**INTRODUCTION TO TRADEMARKS**

A trademark is a sign or combination of signs that distinguish goods or services of one person or enterprise from those of another[[1]](#footnote-2). Its origin dates back to ancient times, when craftsmen reproduced their signatures, or "marks" on their artistic or utilitarian products.

The first trademark law in India was passed in the year 1940 and was known as the Trade Marks Act, 1940. This law was subsequently replaced by the Trade and Merchandise Act, 1958. Thereafter the Government of India amended this Act in order to bring the Indian trademark law in compliance with its TRIPS obligations. The new Act that was passed was the Trade Marks Act, 1999. This Act came into force in the year 2003. The Trade Marks Act, 1999 and the Trade Marks Rules, 2002, presently govern the trademark law in India.

The trademark law in India is a ‘first-to-file’ system that requires no evidence of prior use of the mark in commerce. A trademark application can be filed on a ‘proposed to be used or intent-to-use’ basis or based on use of the mark in commerce. The term ‘use’ under The Trade Marks Act, 1999 has acquired a broad meaning and does not necessarily mean the physical presence of the goods in India. Presence of the trademark on the Internet and publication in international magazines and journals having circulation in India are also considered as use in India. One of the first landmark judgments in this regard is the **“Whirlpool case”**  [***N. R. Dongre v. Whirlpool Corporation 1996 (16) PTC 583*]** in which the Court held that a rights holder can maintain a passing off action against an infringer on the basis of the trans-border reputation of its trademarks and that the actual presence of the goods or the actual use of the mark in India is not mandatory. It would suffice if the rights holder has attained reputation and goodwill in respect of the mark in India through advertisements or other means. Another judgment in this regard by the Supreme Court of India is of Milmet Oftho Industries & Ors. v. Allergan, Inc. (2006 (32) PTC 495), in which the court confirmed an order of interlocutory injunction restraining an Indian company from using the trademark Ocuflox and stating that “the mere fact that the Respondents have not been using the mark in India is irrelevant if they were first in the world market”. The interim injunction was therefore not vacated by the Court despite the fact that Allergan, Inc. neither made any use of the mark Ocuflox in India nor was their trademark registered in India. Subsequently, the Calcutta High Court decreed the suit in favor of Allergan, Inc. and against Milmet Oftho Industries who was restrained from using the trademark Ocuflox.

A trademark registration in India gives exclusive proprietary rights to the rights holder for protection of their trademark in India. However as the Indian legal system is based on the common law system, even an unregistered trademark is entitled to protection and the rights holder of the unregistered trademark can initiate action against a third party under the law of passing off.

**Market Entry Planning**

With India having liberalized many sectors of its economy, there is a lot of interest amongst various businesses to set up a base in India or to sell their products or services in India.  However a major concern for them is protection of their Intellectual Property (IP).  Although the Indian legal framework has improved, but India still has weak IP enforcement.  It is therefore imperative that businesses develop a comprehensive strategy for protecting their IP and take steps to safeguard their rights before they enter the Indian market.

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 favorable 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:

* Hire a local law firm specializing in IPR. See for example, [The Legal 500 series](http://www.legal500.com/), which lists the various law firms, specializing in different areas of law in India
* Get clearance 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 rights 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 rights 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.
* It is also important that the rights holder not only register trademark in India but also in the Indian sub-continent i.e. in the territory of Pakistan, Sri Lanka, Bangladesh, Nepal, Bhutan, Maldives, Afghanistan and Burma. These countries are in close proximity to each other and as India is the biggest market amongst all of them, any trademark, which acquires goodwill and reputation in India, is likely to be copied in these markets. This could lead to not only counterfeit products being manufactured in these countries but also result in counterfeit goods being imported to India and various other countries across the world.
* The rights holder should also take immediate steps to register their domain names [top level domain names (tLDs) including country coded top level domain names (ccLDs)] in the Indian sub-continent, 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 holders.
* 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 cease and desist notices or initiating appropriate civil and criminal actions.

**Who can apply and what can be registered**

Under The Trade Marks Act, 1999 a person who is the proprietor of the trademark can apply for the registration of its mark for goods as well services. Any word, signature, name, logos, label, numerals or combination of colors used by one enterprise on goods or services can be registered as a trademark in India. Under the Indian trademark law the following are the types of trademarks that can be registered:

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

Any person claiming to be the proprietor of a trademark may apply in writing for registration.

**The trademarks that cannot be registered?**

The following are the types of marks that cannot be registered in India:

* Not capable of distinguishing the goods or services of one person from those of another person;
* Consisting 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 service
* Has become customary in the current language
* Of such nature as to deceive the public or cause confusion
* Contains or comprises of any matter likely to hurt the religious susceptibilities of any class or section of the citizens of India
* Comprises or contains scandalous or obscene matter;
* Its use is prohibited under the Emblems and Names (Prevention of Improper Use) Act, 1950. [Visit this site for the list of the marks that can not be used as a trademark under this Act](http://www.legalhelpindia.com/). (<http://www.legalhelpindia.com/>)
* Consists exclusively of the shape of goods, which results from the nature of the goods themselves, or the shape of goods that is necessary to obtain a technical result or the shape, which gives substantial value to the goods.
* A word that is a commonly used and accepted name of any single chemical element or any single chemical compound in respect of a chemical substance or preparation or which is declared by the World Health Organization and notified in the prescribed manner by the Registrar from time to time, as an international non-proprietary name or which is deceptively similar to such name
* A generic term

**Registration Procedure**

The registration procedure in India is based on the ‘first to file’ system. It is therefore important that the rights holder apply for the registration of its mark as soon as possible. The registration of a trademark in India typically takes about 2 to 3 years, subject to the trademark not being opposed by a third party[[2]](#footnote-3). The Office of the Controller General of Patents, Trade Marks, Industrial Designs and Geographical Indications is the appropriate office for filing of a trademark application in India. This office has branches in Mumbai, Delhi, Chennai, Ahmedabad and Kolkata. A trademark application may be filed in any of these offices based on the territorial jurisdiction. The different steps that are involved in the registration process in India are as follows:

* Select a trademark agent in India:

The trademark law in India allows the proprietor to file a trademark application only if they have a place of business in India. Should that not be the case, the rights holder will be required to file an application through a trademark agent/attorney. The trademark agent/attorney can do a trademark search, prepare, file and prosecute applications.

* To determine if the mark is eligible and available for registration:

The trademark agent will determine if the trademark is eligible for registration and also conduct clearance searches to determine if there is any deceptively similar mark that already exists on the Register of Trade Marks as maintained in the office of the Controller General. It is advisable that a common law search should also be conducted in order to ascertain if there are any third parties that might already be using the trademark.

* Completing the application form and filing

The trademark agent can complete and sign the application form, provided that the rights holder has issued a signed Power of Attorney appointing them as the trademark agent. The trademark agent would require information such as the name and description of the proprietor, address of principal place of business, a description of the goods and services associated with the mark, whether the mark has been used in commerce and a copy of the trademark in order to enable them to fill the form. [Copies of all the forms are available here](http://ipindia.nic.in/tmr_new/first_schedule_forms/the_first_schedule.htm). (<http://ipindia.nic.in/tmr_new/first_schedule_forms/the_first_schedule.htm>)

The application should be filled in either English or Hindi and should be filed at the appropriate office of the Trade Marks Registry. India being a signatory to the Paris convention recognizes foreign priority. An Applicant can accordingly claim priority from an application that might have been filed in another signatory country provided that the application in India is filed within six months of the filing of that application.  Typical Indian law firms will charge around  $200 to $300 for filing a trademark application in one class. These charges vary from firm to firm depending on the structure and the internal policy of the firm. Most of the law firms are open to giving discounts for bulk filings. Filing fees are approximately $ 60 per class.

Furthermore, India has recently started accepting trademark applications electronically. [The trademark application can be filed electronically through this website](http://www.ipindiaonline.gov.in/etmr/). (<http://www.ipindiaonline.gov.in/etmr/>)

* Review by the Trade Marks Office

After the application has been filed, the Trade Marks Office reviews it to ensure that it is complete in all respects and thereafter allots an application number to the applications. If the trademark is registered, the application number becomes the registration number.

* Preliminary Approval and Publication, Show Cause hearing or Rejection of the Application

During the process of examination the Trade Marks Office determines if the trademark is barred for registration either under absolute grounds for refusal and/or relative grounds for refusal as prescribed in The Trade Marks Act, 1999. Accordingly, they issue an examination report and the Applicant must respond to the objections that have been raised in the examination report within a period of one month from the issuance of the examination report. Thereafter and based on the response to the examination report that has been filed by the Applicant, the Registrar of Trade Marks determines if the application should be refused, accepted for advertisement, accepted subject to certain limitations or put up for a “show cause” hearing, during which the application might be accepted, rejected or accepted subject to certain limitations. Should the application be rejected the Applicant can approach the Intellectual Property Appellate Board to appeal the order of the Registrar of Trade Marks.

* Registration

Within three months of the publication of the trademark in the Trade Marks Journal, should the trademark not be opposed by a third party, it will proceed for registration and the Trade Marks Registry will accordingly issue a registration certificate.

* Term of Trademark Registration

Trademark protection in India is perpetual subject to renewal of the registration after every 10 years. The application for renewal can be filed six months before the expiry of the validity period of the trademark.

Should the rights holder of a trademark come across a trademark that is deceptively similar to their mark and which has been published in the Trade Marks Journal they can oppose the impugned mark within three months of the publication of the journal. The opposition proceedings in India maybe initiated by a party in order to maintain the purity of the Register of Trade Marks, regardless of whether they have any *locus standi*. Therefore, any third party who is of the opinion that the advertised mark should not be allowed to register can initiate an opposition proceeding by filing a Notice of Opposition in the appropriate office of the Trade Marks Office. The Notice of Opposition should be sent to the Trade Marks Office in triplicate. It is imperative to note that during the opposition proceedings the Trade Marks Office adheres to strict deadlines and any delay in filing the Notice of Opposition or evidence will adversely affect the opposition proceedings.

In case a registered trademark owned by a third party infringes the rights of the rights holder, the rights holder can initiate cancellation/rectification proceedings against the registered owner. Furthermore, any trademark that has not been used for five years and three months from the date of registration in India is open to cancellation on the ground of non-use of the mark.

**Infringement & Enforcement Remedies**

A registered trademark is said to be infringed in the following circumstances:

* If a mark which is identical with, or deceptively similar to, the registered trademark is used in relation to the same or similar goods or services;
* If the use of the identical/similar mark for identical/similar goods or services is likely to cause confusion on the part of the public, or which is   likely to have an association with the registered trademark;
* If the use of the identical/similar mark for different goods or services is likely to take unfair advantage of or be detrimental to the reputation of the registered trademark in India, cause confusion on the part of the public or which is likely to have an association with the registered trademark;
* If a third party uses the registered trademark, as his trade name or part of his trade name, or name of his business concern or part of the name, of his business concern for goods or services in respect of which the trademark is registered;
* If the registered trademark is applied to a material intended to be used for labeling or packaging goods, as a business paper, or for advertising goods or services, provided such person was not duly authorized by the proprietor of the trademark to do so;
* If a trademark is advertised and if (a) it takes unfair advantage of and is contrary to honest practices in industrial or commercial matters; or (b) is detrimental to its distinctive character; or (c) is against the reputation of the trademark.
* If the distinctive element of a registered trademark consist of or includes words, and another mark creates consumer confusion when spoken or visually represented

Being a signatory to the Paris Convention and TRIPS, the India recognizes the concept of a well-known mark. A mark, which has been designated as a well-known mark, is accorded stronger protection because of this status. Under the provisions of The Trade Marks Act, 1999, the factors that go into determining whether a trademark is a well-known mark are as follows:

* The knowledge or recognition of that trademark in the relevant section of the public including knowledge in India obtained as a result of promotion of the trademark;
* The duration, extent and geographical area of any use of that trademark;
* The duration, extent and geographical area of any promotion of the trademark, including advertising or publicity and presentation, at fairs or exhibition of the goods or services to which the trademark applies;
* The duration and geographical area of any registration of or any publication for registration of that trademark under this Act to the extent they reflect the use or recognition of the trademark;
* The record of successful enforcement of the rights in that trademark, in particular, the extent to which the trademark has been recognized as a well-known trademark by any court or Registrar under that record.

Though under the provisions of the Trade Marks Act, 1999 the Registrar of Trade Marks is required to maintain a register of the marks that have been designated, as well-known trademark, the Registrar of Trade Marks has not yet commenced this. It is expected that this register will be extremely helpful to rights holder.

The Trade Marks Act, 1999 provides for both civil and criminal remedies. With the coming in force of the Act, a new appellate body known as the Intellectual Property Appellate Board has been created. Appeals from the Office of the Controller General of Patents, Trade Marks, Industrial Designs and Geographical Indications now go to the Appellate Board instead of the High Courts. This has been done with the purpose to reducing the backlog of cases and for increasing IP expertise at the Appellate level.

Civil Litigation: A suit can be initiated either under the laws of passing off or for infringement under The Trade Marks Act, 1999 depending on whether the trademark is unregistered, pending registration or registered respectively.

* Jurisdiction and Venue: The suit for passing off and/or infringement can be initiated either in the District Court or in the High Court depending on the valuation of the suit. The suit can be at the place where the rights holder or one of the rights holders actually and voluntarily reside or work for gain or carries on business.
* Elements of the Complaint: In the Complaint the rights holder is required to demonstrate that (a) the alleged infringing act involves a mark that is identical or similar to a trademark of the rights holder; (b) the infringing representation of a the trademark is being used in connection with goods or services and might lead to confusion in public regarding the origin of the infringing goods/services; (c) the unlawful act interfered with the trademark holder's rights of exclusive use or caused the rights holder economic loss
* Statue of Limitation: As a general policy in India, as is prescribed in the Limitation Act, the rights holder has a period of three years from the cause of action for filing the suit. However, as trademark infringement is a continuing offence and the infringer violates the exclusive proprietary right of the rights holder every time he commits a discreet infringing act, the infringing period will run anew with each new act. Nevertheless, it is advisable that the legal action be initiated against the infringer as promptly as possible in order to establish the seriousness of the rights holder’s intent before the Court.
* Ex-parte Interim Injunction: Most Indian courts will grant ex-parte interim injunctions. Ex-parte interim injunction is a temporary injunction granted without any notice to the infringer restraining him from using the infringing mark during the pendency of the trial. . This injunction is normally granted at the early stages of the trial and many a times on the first date of hearing itself, provided that the rights holder is able to establish its rights before the Court and prove the gravity of the offence merits immediate consideration.
* Appointment of the Local Commissioner: Depending on the facts of the case it is also advisable to ask the Court to appoint a local commissioner on the first date of the hearing who will raid the premises of the infringer where the infringing good are stored in order to seize the goods.
* Damages: There has been a change in the Indian judicial system in recent times with some of the courts granting damages to the rights holders. However, such cases are still few and far between and the amount of damages not substantial. One of the landmark judgments awarding damages for infringement of trademark was the case of Time Incorporated v. Lokesh Srivastava and Anr. {2005 (30) PTC 3 (Del)}. In this matter the Delhi High Court awarded INR 5 lakhs (approximately $12500) in favor of the Plaintiffs and against the Defendants on account of damages to the goodwill and reputation of Time Incorporated. The Court also passed a decree of INR 5 lakhs (approximately $12500) in favor of the Plaintiffs and against the Defendants as punitive and exemplary damages for flagrant infringement of the Plaintiffs’ trademarks and copyrights by the Defendants.

Criminal Litigation: The Trade Marks Act, 1999 provides for remedies for infringement under the criminal laws too.

Under the trademark laws, the police have the power to *suo moto* conduct raids and seizure operations. However, the use of such powers by the police is minimal.

Under the criminal laws, should the rights holder not be aware of the details (name, address, dates of infringement, etc.) of the infringers, it is advisable to procure a general search and seizure warrant from the local magistrate and thereafter organize search and seizure operations in that area. In the alternative, should the rights holder be aware of the details of the infringer a complaint can be lodged with the police authorities and raids organized accordingly. In a criminal proceeding the litigation is between the State and the infringer and therefore the rights holder has a limited role to play. The maximum imprisonment that an infringer can get under The Trade Marks Act, 1999 is up to three years with a fine of up to INR three lakhs (approximately $ 7140). However criminal sentences are rare.

Provisions under the Customs Laws: Besides the civil and the criminal remedies mentioned herein above, there are also certain provisions under the trademark law and the customs law which prohibit the importation of infringing goods in India. The Customs Authorities have recently promulgated guidelines known as the Intellectual Property Rights (Imported Goods) Enforcement Rules, 2007, under which the rights holder can record their registered trademarks with the Customs authorities. These guidelines authorize the Custom officials to seize goods infringing the trademarks of the rights holder at the border without obtaining any orders from the court[[3]](#footnote-4). Under these rules, the Custom authorities have initiated a recordation system using which the rights holder may give a notice in writing to the Commissioner of Customs or any other Customs officer authorized by the Commissioner at the port of import of infringing goods requesting the suspension of clearance of goods suspected to be infringing the trademarks of the rights holder. Subsequent to the filing of such notice, the Commissioner is bound to notify the rights holder within the prescribed time regarding the acceptance or rejection of this notice. In case of acceptance of the notice, the normal period of validity of such registration is one year during which assistance will be rendered by the Customs authorities to the rights holder to prohibit the importation of infringing goods at the border. After the grant of this registration the importation of goods that infringe the rights holder trademarks are deemed to be prohibited, as has been defined under The Customs Act, 1962. The Customs officers have the authority to suspend the clearance of such prohibited goods either at the information received by the rights holder or by initiating *suo moto* action, provided they have *prima facie* evidence or reasonable grounds to believe that the imported goods are goods infringing the trademarks of the rights holder. After the clearance of the suspected goods is suspended the Customs authorities have to inform the rights holder of the same and should the rights holder not execute the requisite bond and join the proceedings against the importer within the prescribed period the Customs authorities will release the suspended goods. These rules also empower the Custom officers to destroy the suspended goods under official supervision or dispose them outside the normal channels of commerce after it has been determined that the goods detained have infringed the trademarks of the rights holder and that no legal proceeding is pending in relation to such determination. These rules also prohibit the re-exportation of the goods infringing trademarks in an unaltered state.

**Expected Developments**

It is expected that the system of electronic prosecution of trademark applications will commence shortly in India. The Trade Marks Office is in the process of gearing up for the launch of this system. Moreover, it is also expected that the Office of Trade Marks will commence maintaining a register of well-known marks shortly thus making the protection of the marks that have been designated as well-known marks much easier.  Furthermore, a bill has been introduced in the lower house of the Parliament to amend the Trade Marks Act, 1999 to include provisions regarding the filing of trademark   applications under the Madrid Protocol. The bill is likely to be passed in a few months. Moreover, the Customs authorities are also in the process of upgrading their information technology infrastructure so that they can accept notices from rights holder electronically.

**Trademark Legislations in India**

* The Trade Marks Act, 1999 along with The Trade Marks Rules, 2002

**International Treaties to which India is a signatory**

* Paris Convention for the Protection of Industrial Property
* Nairobi Treaty on the Protection of the Olympic Symbol
* Agreement on Trade Related Aspects of Intellectual Property Rights  (TRIPS)

**FAQs**

1. **Must I sell my products or offer my services in India before I seek protection?**  
   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.
2. **How do I file for a trademark in India?**

The procedure for the registration of the trademark is described under the section ‘Registration Procedure’

1. **What is the filing fee?**

The official filing fee for filing one trademark application in one class and without claiming priority is INR 2500/- (approximately $ 60). [The details of the official filing fees for various kinds of applications can be found at here](http://ipindia.nic.in/tmr_new/first_schedule_forms/the_first_schedule.htm).

1. **What are the typical costs for representation in India?**

The attorney charges for filing the application will depend on the trademark  agent/attorney that you will hire. However typically the filing of a trademark application in one class without claiming priority, will range between USD 200 to USD 300.

1. **Can I file a single application for use of my mark on more than one good or in association with more than one service in India?**

Yes. India recognizes the system of multi-class applications and follows the International Classification. There are 42 classes in which the goods and services have been divided in India and you can file for multi-class applications both for goods and services.

1. **I have a design logo and want to apply for the registration of the same for identical goods and services in black and white as well color. Can I do so in one application?**  
   Yes. You can do so in one application as India recognizes the system of series application.
2. **What is the duration of a trademark in India?**

A trademark in India is valid for 10 years and can be renewed thereafter indefinitely for periods of 10 years.

1. **What should I do if a competitor has already registered my 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.
2. **Who can use the symbol ® in India?**

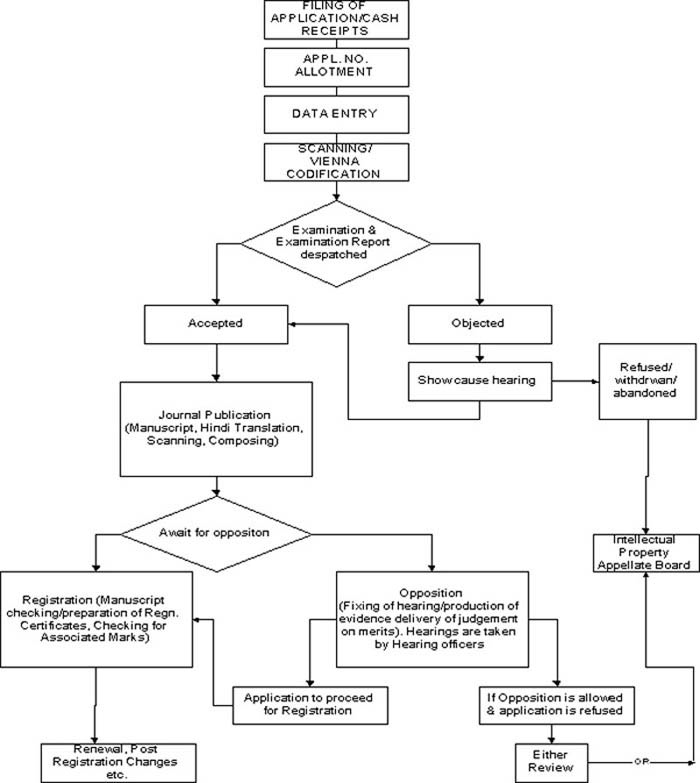
Only the proprietor of a trademark whose trademark has been registered in India can use the symbol ® in India. Using the symbol ® unless your mark has been registered in India is unlawful.

1. **When can the symbol ™ 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 ™ in India.

1. **What is the penalty that is prescribed under the 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 INR fifty thousand (approximately $ 1190) but which may extend to INR two lakh (approximately $ 4760).



1. See TRIPS article 15 [↑](#footnote-ref-2)
2. Before the coming into force of the new Act, some applications have been known to be pending for periods as long as 15 years. [↑](#footnote-ref-3)
3. [Govt. of India Notification No. 47/2007-Customs (N.T.)](http://www.cbec.gov.in/customs/cs-act/notifications/notfns-2k7/csnt47-2k7.htm) [↑](#footnote-ref-4)