

IPR - MODULE- 01 - CHAPTER-02

TRADEMARKS

A trademark is a recognizable insignia, phrase, word, or symbol that specifies a specific product and legally differentiates it from all other products of its kind. A trademark exclusively identifies a product as belonging to a specific company and identifies the company's ownership of the brand.

A trademark can be a corporate logo, a slogan, a brand or simply the name of a product.

Example : i) "Coca Cola" - Name & logo

Company

ii) LG - LG is the brand with slogan "Life's Good"

iii) ISKCON - International Society for Krishna Consciousness.

A trademark as defined under Section 2(zb) of the Indian Trademarks Act, 1999, as mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person - ---

Trademarks are registered at a national or territorial level with an appointed governing body and may take anywhere between 6(six) months to 18(Eighteen) months to be processed.

Individual countries provide protection for registering in their same countries as USA, UK, Japan, EU etc.

There is also Madrid System that provides a facility to submit Trademark Applications to many countries at the same time.

Trademark Related Treaties administered by WIPO are as follows:

Paris Convention, Madrid Agreement (Marks), Madrid Protocol, Nice Agreement, Vienna Agreement, Singapore Treaty, Trademark Law Treaty, Nairobi Treaty.

SOURCES OF LAW GOVERNING TRADEMARKS IN USA:

Trademarks in USA are governed by both State Common Law and Federal Law. The main federal statute is the Lanham Act enacted in 1946 and subsequently amended in 1996.

SOURCES OF LAW GOVERNING TRADEMARKS IN INDIA:

Indian trademark law statutorily protects trademarks as per the Trademark Act, 1999. Statutory protection of trademark is administered by the Controller General of Patents, Designs and Trade Marks, a government agency which reports to the Department of Industrial Policy and Promotion (DIPP), under Ministry of Commerce and Industry.

OBJECTIVE OF TRADEMARKS:

- i. A trademark provides the trademark owner the exclusive right to use the mark.
- ii. A trademark allows the trademark owner to prevent others from using the same or similar marks.

PURPOSE OF TRADEMARKS: Trademark serves multiple purposes:

- i. A genuine trademark prevents unfair competition between companies
- ii. A trademark protects the owner's investment and reputation

- III. Trademark distinguishes and identifies commercial services or goods that a seller or manufacturer sells from other companies/ sellers.
- IV. A trademark provides information about where the logo/ name/ brand came from.  
(Identifying the source or origin of goods.)

#### FUNCTION OF TRADEMARKS:

- I. It identifies the product and its origin.
- II. It proposes to guarantee its quality.
- III. It advertises the product and represents the product.
- IV. It creates an image of the product in the minds of the public particularly the consumers or the prospective consumers.
- V. It assists the consumers in making proper decisions about the purchase of goods.

## ACQUISITION OF TRADEMARK RIGHTS:

Globally the acquisition of trademark rights can be obtained/acquired through two ways:

### I. Use      II. Registration

In all major countries of the world including USA, obtaining trademark rights through (i) Use or (ii) Registration, are the two major legislative model of system for granting trademark rights.

#### USE MODEL

The Use model is based on the fact of Trademark Use and Ownership of trademark right depends from the time the trademark was first used.

In connection with Use Model, in order to obtain protection, it is necessary for a person/business to sell a product using the mark. Consequently trademark rights are acquired, the moment trademark is used in business/commerce.

REGISTRATION MODEL: With the growing defects in the "Use" principle, it is abandoned and shifted to adopt "registration" model.

The Registration model grants trademark rights according to registration and the first applicant will obtain trademark right.

Till today, the United States still insists on the "use" principle or doctrine and France, popularizing "registration" model. Both Use model and Registration model have advantages and disadvantages.

ACQUISITION OF TRADEMARK RIGHTS IN USA:

United States Trademark Law is mainly governed by the Common Law and the Lanham Act.<sup>(5)</sup>

Common Law trademark rights are acquired automatically when a business uses a name or logo in commerce and are enforceable in State Courts of individual States.

State Common Law has been protecting trademark owners since colonial times.

In 1946, US Congress passed Lanham Act which defined properly the trademark registration rules and Federal Trademark Protection.

Trademark owners can register their trademarks with the United States Patent and Trademark Office (USPTO / PTO) to avail protection in Federal Courts.

Both Registered Trademarks and Unregistered Trademarks are granted some degree of federal protection under the Lanham Act.

Currently Trademark Registration is protected for an initial period of 10 years. The Trademark owner may renew the registration for subsequent 10 years as long as the mark continues to be used in commerce.

ACQUISITION OF TRADEMARK RIGHTS IN INDIA:

The primary source of law governing trademark in India, is the Trade Marks Act, 1999. This statute and the Trade Marks Rules, 2017, form the basis of the regulatory regime in India.

Besides these two, the other sources of trademark rights in India include:

- I. International multilateral Conventions - like Paris Convention
- II. National Bilateral Treaties
- III. Regional Treaties
- IV. Individual Court Decisions
- V. Decisions of the Registrar of Trademarks as well as Intellectual Property Appellate Board (IIPAB)

## PROTECTABLE MATTER IN TRADEMARKS:

Trademarks form a formidable part of organization's intellectual property and valuable asset for a business. There are constant and continuous threats for both unregistered and registered trademarks in various forms:

- I. Possibility of Unfair Competition and Passing off - Competitors are always on the move to steal attractive popular brands.
  - II. Illegal/Unauthorised entry of Cybersquatters.
  - III. Misuse/Infringement of trademark by others.
  - IV. Erosion of goodwill or brand loyalty, resulting in loss of brand identity.
  - V. Emergence of high cost of litigations both in domestic and international market.
  - VI. Possibilities of Civil or Criminal Suits/Proceedings
  - VII. Constant effort regarding consumer protection from confusion and deception (cheating).
- In view of lot of emerging threats, every trademark requires constant vigil and protection.

Actually trademark protection is nothing but safeguarding intellectual property rights to protect a trademark from counterfeiting and infringement.

Generally a trademark is an established or legally registered mark that identifies a manufacturer's unique goods and services. In order to avail trademark protection trademark owner has to use the mark.

(vii) Commerce continuously.

However conscious one trademark owner may be, has to adopt certain precautionary steps as follows:

- i. Use the Trademark Correctly and Regularly.
- ii. Always be vigilant towards potential Counterfeiting or infringement.
- iii. The Rights of Trademark Holder is as follows:
  - a) Right to exclusive Use
  - b) Right to Assign
  - c) Right to seek Legal Remedies against Infringement
  - d) Right to seek Correction of Register.

Every trademark holder whether new & old, are required to know (in detail) the Rights of Trade Mark Holder/Owner.

(iv) Intellectual Property Rights including Trademark Right are geographically territorial. Trademark owner has to check properly the availability of Rights / Protection in the area/territory/country, where one wants to do business.  
Proper Study essential.

(v) While acquiring ownership right of a trademark, the holder has to thoroughly check the Commercial Value of the Company and Brand loyalty.

v) Pay Proper attention towards Civil Remedies -  
Injunctions, Damages

Criminal Remedies - Punishment and fine.

Proper protection or adopting precautionary steps enables trademark owners to safely access new markets through Licensing, franchising, Joint Ventures etc.

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## SELECTING AND EVALUATING TRADEMARK:

In today's world of commerce, trademark occupies a lion's share throughout the world. So it's very important to choose/select a proper or good trademark, distinguishing judicially the poor trademarks. There must be proper evaluation.

A good trademark will always strengthen a business in competition, while a poor trademark may lead to legal disputes, dull marketing, growing consumer dissatisfaction and reduction in brand loyalty or image. One has to be extremely careful while choosing a proper trademark. Let's follow these tips or guidelines to select a good trademark.

### 1. Avoid Trademarks That Can't be Registered:

Registering the trademark only provides protection from competitors, ensures ownership rights and makes it easier to enforce rights against infringements/counterfeiting.

### 2. Avoid Descriptive Words:

Trademarks with detailed description of the nature or quality of the goods or services, are not permitted to be registered.

### 3. Say No to Surnames:

Surnames usually can not be registered as trademarks. The mark "Wilson Power Boats" — a poor choice of trademark, because "Wilson" is a surname and the rest of the marks are descriptive.

#### 4. Avoid Words That Will Confuse Consumers:

A trademark <sup>confusingly similar to an already registered trademark</sup> cannot be registered. For example: the mark "Sun-Screen" cannot be registered if the trademark "Sun Screen" has already been registered for a similar type of product.

#### 5. Avoid ~~Similar~~, Generic Words:

Example: "green, Superior, Canadian, American, deluxe, gold, premium" - Use of generic or ornamental words should be the basis of rejection.

#### 6. Avoid the Three-Letter Acronyms and Numbers:

Acronyms and numbers are not memorable and hence not impressive, though exceptions are there — IBM, CTV, AT&T are distinctive trade marks.

#### 7. Invent Words That don't Exist; Always invent words that do not exist.

Example: Microsoft — Combination of "microcomputer" and "Software"  
Kodak, Exxon etc

#### 8. Try to Use Animal or Plant Names: Animal and plant names tend to be memorable.

Example: Apple Computers, Tiger Direct

#### 9. Strength of the Trademark Matters — Focus on the distinctiveness of the marks.

10. Choose words that are Fanciful or Arbitrary — Because strength matters most, choose words that would be strong trademarks.

Example — TIGER for Computer, ZIPPO for blankets

# TRADEMARK REGISTRATION PROCESS:

## Trademark Registration Process in USA:

The trademark owners in USA are provided with protections under Common Law, who are using the mark without governmental registration. Common Law Trademark Rights are confined to individual state and enforceable in the respective State Courts only.

The trademark owners can avail Federal Trademark Rights by registering their trademarks with United States Patent and Trademark Office (USPTO) to avail protection in Federal Courts.

The process of obtaining a Registered Trademark in the United States generally takes about Eight (8) to Ten months (8-10) till completion.

i) Examining Attorney: This is the first stage. Once a trademark application is filed with USPTO, it takes 3 to 4 months for review of Registration Application. Here an attorney of USPTO will examine the application regarding technical requirement by the USPTO.

ii) Publication: After the Examining Attorney finishes review, then the trademark is forwarded for 30 days Period of "Publication".

This 30 days time period is given so that any company can raise objections to the particular Trademark Application.

iii) Final Review: Once the 30 day Publication period is over, the application is again sent back

to the Examining Attorney for final review. At this point, the Examining Attorney will issue the Registration Certificate, which will be sent by e-mail.

### IMPORTANCE OF FEDERAL TRADEMARK REGISTRATION:

1. Registration Provides Public Notice of the Trademark.
2. Registration Provides Nationwide Coverage of the Trademark.
3. Registration also provides presumption of ownership and validity of the trademark.

### TRADEMARK REGISTRATION PROCESS IN INDIA:

Any person - individual, company, proprietor, or legal entity, claiming ownership of the trademark can apply for Registration.

The time required for completion of the registration process takes approximately 18-24 months.

Once trademark is registered and registration certificate is issued, it is valid for 10 years.

### DOCUMENTS REQUIRED:

- i. Trademark or logo copy.
- ii. Applicant's details like - Name, Address, Nationality, and for company, the state of incorporation.
- iii. Goods or Services to register.
- iv. Date of first use of the trademark in India, if already in use.
- v. Power of Attorney to be signed by the Applicant.