

# INTELLECTUAL PROPERTY LAW PROJECT

## PROTECTING THE TRADEMARK ON GROUND OF ACQUIRED DISTINCTIVENESS

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### INTRODUCTION

For performing commercial and business activity in the modern world the traders and the businessman are required to associate their commercial activity with some marks, symbols or other things in order to get recognition and identification for their business activities. These marks and symbols which help in the identification of the product or business are popularly known as “trade marks”<sup>1</sup>. The word trade mark is made of two words, trade and mark. In order to understand and appreciate the idea of trade mark we have to understand the meaning of the words. A mark includes words, letter, or symbols, or any combination of these elements for the purpose of identification of business or trade and services of a particular commercial activity to which such marks belongs. Further, with the development in science and technology, sounds and 3d images also able to get their recognition as a trade mark. So in other words marks that allow a person to distinguish the product and services of one person from another are called trade-marks.

### TRADE MARK

A Trade mark can be portrayed as a intellectual property which symbolize a recognizable design, expression, indication which distinctively recognize a particular service or product from the others. The owner of the trademark can be a company, individual or a legal entity and are entitled with right for compensation if there is violation of the trade mark in any manner. A Trade mark can found on the product, packaging of the product or voucher of the product itself and in the case of a corporate identity they could be displayed on banners or company

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<sup>1</sup> C.B. RAJU, “INTELLECTUAL PROPERTY RIGHTS”, P.5.

building itself as they are symbolic to a particular product or service. Moreover a trademark can be recognized as a particular type of intellectual property.

There are three types in which a trademark can be designated –

- Trademark symbol which is used for unregistered trade marks which is portrayed as (™).
- Service mark which is used for unregistered service mark which is portrayed as (SM).
- <sup>R</sup> surrounded by circle for registered trade mark.

A trademark recognize the the owner of the brand of a specific product or service. The owner of the trademark has a legal right for action against trademark infringement but trademark can be used under licensing agreement or by permission of the owner of registered trademark.

Eg. In a landmark deal that ranks among one of the largest movie franchise rights ever, NBCUniversal has acquired rights for the well known film and are accompanied by J.K Rowling's Wizarding World franchise from Warner Bros.<sup>2</sup>

## **OBJECTIVE OF TRADE MARK LAW**

There are two main objective of trade mark law which are as follows-

1. To prevent confusion among the public regarding the identification of the goods and the source of origin of the goods/service.
2. To protect the goodwill of the owner of a Trade mark by preventing unauthorised use of trade mark by a non owner.

## **FUNCTION OF TRADE MARK**

Following are the functions of a trade mark

1. Helps in the identification of goods and services of a manufacturer. It provides the information about the source and origin of the goods and services.
2. It provides that goods and service ancillary to such goods are originated from the single source. Trade mark helps in the identification.
3. Trade mark on a particular goods and service ensure the standard of quality provided by a particular manufacturer of such goods. <sup>[L]</sup><sub>[SEP]</sub>

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<sup>2</sup> Nathan Reiff, NBCUniversal Buys Harry Potter Rights In Enormous Franchise Deal, Investopedia (Jun.25,2019), <https://www.investopedia.com/news/nbcuniversal-buys-harry-potter-rights-enormous-franchise-deal-nbcutwxdwa/>

4. Goods and Services bearing trade Mark advertise the about source, origin and quality of the goods and services. [L]  
[SEP]

## **NON-TRADITIONAL TRADE MARKS**

The non-traditional trade mark or the modern trade mark, include the following

1. Three-dimensional marks (which may also include the shape of goods or their packaging, colours etc.) [L]  
[SEP]
2. Smell Marks. [L]  
[SEP]
3. Sound Marks. [L]  
[SEP]
4. Taste Marks. [L]  
[SEP]
5. Moving images and Holograms including gestures [L]  
[SEP]

## **PROPRIETARY RIGHTS IN THE TRADE-MARK**

A mark is an intangible commercial property and offer two kinds of rights to its owner. First, bundle of rights which are attached to this intangible property. Secondly, the right of goodwill and distinct property is created by the way of trade mark rights. The rights and the property in a trade-mark is creation of law which is to be understood in the legal context only. Sometimes traders and the corporate entity claims the right and property in a mark on the bases that they are the first user of the mark and it has obtained distinctiveness in his mark in relation to the particular good manufactured by him in the course his business. Hence, even the continuous use of the mark provides the users of the marks some rights which generally a registered user of a trade mark carries with him. This is based upon the old notion of property that the ownership in the property can be acquired by the way of long use and possession of that property. Thus long term use and registration are the two known methods through which a person acquires the trade-mark under the common law system.

## **EVOLUTION OF TRADE MARK LAW IN INDIAN LEGAL SYSTEM.**

Before the Independence, during the British Rule, the legal protection for the violation of a trade mark was provided under the Trade mark Act, 1940. The Act of 1940 was based upon the Trade Mark Act, 1938 of England. The development in the trade mark laws of India was parallel to the trade mark laws of England. However, since the enactment of the Act of 1940 various developments in the field of business and trade took place which turned the Act obsolete. In order to catch up with these advancements, the Government of India during the Post independence period enacted the Trade Enquiry's committee in the year 1953. In the year 1958, the Trade Mark and ..

Merchandise Act 1958 was enacted on the bases of 1953 committee's report. After the liberalization, globalisation and privatisation of the economy in the year 1992, the trade mark

act of 1958 become useless to meet and tackle the new changes and consequently the act of 1999 was enacted. The present legislation of the which provides the mechanism for the protection of trade mark and other marks is known as the Trade Mark Act, 1999. The main object of the Act of 1999 was to enact and consolidate the laws relating to the protection and regulation of trade marks in the Indian economy for the purpose of legal protection of the commercial interest of the businessmen and traders in the economy.

Following are the salient features of the Act of 1999-

1. The updated and enhanced definition of Trade Marks now includes the word “service” which further increase the scope and applicability of the legal of protection provide under the Trade-Mark laws in India. As after the Golobalization and privatization of the economy, the Indian markets observed the growth in service sector. Therefore, it was necessary to provide legal protection in order to maintain the growth of service sector. [L]  
[SEP]
2. Simplification was the main goal of Madrid Protocol and same was incorporated in the Indian Trade mark Act, 1999. The new act provided for the single application for more than one class of services and goods for the registration. [L]  
[SEP]
3. The Act of 1999 also provided the registration for the “collective marks” as trade marks. The Act defined the collective marks as another class of Trade Mark which is capable of Trade Mark registration. [L]  
[SEP]
4. The new also provided for the better protection of the well known Trade Marks. The act first time defined the well known Trade-Marks and provides that a trade-mark is subject to the refusal of registration if it is identical to a well known trade-mark. [L]  
[SEP]
5. The act also provides for the criminalization of the act of infringement by providing the penalties which are criminal in nature. Falsifying the trade-mark, false application of the trade mark etc are the few instances in which person be punished with either criminal imprisonment or penalty or both. [L]  
[SEP]
6. The Trade Mark Act, 1999 provides for the International arrangement made by India with other countries to provide Indian Citizens similar protection which is afforded by the citizens of such other countries with whom the arrangement are made for the purpose of legal protection in relation to Trade mark Violation. [L]  
[SEP]

### **The Trade Mark (Amendment) Act, 2010**

The Trade Mark (Amendment) Act, 2010 has added a new chapter in the Trade Mark Act, 1999. The Chapter IV contains the new chapter in the Trade Mark Act, 1999 which contains seven section from 36A to 36G relating to the protection of the Trade Mark through International registration for the Madrid Protocol.

## ELEMENT OF DISTINCTIVENESS IN THE TRADE MARK

A trade mark must be capable of distinguishing the goods and service of particular manufacturer from that of others. For the purpose of distinguishing or capable of distinguishing the goods and services of the manufacturer, the goods or service provider must carry the trade mark.

### Acquired distinctiveness

Trademark of no distinctive character (i.e. a mark not inherently distinguishable) is prima facie unregistrable. Nonetheless, most jurisdictions may still require these marks to be licensed if the proprietor of the mark can show, usually by reference to proof of use, that customers on the market associate the mark exclusively, as used on the specified products or in connection with the Identified services having a particular commercial origin or source (i.e., the proprietor of the mark). "Using" may include a licensee or other party allowed to use it. If the trade mark office is satisfied that the evidence shows that a mark has genuinely "acquired" distinctive character, then the mark may be approved for registration on the basis of acquired distinctive character.

The nature and extent of appropriate evidence of use varies between jurisdictions, even though the most beneficial evidence usually includes sales figures, details of advertising and promotional expenditure, and examples of promotional material. Consumer surveys might also help set up that customers chiefly accomplice an otherwise non-distinct mark with the trademark proprietor and its products or services. Generally, proof of use may most effective be perfect or relevant if it covers a positive duration of time (e.g. 3 years prior to the filing date of the trademark application) and originates from inside the jurisdiction wherein registration is sought

Trademark rights generally arise out of the use and/or registration (see below) of a mark in connection best with a particular type or range of products or services. Although it may on occasion be viable to take prison movement to save you using a mark in relation to services or products outside this range (e.g. For passing off), this doesn't mean that trademark regulation prevents the use of that mark by the general public. A commonplace word, phrase, or different signal can simplest be removed from the public area to the quantity that a trademark proprietor is able to keep specific rights over that sign in relation to certain services or products, assuming there are no other trademark objections.

- Apple corp vs apple computer

### Methods by which acquired distinctiveness can be achieved

Continuous and unique usage that exceeds 5 or greater years along side a assertion made and verified through the claimant.

A declare of ownership of 1 or greater previous registrations at the Principal Register for the same mark for services or goods which might be associated or are similar to those named inside the pending application.

Actual proof of received distinctiveness.

Remember, it's useful and necessary to reveal acquired distinctiveness primarily based on "actual evidence." The evidence can be:

- Advertising expenses.
- Declarations from client or others within the industry.
- Evidence related to the reach and quantity of advertising.
- Media coverage.
- Surveys
- The use and period of the mark.

### **Absolute ground for refusal of registration**

The trade marks—

1(a) which are devoid of any distinctive character, that is to say, 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 service;

(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, shall not be registered: Provided that a trade mark shall not be refused registration if before the date of application for registration it has acquired a distinctive character as a result of the use made of it or is a well-known trade mark.<sup>3</sup>

It is specifically mentioned in section 9(1)(c) that any mark or symbol which is customary in current language and is devoid of distinctive character or which designate kind, quantity, quality of production of goods or service shall not be registered but it has mentioned in the proviso that that a trademark cant be refused for registration if the owner is successful in proving that the product or service has acquired a distinctive character.

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<sup>3</sup> Section 9 (1), The Trademarks Act, 1999

## RELATIVE GROUNDS FOR REFUSAL OF REGISTRATION

### Well known Trademark

The Trademarks Act, 1999, defines well-known trademark as, "a mark which has come to be to be able to the big segment of the public which makes use of such goods or receives such offerings that using such mark in terms of other items or offerings might be likely to be taken as indicating a connection within the course of trade or rendering of services between those goods or offerings and someone the usage of the mark when it comes to the first referred to items or offerings."<sup>4</sup>

With arising of the brand new Trade Mark Rules 2017, a new manner has been created that lets in the Registrar to proclaim a selected trademark as "well known". According to the new rule, a trademark proprietor can file an software in form TM-M with a request made to the Registrar for declaring the mark to be "well-known". A famous exchange mark has been vouchsafed with first-rate safety and safeguards towards passing off and infringement of such trademarks. Well-known logos are acknowledged in India on the basis in their reputation, nationally, the world over and the cross-borders.

### Provisions related to well-known trademarks

#### 1. Rule 124 of Trade Mark Rules 2017

- i. This rule lets in the trademark owners to record a request for provide of "well-known" trademark to the Registrar in shape TM-M. Before the approaching up of this rule, a mark become declared famous best after court cases, rectification and competition held earlier than the Hon'ble courts. With the advent of this rule and the technique laid thereof, a hallmark proprietor can request for a famous trademark without entering into any complaints or rectifications. Rule 124 guarantees a hallmark to be granted the tag of "well-known" merely by an utility of request to the Registry.

#### 2. Trademarks Act, 1999

- Section 11 (2) Protection of famous marks throughout all training, the provision of this section extends the ambit of protection provided to the famous trademarks. According to this clause, well-known trademarks are to be acknowledged and protected throughout all the instructions of products and offerings.
- Section 11(6) Factors taken into consideration at the same time as determining the trademark as well-known

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<sup>4</sup> Section 2 (1) (zg), The Trademarks Act, 1999

- A Joint Resolution Concerning Provisions at the Protection of Well-Known Marks became adopted by way of WIPO within the year 1999 so that you can protect the famous marks from misuse and infringement, wherein various factors to decide a famous trademark became enlisted. India being a member of World Trade Organisation, followed these factors and enshrined it in clause 6 of Section eleven of the Trademarks Act. These determining elements includes – 2

Knowledge approximately the mark in relevant sections of the general public; the duration, extent and geographical region wherein the trademark is used; the duration, extent and geographical vicinity in which the trademark is promoted with respect to the products and offerings to which it applies; registration or application for registration of the trademark to the volume they reflect the use or popularity of the alternate mark; the report of a hit enforcement of the rights in that alternate mark consisting of the report stating that the trademark has been recognized as well known with the aid of any courtroom or Registrar.

- Section 11 (9) – Conditions not required for famous trademark registration

The section especially mentions certain conditions which want no longer be required for the reason of granting of famous trademark. These conditions are-

- That the TM has been utilized in India;
  - That the TM has been registered;
  - That the application for registration of the exchange mark has been filed in India;
  - That the alternate mark is widely recognized in or registered in another jurisdiction aside from India;
  - That the trademark is famous to the public at big in India.
- It can for this reason be stated that for a trademark to be granted safety in India, it isn't essential that the mark proprietor has his enterprise in India or its trademark is registered within India, nor is it required that the trademark is thought to the hundreds as a whole. Thus, the precise provision provide for the idea of trans-border popularity of trademark.

- Section 11 (10) –Obligation on the Registrar

It is an obligation at the registrar that in case of a dispute and/or infringement the registrar must shield the interest of the well-known trademark in opposition



to the equal ones and also have to think about and note the sick aim and malafide motive of the complainant or the opponent.<sup>5</sup>

## PROTECTION OF UNREGISTERED TRADEMARKS IN INDIA

Rights holders face a number of challenges when it comes to preserving emblem equity. With changing customer preferences, various features need to be updated to preserve brands sparkling and interesting. For budgetary reasons, the first priority for rights holders is to seek safety of the primary mark, followed through secondary marks and factors including colour, representation and tag lines. In some cases, those additional elements won't qualify for safety on the time of adoption, but are able to achieving secondary meaning over time.

Where logos and their capabilities reap popularity, copycats are not a long way behind. Typically, a rights holder might also face direct infringement of its mark thru use of an equal mark on competing products, unauthorised use of elements of the mark or use of the mark on completely exceptional products.

For a passing-off action to succeed, the owner of an unregistered trademark must demonstrate the following:

- The unregistered mark has become distinctive of its goods through use;
- Goodwill exists in the mark in favour of the owner;
- The disputed goods or services make false representations and convey an association with the owner's goods and business;
- The representation is fraudulent and knowingly made; and
- The owner has suffered or is likely to suffer injuries or damages as a result of the misrepresentation.<sup>6</sup>

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<sup>5</sup> Sonal Sodhani, All you need to know about "Well Known Trademarks", Mondaq (May.22,2019), <https://www.mondaq.com/india/Intellectual-Property/808148/All-You-Need-To-Know-About-Well-Known-Trademarks>

<sup>6</sup> Mohandas Konnanath, Courts step up to protect unregistered trademarks and trade dress, World Trade Review (Sep.1, 2017), <https://www.worldtrademarkreview.com/portfolio-management/india-courts-step-protect-unregistered-trademarks-and-trade-dress>

**Judicial responses**

- *Hindustan Development vs The Deputy Registrar Of Trade*

Whether" the word "Rasoi" even if it be held to have a direct reference to the character and quality of the goods and to be distinctive, would the word "Rasoi" nevertheless be ineligible for registration in view of the fact that it is a common word of the language of which no monopoly should be granted to a particular trader. It is undoubtedly true that the common words, of a language are public property and that no one should be allowed to appropriate one of such words to his exclusive use and thereby deprive other persons of the legitimate right to use the said word. In the precedents<sup>7</sup> it was observed that no imposition of an absolute bar for the registration of any common word as a trade mark. In the present case however the word "Rasoi" has not become distinctive of the applicant's goods and as such it is also ineligible for registration on ground that no trader or anyone can have ordinarily a monopoly over an ordinary word of the any language.

- *Living Media India Limited v. Jitender V. Jain and Anr*

In this case **the problem earlier than the court** was- **whether** the **name** and **style** of "AAJ TAK" and its **brand** is a generic **term** and as such **is not** the monopoly of any particular **person** either **with regards** to the news programme or otherwise. The **courtroom discovered** that **although** the **phrases** "AAJ TAK" are descriptive in nature **and even if they** have a dictionary meaning, **collectively it's still** coined **word** of the plaintiff and has **received** a secondary meaning **by means of virtue** of prior, **continuous** and **large** use and **therefore** the **combination of the 2 words** "AAJ TAK" **can't be used** **by another** user.

The **court** held that Both the **words** "AAJ" and "TAK" **can be in my view** descriptive and **might not be** monopolized **by means of** any user. But **together** the **mixture** of **phrases** has **obtained** distinctiveness **by using distinctive feature** of prior, **non-stop** and **enormous** use and **therefore**, is protected.

- *Reddaway and Co Ltd v Banham and Co Ltd*

In this leading case law about descriptive words having acquired secondary meaning/secondary significance. And rule derived from this case law forms an essential part of the Indian Trademark law.

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<sup>7</sup> In Re vs Dunn , (1889) 6 RPC 379

In this case, the plaintiff manufactured and sold Camel Hair Belting. The defendant also began to sell belting made of camel's hair in the name of Camel Hair Belting. The trader claimed a right in the term 'Camel Hair'.

It was held that- the term "CAMEL HAIR" was descriptive but had acquired secondary

## **CONCLUSION**

From the above discussion, we can conclude that the Trade-Mark recognition and the bundle of Rights which it carries along with it provide a unique protection to the proprietors and businessmen. Further it is not just an tool for protection but also an instrument of recognition of the ownership of a particular goods and services. The trade-mark law is developing concept in Indian Continent and always subject to the changes because emerging technologies and Innovation. Finality and settlement of the Trade-mark laws and practice is virtually impossible.