Madrid Agreement in

1:56 1891 and that was further enhanced by the Madrid Protocol in 1899.

2:06 This brought a system of international registration, where you could file a home application and

2:14 later on follow it up with applications in different countries something similar to the

2:22 arrangement that we had under the Patent Cooperation Treaty.

2:26 Now, the final arrangement pertains to the protection for trademarks under the TRIPS

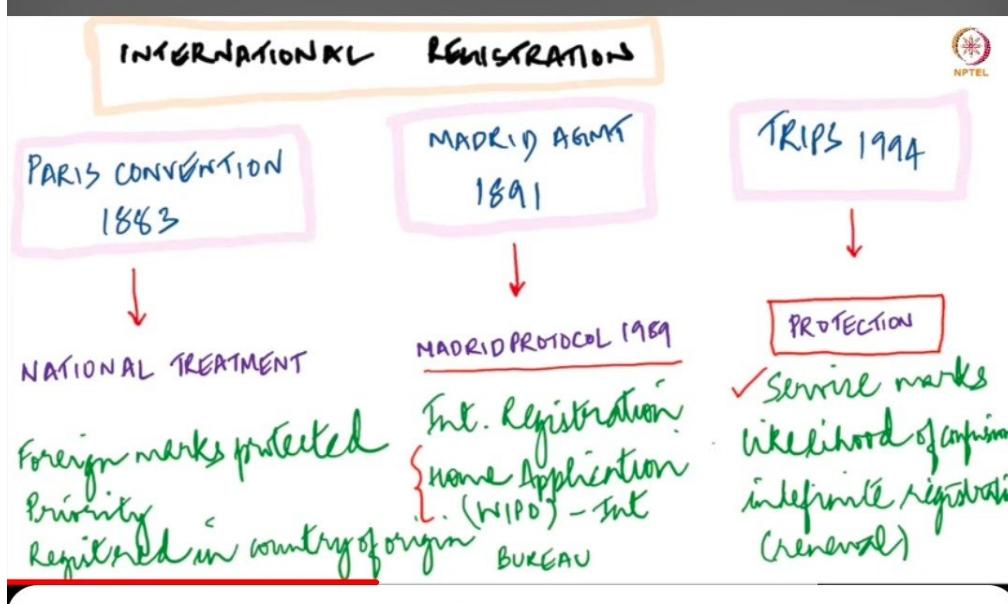
2:36 Agreement in 1994, which came into effect in 1995.

2:40 Now, the TRIPS Agreement provided for service marks as well.

2:46 The recent version of the Trademarks Act that is in Trademarks Act 1999, provide for trademarks

2:56 for goods and services.

2:59 And service marks were introduced in 1999



Transcript



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2:36 Agreement in 1994, which came into effect in 1995.

2:40 Now, the TRIPS Agreement provided for service marks as well.

2:46 The recent version of the Trademarks Act that is in Trademarks Act 1999, provide for trademarks

2:56 for goods and services.

2:58 And service marks were introduced in 1999 to India's obligation under the TRIPS Agreement.

3:05 So, it provided for service marks, it characterised likelihood of confusion as reason why other

3:15 marks should not be allowed, because that could lead to likelihood of confusion



DOMAIN NAME DISPUTES



Passing off + trademark law - cybersquatting

Uniform Domain Name Dispute Resolution Policy (UDRP)

Internet Corporation for Assigned Names & Numbers (ICANN)

complaint to ICANN

→ administrative proceeding

1. domain name similar
2. registrant has no rights
3. registered, used in bad faith

History in India

- Earlier, no mechanism or law
- Criminal Law [IPC]
 - Offences relating to documents and property marks
 - Offences relating to property and other marks
 - Repealed, Trade Marks Act, 1958

CONSOLIDATION OF LAWS

Trade Marks Act, 1940 ✓
Indian Merchandise Marks Act, 1889 ✓
Indian Penal Code ✓

Specific Relief Act 1877
Indian Registration Act, 1908

TRADE & MERCHANDISE
MARKS ACT, 1958

AYYANGIAR COMMITTEE

TRADE MARKS ACT, 1999



History in India

- Trade Marks Act, 1940 ✓
- Trade Marks Enquiry Committee
 - Trade & Merchandise Marks Act, 1958
- Trade Marks Act, 1999
 - Comprehensive review of existing law
 - Development in trade practices
 - Give effect to imp judicial decisions

Salient Features

- Trade Marks Act, 1999
 - Enlarge scope and definition of trade mark
 - Improvement in procedure of registration
 - Period of protection made to 10 years
 - Introduced registration for service, well-known, and collective marks
 - Infringement suit, where plaintiff resides

Fundamentals

- Jurisdiction
 - Extends to whole of India
- Term
 - 10 years, if registered, renewable
- Rights conferred by registration
 - Exclusive rights to use the mark
 - For registered goods and services

Fundamentals

- What is a good trade mark?
 - Easy to speak & spell
 - Appealing and easy to remember or recollect
 - invented or coined word, unique monogram, logo or a geometrical device

Fundamentals

- Avoid using
 - Laudatory or descriptive matters
 - Geographical names, common surnames, names of a community or persons
 - a matter prohibited by law to be used as a trademark
 - a matter that is same/similar to an already existing trademark in the market

Fundamentals

- Meaning of a trade mark [S.2(1)(zb)]
 - “..means a mark capable of being represented 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..”

Types

- Word Marks
 - Rights claimed only in the word, letters or numbers
 - No rights claimed in manner how these words are presented
- Service Marks
 - Word, phrase, symbol or design, or a combination thereof
 - Identifies and distinguishes the source of a service rather than goods

Types

- Collective Marks
 - Distinguishes the goods or services of members of an association of persons
- Certification Marks
 - Certified by the proprietor of the mark
 - Origin, material, mode of manufacture of goods or performance of services, quality, accuracy or other characteristics

Types

1958

- Unconventional Trade Marks
 - Color Marks – 1999
 - Cadbury purple
 - Shape Marks – 1999
 - Coca-Cola Bottle
 - Smell Marks ✓
 - Tennis balls with the scent of newly mown grass
 - Sound Marks ✓ - HD

Types

- Unconventional Trade Marks
 - Smell Marks ✓
 - Sound Marks ✓
 - Taste marks ✓
- Graphical representation
- On paper

Application for a Trade Mark

- **Why:** Confers exclusive rights to use

- Prima facie evidence of proprietorship of the TM
- Registered proprietor may assign or license the trademark as any other property
- Registered proprietor can enjoy the goodwill associated with registered trademark forever, if the mark is renewed from time to time



Transcript



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- 12:40 law and if it has to be graphically represented,
it should be capable of being portrayed on paper,
- 12:46 and that is how you file your trademarks.
So, there is still some uncertainty as to
- 12:52 whether smell marks and sound marks will be allowed under the Indian law.
- 12:57 So, apart from the smell marks and the sound marks, there is also an attempt
- 13:02 to have trademarks for taste. So, that is again as we just mentioned in India,
- 13:09 there has to be a graphical representation on paper. So,
- 13:13 we the law with regard to smell sound and trademarks is still not crystallized in India.

Application for a Trade Mark

- **Who:** Any person, claiming to be the proprietor of a trade mark used or proposed to be used by him
- **How:** Apply in writing to the CGPDTM
 - Filed by submitting to office, post, or electronically
 - Application should have TM, goods and services, name, address, attorney details, period of use of mark

What may be Protected?

Subject Matter

- It should conform to the definition of trade mark under the Act
- Particularly, prove 3 conditions
 - A sign/mark
 - Capable of being represented graphically
 - Capacity to distinguish

A Sign or Mark

- Concept of sign is broad, but not without limits
- “*Mark*” includes a device, brand, heading, label, ticket, name, signature, word, letter, numeral, shape of goods, packaging or combination of colours or any combination thereof

A Sign or Mark

- Limits on registration of shapes
 - Shape results from nature of goods themselves
 - Shape necessary to obtain technical result
 - Shape gives substantial value to goods

Graphical Representation

- The mark should be capable of being graphically represented
 - Representation of sign
 - Words marks are written, figurative marks by pictures
 - Representation of unconventional marks can be problematic

Distinctive Character

- Capable of distinguishing the goods and services of one undertaking from the goods and services of other
- Distinctiveness Hierarchy
 - Arbitrary/Fanciful/suggestive
 - Google/Apple/SugarFree

Secondary Meaning

- Acquired Secondary meaning
 - Consumers recognize mark as a source of indicator
 - Primary significance of the term in the minds of the consuming public is not the product but the producer

Distinctive Character

- Distinctiveness Hierarchy
 - Suggestive
 - Suggest the quality of a good or service, eg. Citibank
 - Descriptive
 - Describes characteristics of product, eg. Coca-Cola
 - Generic
 - Common term used, eg. Xerox

What Can't be a Trade Mark?

- Functionality
 - Marks cannot be protected if functional
- Disparaging
 - Detrimental to mark's distinctive character and against reputation of the TM
- Immoral or scandalous

What Can't be a Trade Mark?

- Deceptive similarity
 - Marks misdescribes the goods attached to it
- Conflicts with existing Marks
 - Cause confusion with existing marks
 - Cause dilution of existing known marks
- Fraud
 - Knowingly makes false representation

Well-Known Marks

- “*..means a mark which has become so to the substantial segment of the public which uses such goods or receives such services that the use of such mark in relation to other goods or services would be likely to be taken as indicating a connection in the course of trade or rendering of services between those goods or services and a person using the mark in relation to the first-mentioned goods or services.”*



Registration

Registration of Trade Mark

- Process of registration
 - Filing of application
 - Examination
 - Publication, observation, and opposition
 - Registration
 - Period of 10 years
 - Renewal
 - Prescribed fee, renewed for further 10 years

Classification

- Classification of goods and services
 - International Classification
 - Nice Classification
 - Disputes determined by the Registrar



Transcript



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3:20 system is called the Nice classification; which was established by the Nice Agreement

3:26 in 1957, this was an agreement entered into by various countries, and it happened for

3:32 the first time in Nice which is a city in France.

3:34 So, it takes the name from the place.

3:37 The Nice classification is a system of classifying goods and services for the purpose of registering

3:42 term marks, the trade marks, for the purpose of registering trademarks.

3:49 The classification system is updated every 5 years, and currently we have the 10th version



Classification

- Classification of goods and services
 - International Classification
 - Nice Classification
 - Disputes determined by the Registrar



Transcript



Search in video

3:49 The classification system is updated every 5 years, and currently we have the 10th version

3:58 of the Nice classification.

4:00 The system comprises of groups which, the Nice classification system classifies products

4:11 into 45 classes and allows users seeking to trade mark a good or a service to choose from

4:19 these classes which may be appropriate for their product or service.

4:25 The Nice classification system is administered by the World Intellectual Property Organization

4:32 or WIPO.

4:34 And if there are any disputes in the





Grounds for Refusal of Registration

Absolute Grounds

- Relate to inherent objections to distinctiveness and certain public interest objections
- Devoid of any distinctive character
 - Not capable of distinguishing the goods and services of one person from those of another person
- Exclusively consists of marks which designate kind, quality, quantity, intended purpose, values, geographical origins, characteristics

Absolute Grounds

- Marks/Indications, become customary
 - Current language
 - *Bona-fide* and established practices of the trade
- Shall not be refused registration
 - Acquired distinctive character as a result of use,
well-known trade mark
 - Before the application for registration

Absolute Grounds

- Deceive the public or cause confusion
- Contains or comprises of any matter likely to hurt the religious susceptibilities
- Scandalous or obscene matter
- Prohibited under Emblems and Names Act

Absolute Grounds

- Shall not be registered if it consists exclusively of:
 - Shape of goods which results from the nature of the good themselves
 - Shape of goods, necessary to obtain a technical result
 - Shape which gives substantial value to goods

Relative Grounds

- Arise because some other proprietor has an earlier conflicting right
- Fall into two categories
 - Concerned with ‘earlier trade mark’
 - Concerned with ‘earlier rights’
- Trade Marks shall be refused subject to certain conditions

Relative Grounds

- Earlier TM well-known, use of later would take unfair advantage or detrimental to the distinctive character or repute of the earlier mark, shall not be registered
 - Identical, similar to an earlier TM
 - 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

Relative Grounds

- No registration, use in India prevented:
 - By law of passing off
 - Law of copyright
- Exceptions
 - Proprietor of earlier mark consents to the registration
 - Shall not refuse registration unless opposition is raised

Relative Grounds

"LIKELIHOOD OF CONFUSION":

- IDENTICAL
- SIMILAR

Honest Concurrent Use

- In case of honest concurrent use the Registrar may permit the registration by more than one proprietor of the trade marks which are identical or similar in respect of the same or similar goods or services
 - Subject to conditions and limitations

Effect of Registration

- Initiate suit for infringement
- Exclusive rights to the use of the TM
 - Relation to goods and services for which granted
 - Subject to any conditions or limitations imposed
- Registration to be prima facie evidence of validity

Infringement Suits

- Registered trade mark
- What amounts to infringement?
 - Identity with registered mark and similarity
 - Similarity with registered mark and identity
 - Identity with registered mark and identity
 - Presumption of confusion
 - Identity with registered mark having reputation

Infringement Suits

- What amounts to infringement?
 - Unauthorized use of TM on packaging, goods for sale, import, export etc
 - Disparaging advertisement

Passing Off

- Unregistered trade mark
- Conditions for passing off
 - The claimant has goodwill
 - The defendant made a misrepresentation that is likely to deceive the public
 - The misrepresentation deceives the goodwill of the claimant

Cybersquatting

- Relationship between domain names and TM
- Abusive and bad-faith use of domain names including trade marks
- Internet Corporation for Assigned Names and Numbers
- Uniform Dispute Resolution Policy and Rules

Exploitation and Use

- Self-exploitation
- Assignment
- Voluntary licenses
- Mortgages
- Compulsory license
 - No CL in relation to TM
 - Prohibited under TRIPS

Defences

- Conflict between registered marks
 - Cannot amount to infringement
 - It may constitute passing off
- Legitimate use of a mark by unauthorized user
 - Honest concurrent use
- Use to indicate the characteristics of the product or service

Defences

- Use of mark, outside scope of registration
 - Registration subject to conditions, or limitations
- Descriptive Use
- Use of Name or address
- Comparative advertising

Losing Protection

- Abandonment
 - Non-use
 - Change in product or service than for which it is registered
- Mark has become generic
 - Has become a common name in the trade
- Mark has become deceptive
 - Misleading the public