

WHAT ARE INTELLECTUAL PROPERTIES or “IPR”?

The term ‘intellectual property’ or IPR normally relates to all intangible properties which are intellectual in nature. These are the creations of the human mind and human intellect. IPR is very similar to property rights vested in movable and immovable properties. Intellectual properties, like any other assets, are characterised by certain rights as well as limitations. Intellectual properties normally include: Trade-Marks, Patents, Copyrights, Designs, Confidential Information, Trade Secrets and know-how etc.

WHAT IS A TRADE-MARK?

A trade-mark 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 the shape of goods, their packaging and combination of colours etc.

THE ESSENTIAL REQUIREMENT OF A TRADE-MARK:

- ⇒ It must be a mark i.e. a device, brand, heading, label, ticket, name, signature, word, letter or numeral, shape of goods, packaging or combination of colours or any combination thereof.
- ⇒ It must be capable of being represented graphically.
- ⇒ It must be capable of distinguishing the goods from those of others.
- ⇒ It must be used or proposed to be used.
- ⇒ The use must be of a printed or other visual representation of the mark.
- ⇒ The use must be for the purpose of indicating, or so as to indicate, a connection in the course of trade between the goods or services and some person having the right to use the mark.

WHY TRADE-MARKS?

1. Consumers all over the world nowadays buy many products by brand name and not by generic product names. They have, in many cases, cultivated brand loyalty and for the modern-day consumer a particular brand assures a particular level of quality. Branded products are generally sold at a printed retail price. Thus, it eliminates the requirement of unwanted bargaining and the possibility of the buyer being cheated by the seller in terms of price and quality.
2. Under modern business conditions, a trade-mark performs the following important functions:
 - A trade-mark helps the purchaser to identify the manufacturers or quality of goods.
 - It gives the purchaser the satisfactory assurance of the make and quality of the goods.
 - It is used to indicate the particular make of the goods.
 - It advertises the product.

COMMON LAW AND TRADE-MARK

The definition of a trade-mark given under the trade-marks Act is applicable to unregistered trade-marks in use, i.e. what are known as common law trade-marks. An unregistered trade-mark enjoys protection against infringement and the protection afforded to it as a prior user of the trade-mark. Brands in India are protected under the common law and also under the law relating to trademarks. The Trade & Merchandise Marks Act, 1958, has been the law governing trademarks in India. The 1958 law recognises only the marks relating to tangible products and not service marks. However, the new law, viz. the Trade-Marks Act, 1999 recognizes both the tangible products and services.

MODE OF ACQUISITION OF TRADE-MARK

A trade-mark can be acquired by a trader or manufacturer by any one of the following modes of acquisition:

- Creation or innovation of a trade-mark
- Assignment from another owner of a trade-mark
- Prolonged usage
- Licence under common law

REGISTRATION OF TRADE-MARKS

To get a brand protected under the provisions of the trade-mark law, one has to get one's brand registered. For the registration of a trade-mark, an application must be made on the prescribed form by the person claiming to be the proprietor of the Trade-mark.

The registration procedure of a trademark in India used to take approximately five to seven years earlier, but due to the use of new technology and computerisation by the trade-marks registry, the delay in the registration process is reduced almost to about 18 months.

Any person claiming to be the proprietor of a trade-mark and who is desirous of registering it, must apply in writing to the registrar on the prescribed form. However, before making an application for the registration of a trade-mark, it is necessary to conduct a search of the trade-marks registry to ascertain whether any other similar mark is registered or is pending registration. It is always recommended to take legal advice from a Registered Trademark Attorney.

Actually, the search must be carried out well before commencing the business of using any trademark. Getting the search done beforehand would help in avoiding the circumstance in which you invest in building your brand for a considerable period of time, before you discover the same or a similar mark owned or registered by someone else.

A single application may be made for the registration of a trademark for different classes of goods and services and the fee payable will be in respect of each such class of goods or services.

What ARE REGISTRATABLE TRADEMARKS?

A trademark may be registered for 'name per se' and for 'logo' 'label' or 'device'. The 1999 Act also recognises a combination of colours, shapes and packing of the goods as eligible for granting of registration as a trademark. For example, the shape of the "bottle of Pepsi" may be eligible to be registered as a trademark.

Even the mission statements, motto statements or other similar statements may be registered as a trademark if the same are applied to the product. However, a trade-mark must satisfy **the following conditions** to be eligible for registration:

- ✓ It must be capable of distinguishing goods or services of one person from those of another. For example, 'medicine' in relation to the healthcare business is not a distinguishing mark.
- ✓ It should not consist exclusively of marks or indications used in general for referring to the characteristics of goods or services in kind, quantity, quality, intended values, geographical origin etc: For example, 'Darjeeling Tea,' 'Excellent', 'No.1' etc.
- ✓ It should not consist exclusively of customary marks or indication in the current language or in the bona fide or established practices of the trade: for example, typical types of letters and pictures generally used by Chinese restaurants.
- ✓ It should not be of the nature intended to deceive the public or cause confusion. For example, 'Mata' in relation to footwear business as against 'Bata'.

- ✓ It should not contain or consist of any matter likely to hurt the religious susceptibilities of any class or section of the citizens of India: For example, 'Ram', 'Allah' etc., depending upon the goods and services for which the same is used.
- ✓ It should not comprise or contain scandalous or obscene matter.
- ✓ Its use should not be prohibited under the Emblems and Names (Prohibition of Improper Use) Act, 1950; for example 'Bharat', 'M.K.Gandhi', etc.
- ✓ It should not consist exclusively of the goods resulting from the nature of the goods themselves. For example, a picture of mango cannot be considered as a registrable label in relation to mangoes.
- ✓ It should not consist exclusively of the shape of the goods which is necessary to obtain technical results.
- ✓ It should not consist exclusively of the shape that gives substantial value to the goods: For example, a designer watch with an exclusive shape that gives substantial value to such a shape may be registered under the Designs Act, 1911, as a design and not as a trademark.
- ✓ The registration of a trade-mark may be refused if its use in India is liable to be prevented under the law of copyright or under the common law of protecting an unregistered trade-mark.

HOW TO APPLY FOR THE REGISTRATION OF A TRADE-MARK:

- ✓ The application for the registration of a trade-mark other than a textile mark or certification of a Defensive mark must be made in triplicate in form TM 1.
- ✓ The Application must be confined to goods consisting of one class only according to the fourth schedule of the rule.
- ✓ A representation of the mark should be affixed to the application.
- ✓ The FIVE additional representations corresponding with the representation of the mark on the application must also accompany the application.
- ✓ The additional representation must contain the class and the specification of the goods for which registration is sought.
- ✓ It should also contain the name of the applicant and the period of the use, if any of the trade-marks and such other particulars as may from time to time be required by the Registrar of Trade-marks.
- ✓ It should be signed by the applicant or Attorney/Agent of the applicant.
- ✓ Where the application is made for the registration of a series of trade-marks, copies of representation of each trade-mark of the series must accompany the application.
- ✓ It is always advisable to get due legal advice from a Registered Trademark Attorney for the appropriate registration and documentation.

STAGES IN THE REGISTRATION PROCESS

- ⇒ The applicant or his Attorney shall present his application to the Regional Office.
- ⇒ The applicant shall obtain a Numbered Copy from the Trade-mark Registry.
- ⇒ The examination procedure and communication are communicated, if the application is found in order for registration.
- ⇒ The Trade-mark Journal will carry the advertisement.
- ⇒ After the expiry of three months from the date of advertisement in the journal, if no opposition is filed the application is processed for registration after paying the prescribed fees and the registration is entered in the Register of Trade-marks.
- ⇒ Any person may within a period of three months from the date of advertisement in the Trade-mark journal give notice to the Registrar in Form TM 5.
- ⇒ This period can be extended by 1 month by filing a request under TM 44 for extension. The copy of the notice is communicated to the applicant and he is required to file a counter-statement in Form TM 6.
- ⇒ If no counter-statement is filed within the stipulated time, the application is deemed to have been abandoned.

- ⇒ If a counter is filed, evidence should be admitted.
- ⇒ Upon completion of the evidence, the registrar sends a notice for the hearing of arguments.
- ⇒ After completion of the hearing of the arguments, the registrar pronounces the order.
- ⇒ The party aggrieved by the decision of the registrar may prefer an appeal to the High Court.
- ⇒ If no appeal is filed, the application proceeds for registration of the mark.

FUNDAMENTAL PRINCIPLES OF REGISTRATION

- ✓ Descriptive words, surnames and geographical names are not prima facie, allowed to be registered.
- ✓ The registration of a TM should not interfere with the bona fide use by any person of his own name business etc.
- ✓ The first user enjoys similar rights that are acquired by a person who has registered a mark under the Act.
- ✓ The trade-mark should not mislead the public as to the origin of the goods.
- ✓ The trade-mark to be registered shall not cause hardship to anyone.
- ✓ The life of a trade-mark depends on its continuous use; non-usage may lead to its eventual death.
- ✓ The trade-mark, whether registered or unregistered, being a property, is assignable and transmissible.
- ✓ The opposition to grant the registration of a trade-mark may be done even by members of the public.
- ✓ The onus of proving a case for registration of a trade-mark is on the applicant of the trade-mark.

STAGES FOR THE REGISTRATION

An application for registration should contain the following particulars: the name and address of the applicant, his place of business, the goods or services in respect of which registration is sought and the classes in which they fall, whether the mark is used or proposed to be used and any additional matter is required. These particulars should be presented to the appropriate office of the Trade-mark Registry. On receipt of an application for registration, it is allotted a serial number which is used as a reference number for the application and subsequently for the Trade-mark when registered.

Objection to the Application

The following are some of the objections to the application, which may be raised:

1. The application does not comply with any of the formal requirements and procedure under the rules.
2. The mark applied for is not a trade-mark within the meaning of the statutory definition.
3. The mark is devoid of a distinctive character or not capable of distinguishing itself or is otherwise prohibited.
4. The mark offends Section 11 etc.

Acceptance and Advertisement

If the applicant or his Attorney satisfactorily meets all the objections raised by the office, his application will be advertised in the Trade-mark Journal either as accepted or before acceptance. As a condition for acceptance of the applicant, the Registrar may require any amendment for modification of the application to impose any condition or limitation as he may think fit. In such an event, the grounds for refusal or conditional acceptance has to be recorded. The Registrar, however, has the power to withdraw his acceptance, subject to certain conditions.

Amendment of application

Section 22 of the Act empowers the Registrar to permit the correction of any error in the application or an amendment of the application.

Opposition

After the Trade-mark application has been advertised in the journal, any person may within three months from the date of advertisement, or within a further period up to one month allowed by the Registrar, file a notice of opposition to the registration of the Mark. When an opposition has been lodged, the question of acceptance or refusal of the mark will be

considered after the opposition proceedings are completed. The question of the registration of the mark will arise only after the opposition has been disposed of in favour of the applicant. When a Trade-mark is advertised in the journal, any person may within the prescribed time give notice of opposition on a prescribed form, stating the grounds of opposition. The notice, along with the prescribed fee, must be filed with at the office of the Registry where the application was filed. A copy of the notice has to be served by the Registrar on the Applicant for registration.

Registration

After an application has been advertised, it is accepted, if has not been opposed. If opposed, after the opposition has been overruled and the matter decided in favour of the applicant, the trade-mark will be registered and the Registration Certificate shall be issued for a period of 10 years from the date of application.

Renewals

After 10 years of registration the Trademark has to be renewed for a further 10 years, till the owner wishes to continue it as his proprietary trade-mark. Renewals have to be made before the validity expires or within one year of expiry with penalties. Any default in renewal beyond one year shall render a 'Lapse of Trademark'.

Flow-Chart of Registration Procedure

As annexed.

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Flow-Chart for Trademarks in India

